



ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDING SEPTEMBER 30, 2021  
VILLAGE OF WELLINGTON, FLORIDA



THE VILLAGE OF  
WELLINGTON  
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## **VILLAGE OF WELLINGTON, FLORIDA**

### **Vision**

#### **A Great Hometown:**

*Great Neighborhoods*

*Great Schools*

*Great Parks*

### **Mission**

**To provide high quality services  
that create economic, environmental  
and social sustainability for residents**

### **Five Fundamentals**

**Neighborhood Renaissance**

**Economic Development**

**Protecting our Investment**

**Respecting the Environment**

**Responsive Government**

**VILLAGE OF WELLINGTON, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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# INTRODUCTORY SECTION

**Council**

Anne Gerwig, Mayor  
John T. McGovern, Vice Mayor  
Michael Drahos, Councilman  
Michael J. Napoleone, Councilman  
Tanya Siskind, Councilwoman

**Manager**

Jim Barnes

February 9, 2022

***The Honorable Mayor, Members of the Village Council, and Residents of the Village of Wellington, Florida***

It is with pleasure that we submit to you the Annual Comprehensive Financial Report (ACFR) of the Village of Wellington ("Wellington") for the year ended September 30, 2021. This report was prepared by the Office of Financial Management and Budget in accordance with the Wellington Charter, State Statutes and U.S. generally accepted accounting principles for governments. In addition to meeting legal requirements, this report reflects Wellington's commitment to full financial disclosure. We encourage you to thoroughly read this report and some of the important items it addresses.

State law requires that a complete set of financial statements reporting Wellington's financial position and results of activities be published within nine months of fiscal year end. This report is to be presented in conformance with U.S. generally accepted accounting principles (GAAP) as applicable to governmental entities and audited by an independent firm of certified public accountants in accordance with U.S. generally accepted auditing standards.

Grau & Associates, independent auditors, have issued an unmodified opinion on the Village of Wellington's financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of Wellington on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of Wellington's financial activities have been included.

We believe the report will assist in making economic, social and political decisions and in assessing accountability to the residents by:

- ❖ comparing actual financial results with the legally adopted budget, where appropriate;
- ❖ assessing financial condition and results of operations;
- ❖ assisting in determining compliance with fiscally-oriented laws, rules and regulations; and
- ❖ assisting in evaluating the efficiency and effectiveness of Wellington's operations.

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



## ***PROFILE OF THE GOVERNMENT***

Wellington was incorporated on December 31, 1995, and municipal operations commenced on March 28, 1996. Concurrent with incorporation, the former local government – Acme Improvement District (“District”) – became a dependent district of Wellington.

The financial reporting entity includes all the funds of the primary government (the Village of Wellington, as legally defined), as well as all of its component units in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, “Defining the Reporting Entity.” Component units are legally separate entities for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause Wellington’s basic financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of the authority of the organization’s governing board. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government. Accordingly, the Acme Improvement District is reported in the governmental funds (special revenue) of the primary government as a blended component unit.

Wellington is a full-service municipality located within the boundaries of Palm Beach County. Wellington derives its government authority from a charter granted by the legislature of the State of Florida and operates under a Council-Manager form of government. The Mayor and Council Members are elected at large on a non-partisan basis for staggered four-year terms. The Wellington Council appoints the Manager who is the Chief Administrative Officer and who directs the business of Wellington and its various departments. The Wellington Council determines policy, adopts legislation, approves the budget, sets taxes and fees, and appoints the Attorney and members of various boards and committees.

Wellington provides a wide variety of community services including general government; planning, zoning and building; public safety (police protection); public works (construction and maintenance of roads, rights of way and other infrastructure; street lighting; and stormwater drainage); culture and recreation (parks maintenance, recreational activities, cultural events and related facilities); water and sewer utilities; office space leasing and solid waste collection and recycling.

Wellington currently encompasses approximately 45 square miles in the east-central portion of Palm Beach County (County) and is the 3rd largest municipality in the County based on its land area. When the District was initially created in 1953, fewer than 100 individuals resided in the area. Today, Wellington is an affluent bedroom community with an estimated current permanent population of 61,768 and a median home value of \$382,000. Projections indicate that this population will exceed 64,000 residents by the year 2024. Wellington offers tremendous diversity: the 10,000 acres north of Pierson Road consist of developments ranging from apartments to estate homes at the Polo Club and from town homes to the Aero Club where the residents have airplane hangars attached to their homes. The 10,000 acres south of Pierson Road contain one of the world’s premiere equestrian facilities, horse farms, agriculture, nurseries, and fully developed multi-million dollar 80-acre estates promoting equestrian activities. The primary sources of employment within Wellington are agriculture, retail sales, healthcare and governmental (schools and municipal).

## ***ECONOMIC CONDITION AND OUTLOOK***

The national and local economies are in recovery from the prolonged pandemic. Despite negative impacts to brick-and-mortar businesses and the inflation rate, the local economy remains positive. Sales tax revenues remained stable in 2020 and 2021, and business tax receipts declined by less than 6%. Wellington continued to experience annual increases in the average home value since 2009 and including in 2021. However, the longer

term effects of the COVID19 pandemic on local home prices may impact future years' revenues. Wellington continues to strategically invest in its Neighborhood Renaissance & Economic Development Initiatives to help the local economy and property values. Home rehabilitation and neighborhood improvement grants as well as food distribution and outreach programs are funded and managed to support local residents and maintain home values. To better gauge the return on its investment, Wellington continues to carefully seek information from all available resources to make responsible and timely fiscal decisions. The overall Consumer Price Index (CPI) for South Florida is increasing significantly from last year though it is below the national average. Consideration of the impact of these economic indicators is critical as Wellington endeavors to develop its resources and facilities to meet the demand of its residents as well as to comply with regulatory requirements and provide fiscal stability.

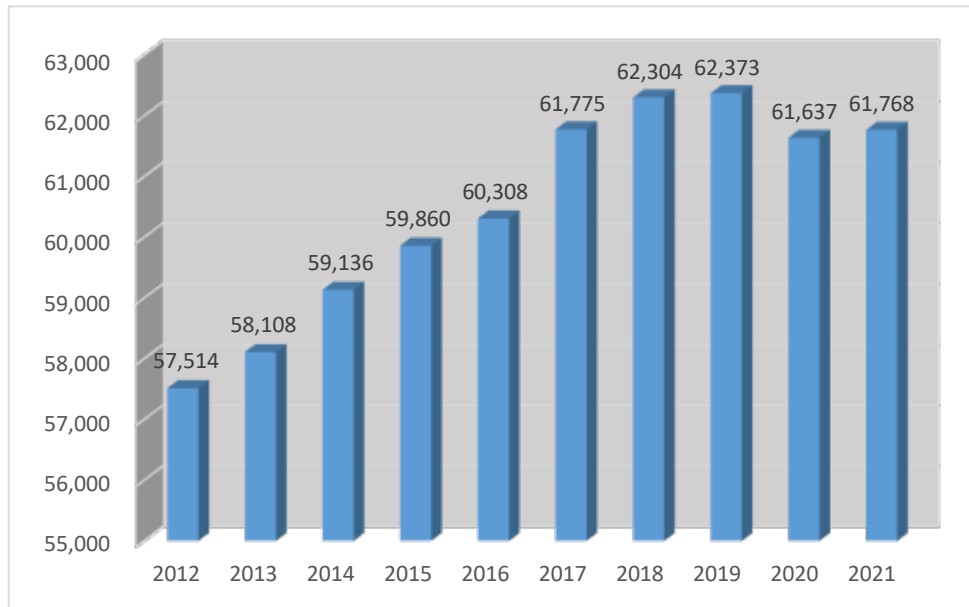
As a primarily residential community, Wellington's economic base and future revenues are expanded with added residential development. A significant development project is the Lotis project, a 64-acre mixed-use development located on the west side of State Road 7 near the Wellington Regional Medical Center. The project is expected to add retail, office, and congregated living space, as well as 191 multi-family residential units and open space elements. The project is expected to take over 2 years to complete, and will provide local employment opportunities and additional municipal revenues.

One of the region's strongest employment bases is the healthcare industry, with the Wellington Regional Medical Center, a full-service acute care community hospital, at its core. Since its inception in 1986, the hospital has added many new services and programs. Medical Center staff has worked closely with Wellington leaders to address the medical issues associated with the pandemic and provide valuable information to residents. Wellington continues to work with the private sector to bring new businesses to Wellington and retain the current businesses, including the areas of biomedical research and education.

Another important business to the western communities is the equestrian industry. As part of Wellington's economic development efforts, a master plan was created focusing on the economic impact of the industry along with a plan on how to retain, strengthen and even further expand the equestrian element. Approximately two-thirds of Palm Beach County's equestrian industry is located in the region: including horse farms, tack stores, stables and feed stores. Wellington's equestrian venues include international polo events and the annual Winter Equestrian Festival, attracting a high level of competitive participants for dressage and show jumping.

Wellington's unemployment rate stands at 3.7%, well below the national, state and county rates averaging around 5%. Wellington's population is anticipated to continue its slow expansion at less than 1% annually. Population growth for Wellington based on information obtained from Palm Beach County, the U.S. Census Bureau, the Bureau of Economic and Business Research at the University of Florida is illustrated in the following Historical Population Chart.

Wellington’s estimated 2021 permanent population of 61,768 (excluding seasonal residents) makes it the 5th largest municipality in Palm Beach County based on population.



Sources: US Census 2020 and Bureau of Economic & Business Research projections

*Note: The 2020 decrease in population results from the US Census update in 2020. Previous years' population estimates were projections based on the 2010 census and are revised to reflect the decennial update.*

## **MAJOR INITIATIVES**

### ***Long Range Financial Plan***

A long-range financial plan is prepared annually to analyze financial operating results, market conditions and update forecasts of major fund revenues and expenditures. The Plan is presented to Council each year in the spring to coincide with Directions planning workshops to help guide the budget process and capital project planning.

### ***Strategic Framework***

Since incorporation, Wellington updated its Strategic Plan and the fundamentals of the plan have evolved, but the community vision has remained relatively the same. The Strategic Plan is the guide for the annual budget and the Village’s projects, programs and initiatives and has evolved into the Strategic Framework.

The vision for Wellington was confirmed as “A Great Hometown” leading to the mission statement “To provide high quality services that create economic, environmental and social sustainability for residents.” Or more simply put, to provide services that customers need, want and are willing to pay for. The Strategic Plan implements the Vision and Mission through the five fundamentals described below and provides the basis for the departmental business plans, capital improvement plans, and the financial and business plans for Wellington. The Strategic Framework is a countdown to sustainability and a strong position for the present and future beginning with the five fundamentals.

## **Five Fundamentals**

Wellington's five fundamentals are the long-term financial and operational goals that provide the basis for annual departmental business plans which become the Budget and Capital Improvement Plan. Each fundamental has corresponding strategic initiatives for projects, programs, and key measures, all of which position Wellington for the future. Below is each fundamental designed to achieve Wellington's vision.

Protecting Our Investment – focusing on maintaining and improving Wellington's infrastructure – roads, drainage, water & sewer systems, parks and green space, and public buildings with the following initiatives:

- ❖ Utility Infrastructure Maintenance & Expansion Program
- ❖ Drainage and Flood Control Maintenance and Improvement Programs
- ❖ Road and Pathway Modification & Maintenance Programs
- ❖ Traffic Engineering
- ❖ Parks & Greenspace
- ❖ Public Facilities
- ❖ Public Schools
- ❖ Sales Surtax Projects

Neighborhood Renaissance – creating and encouraging safe neighborhoods, neighborhood revitalization and redevelopment, citizen involvement, and protecting and stabilizing property values with the following initiatives or programs:

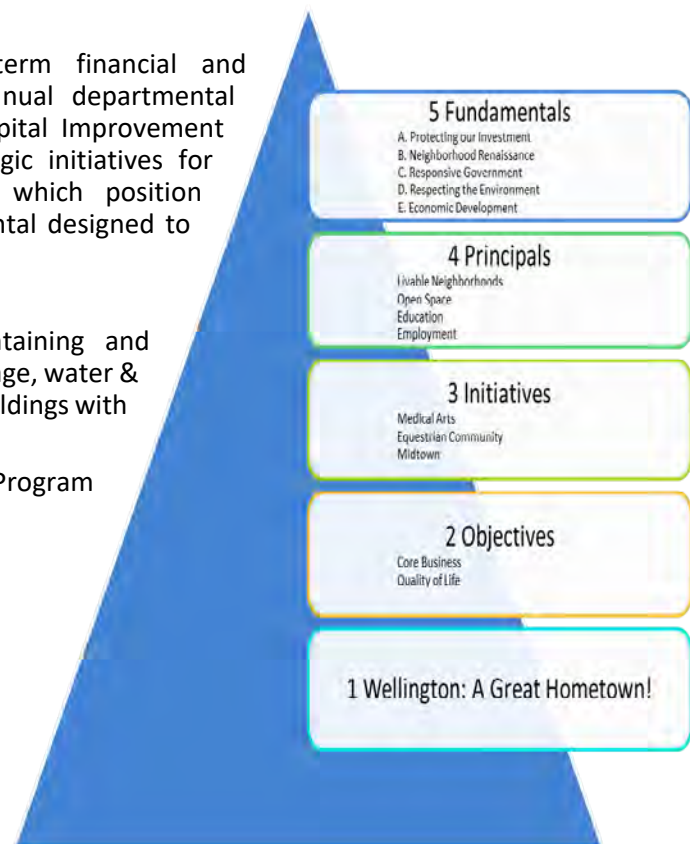
- ❖ Safe Neighborhoods
- ❖ Partnerships with Community Organizations
- ❖ Community Development Block Grant (CDBG)
- ❖ Code Compliance & Nuisance Abatement

Responsive Government – ensuring local government is responsive, open and transparent to the public and pursuing policies that are accountable to residents and stakeholders. Wellington has implemented various initiatives including:

- ❖ Recreation & Community Programming
- ❖ Emergency Management
- ❖ Pandemic Response
- ❖ Investment in Relevant Technology

Respecting the Environment – developing processes, which maintain and preserve green spaces and other natural areas and aim to provide affordable, clean, energy-saving alternatives for today's residences and businesses; continually looking for ways to reduce the environmental impact of operations and by seeking continuous improvement in our environmental management efforts, all with the goal of reducing Wellington's ecological footprint with the following initiatives

- ❖ Green Programs
- ❖ Wi-Fi Coverage



- ❖ Bicycle, Pedestrian and Alternative Transportation Plans
- ❖ Equine Waste and Environmental Program
- ❖ Key Land Acquisitions

*Economic Development* – retaining and attracting new businesses, flexible business regulations, a business-friendly economic environment, business education, equestrian branding, and supporting core business services.

- ❖ Town Center – A 23-acre site anchoring Wellington’s “Main Street” including a Gold LEED certified Village Hall, Community Center, Lakeside Promenade, Amphitheater and Event Areas.
- ❖ Equestrian Community Initiative – Designed to encourage and support this unique lifestyle
- ❖ Medical Arts District- Designed to cultivate an economic identity focused on medically-necessary development.
- ❖ Business-friendly initiatives – The business development strategy recognizes that in order to work in concert with the business community, local government must be viewed as a partner.

The two main funding objectives of Wellington’s Strategic Plan are (1) core business and (2) quality of life services. Core business is divided into “No Choice” and “Choice.” Choice services are further expanded into “Quality of Life” services. A fourth tier of funding is “Community Add-ons” which are premium selected services which exceed quality of life. Projects and programs are assigned to one of four service tiers, based on its relative priority as a municipal service and its fit with the Mission and Vision.

- ❖ No Choice Core Services – Services mandated by or affected by mandate of federal or state government
- ❖ Choice Core Services – Core services not required by law, but are a principal municipal function
- ❖ Quality of Life Services – Choice services which are provided to enhance the customer experience
- ❖ Community Add-ons – Premium selected services exceeding quality of life enhancements

The assignment of the programs and projects into these tiers serves to identify the hierarchy of Wellington’s services into essential core services or services which leaders make a choice to provide to improve customer experience. An essential element of the provision includes support services that are provided by many departmental divisions within Wellington.

Management and staff budget by priority within core and non-core services. This detail by division within the Service Business Hierarchy is the basis of Departmental Business Plans and allows for the prioritized allocation of personnel, equipment and operating resources in the annual budget process.

### **ACCOMPLISHMENTS AND FUTURE PROJECTS**

The progress toward achievement of Wellington’s vision and mission is also measured by the completed multi-department projects and individual accomplishments of each of the Village departments and divisions.

Below are some selected accomplishments over the last 12-24 months:

- ❖ Ranked 16 of the Safest Cities in Florida (SafeWise.com) in 2021
- ❖ 1 of Money Magazine’s Best Places to Retire in the US
- ❖ Received the CAPRA certification for Parks & Recreation
- ❖ Recertification for the Tree City USA & Growth Award for 2021
- ❖ 2021 Utility of the Future; 1 of 39 across the nation
- ❖ 2021 Distinguished Service Award Recipient for Special Safety Traffic Initiatives
- ❖ Safety Council of Palm Beach County Award of Merit for Workplace Safety

- ❖ Safety Council of Palm Beach County Award of Merit Vehicle Safety
- ❖ The Purchasing Division received the National Institute of Governmental Purchasing's Outstanding Agency Accreditation Achievement Award for 2018-2021
- ❖ Recertification for Tree City USA & Growth Award for FY 2021
- ❖ Read for the Record- 1st place in municipality size
- ❖ Repaired approximately 42,000 feet of concrete sidewalk
- ❖ Resurfaced approximately 20 lane miles of roadway.
- ❖ Expanded remote operations technology

Completed the following projects during 2021:

- ❖ Implementation and upgrade new ERP modules, integrated with GIS, during the pandemic
- ❖ Upgrade and migration to new recreation program software
- ❖ Implementation of tennis court reservation software
- ❖ Upgrade and additions to camera security system
- ❖ Community Services building technology reconditioning
- ❖ Comprehensive Parks and Recreation Master Plan
- ❖ Skate Park renovation
- ❖ Town Center Promenade playground
- ❖ Greenview Shores Park Sports Complex and programming
- ❖ Village Park Field 21 renovation
- ❖ Upgraded concession buildings and bathrooms at Olympia and Tiger Shark Cove Parks

The following capital projects are planned for the next fiscal year:

- ❖ Town Center Phase II
- ❖ Tennis Center Expansion
- ❖ Sheriff Substation Planning & Design
- ❖ Water Treatment Plant and Water Reclamation Renewal & Replacement
- ❖ Communications & Technology Investment

## ***FINANCIAL INFORMATION & RELEVANT FINANCIAL POLICIES***

### ***Accounting and Administrative Controls***

Wellington's internal control structure is designed to ensure that Wellington's assets are protected against loss from theft, unauthorized use, or disposition and to ensure that adequate and reliable financial records are available for preparing financial statements in conformity with U.S. generally accepted accounting principles. The internal controls provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework and it is our belief that Wellington's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.



### ***Budgetary Control***

Wellington adopts fiscal year budgets for all funds and maintains budgetary controls with the objective being to ensure compliance with legal provisions contained in the annual appropriated budget approved by the Council. The level of budgetary control is established at the department level. The Wellington Manager or designee is authorized to transfer budgeted amounts within departments of any fund, while revisions that alter the budgeted totals of any fund require approval of the Council. Monthly budget reports are prepared in detail for each department, with actual revenues and expenditures being compared with appropriated revenues and estimated expenditures. Corrective actions are initiated as necessary to maintain budgetary compliance.

As demonstrated by the budgetary comparison schedules included in the required supplementary information and other supplementary information sections of this Annual Comprehensive Financial Report, Wellington continues to meet its responsibility for sound financial management practices.

### ***Capital Financing***

In conjunction with the operating budget, the Manager annually presents a program to provide for improvements to Wellington's public facilities for the ensuing fiscal year and next four years, along with proposals for the financing of these improvements. This five-year plan is called the Capital Improvement Program. The first year of the program constitutes the capital budget for the coming fiscal year; the remaining years are used as a planning guide. The program allocates funding over five years for Wellington's roads, park development, public works projects, and new equipment. Wellington's Capital Improvement Program for fiscal years 2021 through 2025 calls for expenditures approximating \$37.7 million in the governmental funds and approximately \$74.6 million in the enterprise funds.

### ***Reserves and Surplus***

One of the primary reasons the Council and staff feels they were able to and will continue to respond effectively to potential future financial obstacles, which may include additional legislative reform, decreasing revenues and declining property values despite increased cost for products and services, is the strong financial position of Wellington.

Wellington has decided to use some of its past surplus and reserves as follows:

- ❖ To fund capital projects on a pay-as-you-go basis.
- ❖ To reserve up to \$3 million for possible future storm event expenditures.
- ❖ To fund a facility and infrastructure reserve.
- ❖ To fund a millage rate stabilization account to offset the need for future rate increases.
- ❖ To supply funds for renewal and replacement of capital projects and equipment.
- ❖ To fund an insurance reserve for future rate increases.
- ❖ To reduce/pay off debt for future debt service savings.
- ❖ To fully fund Other Postemployment Benefits (OPEB).

The Council has set a target for unassigned fund balance between 25% and 30%. The unassigned fund balances are generally considered a necessary function of sound fiscal management for a variety of reasons:

- ❖ A time lag in the first quarter in the collection of property taxes (including assessments) in each year.
- ❖ Unforeseen activities and regulatory mandates during the course of the year.
- ❖ Natural disasters, such as hurricanes; these can not only affect spending, but tend to impact the local and even national economy, thereby affecting revenues.

- ❖ Increases in expenditures: there exists a potential for increases to anticipated expenditures based on bid results, litigation, contract renewals, additional services, etc.
- ❖ Gap in the timing of the receipts of borrowed funds, intergovernmental revenues, and other sources of funds.

### ***Debt Service Administration***

In Florida, there is no legal debt limit. All general obligation debt pledging payment from ad valorem taxes must be approved by referendum, unless it is to refund outstanding debt. Article VII, Section 12, of the Florida State Constitution states “Counties, school districts, municipalities, special districts, and local governmental bodies with taxing powers may issue bonds, certificates of indebtedness, or any form of tax anticipation certificates payable from ad valorem taxes and maturing more than twelve months after issuance only to finance or refinance capital projects authorized by law and only when approved by vote of the electors ...” Wellington has no general obligation debt outstanding.

All applicable debt covenants such as ratios of net income to debt service, sinking funds and insurance coverage have been met or exceeded. Wellington has an underlying bond rating of Aa1 from Moody’s Investors Services and AA+ from Fitch based on the financial stability of Wellington.

### ***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 Village of Wellington, Florida, for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such Annual Comprehensive Financial 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 Village of Wellington has received the Certificate of Achievement for the last twenty-five consecutive years (1996-2020). We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

The GFOA has also given an award for Outstanding Achievement in Popular Annual Financial Reporting to Wellington for its Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2020. This award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local governmental popular reports. In order to receive this award, a government must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Financial Reporting is valid for a period of one year only. This is the eleventh year this award has been received by Wellington.

Preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of Financial Management and Budget. Their technical expertise and concerted efforts were truly evident in the audit process. Their assistance and cooperation have allowed us to prepare, on a timely basis, a report which gives its readers a comprehensive view of Wellington’s financial and economic position.

We also extend our sincere appreciation to the independent certified public accounting firm of Grau & Associates for the professionalism and cooperation shown during the performance of the engagement and the expertise shown in financial reporting for government entities. We believe that this report reflects the sound financial position of Wellington.

We would like to thank the Mayor, the Council, and the residents of Wellington for their interest and support toward the planning and administration of the financial operations of Wellington in a responsible, progressive manner. With this support, we have been able to maintain a high degree of fiscal health and responsibility for Wellington in our challenging environment.

Respectfully submitted,



Ana A. Acevedo, CPA

Director of Financial and Administrative Services

## *Elected Officials*



Anne Gerwig

**Mayor**



John T. McGovern

**Vice-Mayor**



Tanya Siskind

**Councilwoman**



Michael Drahos

**Councilman**



Michael J. Napoleone

**Councilman**

***Village Manager***

*Jim Barnes, AICP, ICMA-CM*

***Deputy Village Manager***

*Tanya W. Quickel*

***Assistant Village Manager***

*Ed DeLaVega*

***Village Clerk***

*Chevelle Addie*

***Village Attorney***

*Laurie Cohen, Esq.*

### Key Personnel

***Chief Information Officer***

*William Silliman*

***Village Engineer***

*Jonathan Reinsvold*

***Utilities Director***

*Shannon Larocque*

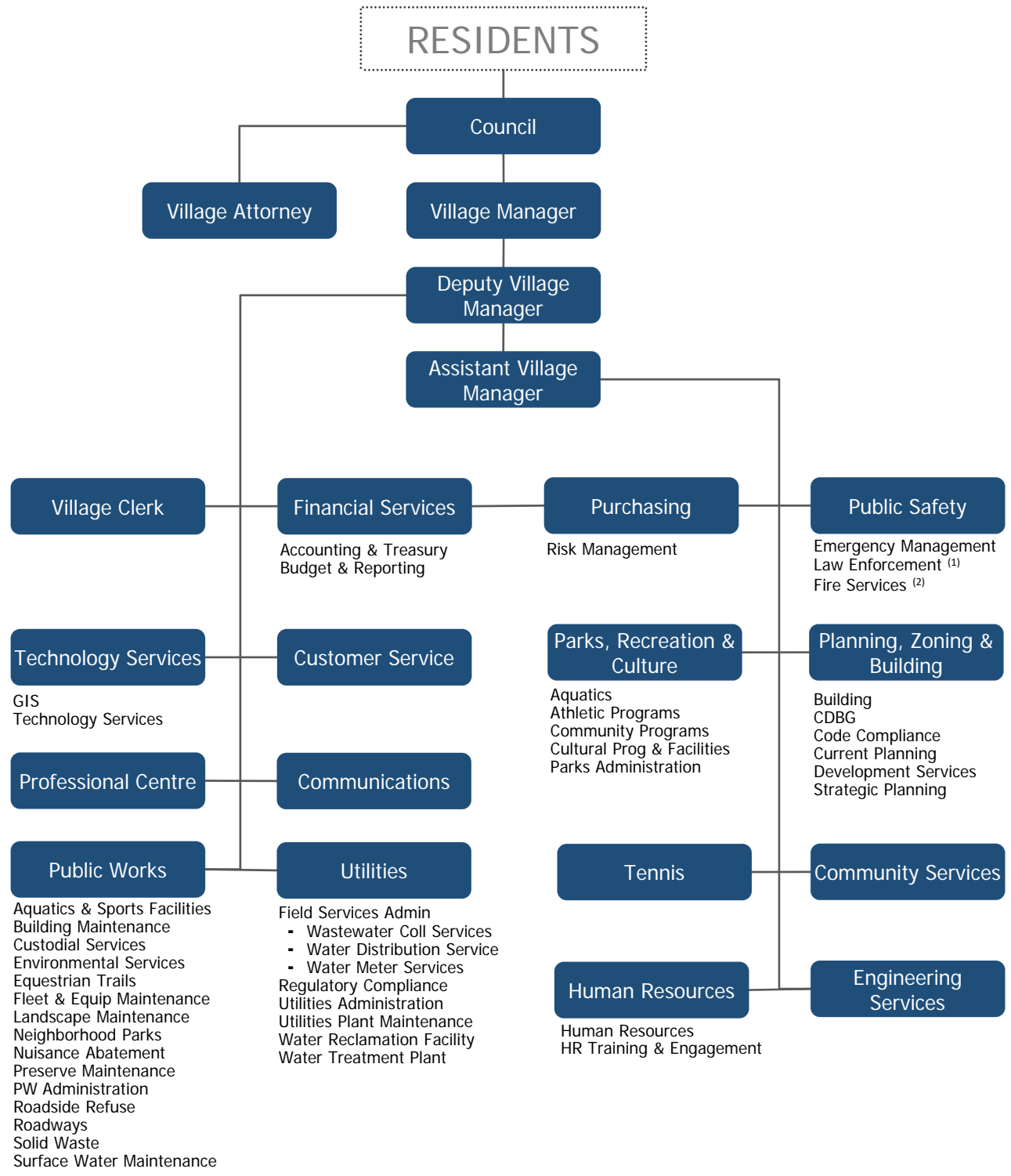
***Parks and Recreation Director***

*Eric Juckett*

***Public Works Director***

*Bruce Wagner*

# Village Divisions



<sup>1</sup> Law Enforcement contracted with PBSO  
<sup>2</sup> Fire Services provided by PBCFR via MSTU



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Wellington  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO





# FINANCIAL SECTION



## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the  
Village Council  
Village of Wellington, 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 Village of Wellington, Florida (the "Village") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Village'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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to 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 Village as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the Village's proportionate share of the net pension liability, schedule of contributions, and schedule of changes in net other post-employment benefits liability for other post-employment benefits, and condition rating of the street system 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 Village's basic financial statements. The information for compliance with Florida Statutes 218.39(3)(c ), introductory section, combining and individual non-major fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections and the information for compliance with Florida Statute 218.39(3)(c ) have not been subjected to 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 February 9, 2022, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



February 9, 2022

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

The Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of financial activities based on currently known facts, decisions, and conditions. It is intended to provide a broad overview and short-term and long-term analysis of activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of financial activity, identify changes in financial position (the ability to address subsequent years' challenges), identify material deviations from the approved budget, and identify individual fund issues.

The information contained within this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and the other Required Supplementary Information that is provided in addition to this MD&A.

**FINANCIAL HIGHLIGHTS**

- ❖ The assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$402 million (net position), which remained constant from the prior year. Of this amount, \$60.2 million is in unrestricted net position, which is available to meet the ongoing commitments to citizens and creditors.
- ❖ Net investment in capital assets accounts for \$290 million of total net position of \$402 million.
- ❖ Net position of governmental activities increased \$1.4 million or 1%.
- ❖ Government-wide total revenues were \$96.6 million, while government-wide total expenses were \$96.8 million. Total revenues remained constant while total expenses increased 7% or \$6.7 million.
- ❖ Governmental activities generated \$69.2 million in revenue with \$70.7 million in expenses.
- ❖ Business-type activities generated \$27.5 million in revenue with \$26.1 million in expenses.
- ❖ Governmental funds ended the year with a combined fund balance of \$82.1 million, which is an increase of 7% or \$5.2 million from the prior year. Of that amount, the unassigned portion is \$16.5 million, a decrease of \$2.9 million, or 15% from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

In addition to this discussion and analysis, the financial section of this annual report contains the basic financial statements, required supplementary information, and other supplementary information including combining statements and schedules of non-major funds. The basic financial statements are comprised of three components: 1) government- wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to these basic financial statements, this report also contains other supplementary information.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities and deferred inflows of resources, 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 is improving or deteriorating. Other

factors should be considered, however, such as the condition of capital assets (roads, utility infrastructure, buildings, etc.) to assess Wellington’s financial health.

The Statement of Activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Wellington’s government-wide financial statements are divided into two categories:

- ❖ Governmental activities—Most of Wellington’s basic services are included here, such as public works, public safety, parks and recreation, drainage and flood control, and general administration. Property taxes, charges for services, and operating and capital grants fund most of these activities.
- ❖ Business-type activities—Wellington charges fees to customers to help cover the costs of certain services it provides. Wellington’s utility system (water and wastewater services), solid waste services and Lake Wellington Professional Centre are included here.

The government-wide financial statements can be found on pages 12-14 of this report.

### ***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds – not Wellington as a whole. Wellington, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. 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. Wellington’s funds can be divided into the following categories, which use different accounting approaches:

*Governmental funds:* Used to report basic services. These funds focus on near-term inflows and outflows of spendable resources and the balances of spendable resources available at year-end. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Five major funds are reported individually in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balances. The remaining governmental funds are reported as a combined total. Major governmental funds for the year ended September 30, 2021 are:

- ❖ General Fund
- ❖ Building Special Revenue Fund
- ❖ Acme Improvement Special Revenue Fund
- ❖ Debt Service Fund
- ❖ Surtax Fund

The basic governmental fund financial statements can be found on pages 15-20 of this report.

*Proprietary funds:* Used to account for revenues and expenses from services provided on a user-charge basis to the public. Proprietary fund activities provide the same type of information as the government-wide financial statements, only in more detail. This is similar to that found in the private sector and provides a periodic measurement of net income. Proprietary activities are accounted for in enterprise funds for water and wastewater operations, solid waste collection and recycling and the Lake Wellington Professional Centre operations. The Utility System fund and Solid Waste fund were the only Major enterprise fund for the year ended September 30, 2021.

The basic proprietary fund financial statements can be found on pages 21-24 of this report.

*Fiduciary funds:* Used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Wellington's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25-26 of this report.

### ***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government- wide and fund financial statements.

The notes to the financial statements can be found beginning on page 27 of this report.

### ***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This information includes budgetary comparisons for the general fund and major special revenue funds; pension schedules; schedule of funding progress for Other Post-Employment Benefits; as well as statistical information on the assessed condition of the road system and on budgeted road maintenance expenses.

Required supplementary information begins on page 58 of this report.

The budgetary comparison schedule for the major capital project fund, major debt service fund and the nonmajor governmental funds along with the combining statements are presented immediately following the required supplementary information.

These schedules begin on page 69 of this report.



## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Wellington, net position totaled \$402 million at the close of the most recent year.

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 93,112,809	\$ 90,841,547	\$ 50,572,138	\$ 70,853,672	\$ 143,684,947	\$ 161,695,219
Capital assets	153,733,741	159,165,856	156,147,773	143,762,057	309,881,514	302,927,913
<b>Total Assets</b>	<b>246,846,550</b>	<b>250,007,403</b>	<b>206,719,911</b>	<b>214,615,729</b>	<b>453,566,461</b>	<b>464,623,132</b>
Other postemployment benefit	422,422	459,557	111,070	122,161	533,492	581,718
Pension	5,188,493	7,240,579	1,072,101	1,597,041	6,260,594	8,837,620
<b>Total Deferred Outflows of Resources</b>	<b>5,610,915</b>	<b>7,700,136</b>	<b>1,183,171</b>	<b>1,719,202</b>	<b>6,794,086</b>	<b>9,419,338</b>
Noncurrent liabilities	14,719,275	29,271,279	19,183,839	23,919,920	33,903,114	53,191,199
Other liabilities	6,865,652	10,120,105	3,018,930	8,021,012	9,884,582	18,141,117
<b>Total Liabilities</b>	<b>21,584,927</b>	<b>39,391,384</b>	<b>22,202,769</b>	<b>31,940,932</b>	<b>43,787,696</b>	<b>71,332,316</b>
Pension	11,702,012	715,463	2,956,411	145,963	14,658,423	861,426
Other postemployment benefit	225,998	61,704	64,487	15,412	290,485	77,116
<b>Total Deferred Inflows of Resources</b>	<b>11,928,010</b>	<b>777,167</b>	<b>3,020,898</b>	<b>161,375</b>	<b>14,948,908</b>	<b>938,542</b>
Net Position:						
Net investment in capital assets	151,228,741	156,470,856	139,110,413	125,555,240	290,339,154	282,026,096
Restricted	30,947,521	27,193,033	20,184,884	28,706,804	51,132,405	55,899,837
Unrestricted	36,768,266	33,875,099	23,384,118	29,970,580	60,152,384	63,845,679
<b>Total Net Position</b>	<b>\$ 218,944,528</b>	<b>\$ 217,538,988</b>	<b>\$ 182,679,415</b>	<b>\$ 184,232,624</b>	<b>\$ 401,623,943</b>	<b>\$ 401,771,612</b>

Total assets in governmental activities decreased primarily due to the Wellington High School sports complex conveyance to the Palm Beach County School Board.

For business-type activities, current assets decreased primarily due to investment draws for capital projects and unrealized loss on the investment portfolio. Capital assets increased for CIP projects related to the water and wastewater improvements. Other liabilities decreased due to accrued payables from the prior year related to the water and wastewater plant renovation.

The change in noncurrent liabilities and deferred inflows of resources in governmental and business-type activities is primarily due to a difference between the actual and projected earnings in the Florida Retirement System Plan. The plan generated net investment income of \$47 billion, of which a portion is allocated to Wellington.

The largest portion of net position (72%) reflects its net investment in capital assets. Wellington uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending.

Restricted net position of \$51.1 million is reported in both the governmental and business-type activities. These restricted amounts have limits on their use that are externally imposed (gas tax, impact fees, and bond covenants) and imposed by enabling legislation (building and surtax activities). These resources can be used only for future construction; building activities; road capital and maintenance; or debt service activities. Of that restricted amount, \$3.7 million is specifically for the coronavirus relief funding and can only be used for expenditures that were approved in the ruling. The remaining unrestricted net position may be used to meet the government's ongoing operations.

Overall, the Village's net position decreased from prior fiscal year. The reasons for this change are explained in the next section.

### Wellington's Change In Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 16,712,364	\$ 16,481,131	\$ 26,081,615	\$ 25,505,773	\$ 42,793,979	\$ 41,986,904
Operating grants and contributions	5,535,810	1,481,179	9,709	-	5,545,519	1,481,179
Capital grants and contributions	1,159,345	866,210	575,190	4,427,046	1,734,535	5,293,256
General revenues:						
Property taxes	21,021,227	20,628,009	-	-	21,021,227	20,628,009
Other taxes	15,777,628	14,870,934	-	-	15,777,628	14,870,934
State shared revenue	7,880,643	6,694,737	-	-	7,880,643	6,694,737
Investment earnings	111,468	2,324,881	(28,479)	2,037,253	82,989	4,362,134
Other	966,296	206,353	814,545	887,784	1,780,841	1,094,137
<b>Total Revenues</b>	<b>69,164,781</b>	<b>63,553,434</b>	<b>27,452,580</b>	<b>32,857,856</b>	<b>96,617,361</b>	<b>96,411,290</b>
<b>Program expenses including indirect expenses:</b>						
General government	18,647,057	22,076,325	-	-	18,647,057	22,076,325
Public safety	14,377,870	15,213,948	-	-	14,377,870	15,213,948
Physical environment	7,495,122	9,950,155	-	-	7,495,122	9,950,155
Economic environment	1,568,258	1,719,540	-	-	1,568,258	1,719,540
Transportation	4,926,166	4,779,912	-	-	4,926,166	4,779,912
Culture and recreation	10,513,776	10,449,625	-	-	10,513,776	10,449,625
Contributions	13,058,530	-	-	-	13,058,530	-
Interest on debt	74,113	79,686	-	-	74,113	79,686
Water and wastewater	-	-	20,948,966	21,083,740	20,948,966	21,083,740
Solid waste	-	-	4,487,765	4,050,260	4,487,765	4,050,260
Lake Wellington Professional Centre	-	-	667,407	643,475	667,407	643,475
<b>Total expenses</b>	<b>70,660,892</b>	<b>64,269,191</b>	<b>26,104,138</b>	<b>25,777,475</b>	<b>96,765,030</b>	<b>90,046,666</b>
Change in net position before transfers	(1,496,111)	(715,757)	1,348,442	7,080,381	(147,669)	6,364,624
<b>Transfers in (out)</b>	<b>2,901,651</b>	<b>2,675,419</b>	<b>(2,901,651)</b>	<b>(2,675,419)</b>	<b>-</b>	<b>-</b>
Change in net position	1,405,540	1,959,662	(1,553,209)	4,404,962	(147,669)	6,364,624
Beginning net position	217,538,988	215,579,326	184,232,624	179,827,662	401,771,612	395,406,988
<b>Ending net position</b>	<b>\$ 218,944,528</b>	<b>\$ 217,538,988</b>	<b>\$ 182,679,415</b>	<b>\$ 184,232,624</b>	<b>\$ 401,623,943</b>	<b>\$ 401,771,612</b>

### Governmental Activities

During the current fiscal year, net position for governmental activities increased \$1.4 million from the prior fiscal year for an ending balance of \$219 million.

Revenues increased from prior year by \$5.6 million or 9%. Key elements of this increase are as follows:

- ❖ Operating grants and contributions increased \$4 million primarily due to the coronavirus relief funds and reclassification of the CDBG grant.
- ❖ Capital grants and contributions increased 34% mainly due to additional transportation grants.
- ❖ Investment earnings decreased \$2.2 million due to unrealized loss of approximately \$1.5 million and lower rates due to the COVID pandemic.
- ❖ Other revenue increased \$760,000 primarily due to \$300,000 in donated assets, \$138,000 in gain on disposal in capital assets, \$140,000 in Palm Beach County CARES funding and \$201,000 for the Wellington High School track resurface reimbursement.

Expenses increased by \$6.4 million or approximately 10%. Key elements of this increase are as follows:

- ❖ General government decreased \$3.4 million or 16% primarily due to FRS and compensated absences.

- ❖ Physical environment decreased \$2.5 million or 25% primarily due to a reduction in capital asset depreciation from fully depreciated asset.
- ❖ Contributions increased \$13 million as a result of the Wellington High School sports complex conveyance to the Palm Beach County School Board.

### ***Business-type Activities***

The net position for Business-type activities decreased \$1.6 million from the prior fiscal year for an ending balance of \$183 million.

Revenues decreased by approximately \$5.4 million or 16% over the prior year. Key elements of this decrease are as follows:

- ❖ Capital grants and contributions decreased overall by \$3.9 million primarily due to a decrease in capacity charges for major building permits of \$1.2 million and donated capital assets of \$2.4 million, which were higher in the prior fiscal year.
- ❖ Investment earnings decreased \$2.1 million due to a reduction in investments to cover planned expenditures and lower rates due to the COVID pandemic.

Expenses for business-type activities remained constant from the prior year.

### ***GOVERNMENT FUNDS FINANCIAL ANALYSIS***

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

At September 30, 2021, Wellington's governmental funds reported combined ending fund balances of \$82.1 million, an increase of \$5.2 million from prior year.

The unassigned fund balance of \$16.5 million is available for spending at Wellington's discretion. The remainder of fund balance of \$65.6 million is either nonspendable (\$1 million), has already been assigned to liquidate contracts, capital projects, purchase orders, and subsequent year's budget appropriation of fund balance (\$21 million), restricted for capital improvements or special purposes (\$31 million), or committed for future emergencies, insurance reserves, infrastructure, or rate stabilization (\$13 million).

The General fund is the main operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16.5 million, while the total fund balance was \$43.9 million. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total general fund expenditures, including transfers. Unassigned fund balance represents approximately 36% of total 2022 general fund budgeted expenditures. Revenues in the general fund were \$48.1 million, which represents an increase of \$3 million from the prior year. The increase in revenue is attributable to the coronavirus relief funds. Expenditures in the general fund were \$41.9 million, which represents a decrease of approximately \$640,000 from the prior year.

The Building fund is used to account for the building, permitting and inspection activities. At the end of the current fiscal year, \$9 million was restricted for future building department expenditures. Building permit fees may only be used for expenditures related to building and inspection services. Revenues for the fund were \$5.7 million, an increase of \$400,000 from prior year. The increase in revenue was mainly due to building permits. Expenditures were \$3.3 million, which represents a decrease of \$800,000 from prior year. The decrease in expenditures are primarily due to capital outlay purchased in the prior year.

The Acme improvement fund accounts for the operations of the Acme Improvement District, a dependent special district of Wellington, related to surface water management facilities. At the end of the fiscal year total fund balance was \$2.8 million, which is restricted for future expenditures. Revenues and expenditures for the fund remained relatively the same in both years.

The Surtax fund accounts for the voter approved one-cent sales surtax program. At the end of the fiscal year total fund balance was \$7.4 million, which is restricted for capital projects that meet the criteria set by the surtax program. Revenues in the surtax fund were \$5 million and remained constant from the prior year. Expenditures were \$8 million and remained constant from the prior year.

The Debt Service fund accounts for the payment of interest and principal on long-term debt. Revenue and expenditures for the fund remained relatively the same in both years.

**Proprietary Funds**

Wellington’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 funds was \$23.4 million; \$18.8 million for the Utility System, \$3.3 million for Solid Waste, and \$1.3 million for the Lake Wellington Professional Centre. Total net position for these funds were \$182.7 million, representing an decrease of \$1.6 million, or 1%.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget is \$1 million, excluding transfers, and are primarily comprised of carryforwards.

The most significant differences between final budget and actual results were as follows:

<u>Revenue source</u>	<u>Budgeted revenues</u>	<u>Actual revenues</u>	<u>Difference</u>
Grants	\$ 384,569	\$ 4,044,643	\$ 3,660,074

<u>Expenditures</u>	<u>Budgeted expenditures</u>	<u>Actual expenditures</u>	<u>Difference</u>
General government	\$ 20,748,823	\$ 19,095,516	\$ 1,653,307

- ❖ Revenues were more than budgeted due to higher grant revenue of \$3.7 million. The increase in grant revenue is mainly due to the coronavirus relief funds that was recognized during the fiscal year.
- ❖ General government expenditures were \$1.7 million less than budgeted:
  - Technology purchases were lower than anticipated by \$318,000 for projects not completed at year-end due to COVID.
  - Communications had savings of approximately \$107,000 due to specialized training and photography for Council members that was not utilized due to COVID.
  - Personnel expenditures had savings of approximately \$360,000 due to unfilled positions and a reduction in insurance expense.
  - Building Maintenance had savings in major maintenance of \$208,000.

Additional information on budgetary comparisons can be found on page 58 of this report.

### Capital Asset Activity

Wellington's investment in a variety of capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$310 million. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress.

Wellington's Capital Assets						
(net of accumulated depreciation)						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Land	\$ 20,053,844	\$ 20,053,843	\$ 9,579,678	\$ 9,579,677	\$ 29,633,522	\$ 29,633,520
Buildings	25,576,000	26,885,168	5,768,904	6,081,628	31,344,904	32,966,796
Improvements	22,778,376	20,055,824	3,410,394	3,887,932	26,188,770	23,943,756
Machinery and equipment	5,837,894	6,538,504	3,037,767	3,403,041	8,875,661	9,941,545
Water and wastewater plant	-	-	80,543,426	35,790,161	80,543,426	35,790,161
Infrastructure	78,005,840	78,005,840	45,567,667	44,834,757	123,573,507	122,840,597
Construction in progress	1,481,787	7,626,677	8,239,937	40,184,861	9,721,724	47,811,538
Total	\$ 153,733,741	\$ 159,165,856	\$ 156,147,773	\$ 143,762,057	\$ 309,881,514	\$ 302,927,913

Major capital projects completed during the current fiscal year included the following:

- ❖ Greenview Shores Park Sports Complex
- ❖ Village Park Field 21 Renovation
- ❖ Upgraded Concession Buildings and Bathrooms at Olympia and Tiger Shark Cove Parks
- ❖ Water Treatment & Water Reclamation Renewal and Replacement

Additional information on capital assets can be found on page 68 and in Note 5 of this report.

### Long-Term Debt Activity

At the end of the current fiscal year, Wellington had total long-term debt outstanding of \$33.9 million. Governmental activities debt of \$2.5 million is related to a special assessment bond issued to finance the Saddle Trail Improvement Project. An additional \$2.7 million for compensated absences and \$9.5 million for net pension liability is also outstanding. Business-Type activities debt of \$19.2 million is comprised of \$17 million for the Utility Water and Wastewater loan, \$600,000 for compensated absences and \$1.5 million for net pension liability. Additional information on long-term debt can be found in Note 6 of this report.

Wellington's Outstanding Debt						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Revenue bonds and loans	\$ 2,505,000	2,695,000	\$ 17,037,360	\$ 18,160,130	\$ 19,542,360	\$20,855,130
Compensated absences	2,708,160	2,779,241	600,165	557,741	3,308,325	3,336,982
Net pension liability	9,506,115	23,797,038	1,546,314	5,202,049	11,052,429	28,999,087
Total	\$ 14,719,275	\$ 29,271,279	\$ 19,183,839	\$ 23,919,920	\$ 33,903,114	\$ 53,191,199

### ***Economic Factors***

The State of Florida, by constitution, does not have a personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments primarily rely on property taxes and fees to fund their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring grants. As a predominantly residential community, the economic environment of Wellington is dependent upon that of South Florida and particularly Palm Beach County.

The major economic influences in this area are the cost of housing (including housing values, foreclosure rates, insurance, taxes and interest rates), the regional job market, new construction, weather events and retail activity. Consideration of the impact of these economic indicators is critical as Wellington endeavors to develop its resources and facilities to meet the demand of its residents as well as to comply with regulatory requirements.

Additional economic factors that can have a significant impact on Wellington include inflation, weak economic growth, natural disasters, commodities prices and increasing property insurance rates.

While property taxes are important, they represent only 31% of governmental funds revenue, excluding other financing sources and uses. Another 37% comes from local option taxes, utility service taxes, communication services taxes, franchise fees and state revenue sharing. Impact fees, local business tax receipts, permits and fees, charges for services, fines and forfeitures, investment income and miscellaneous income total 17%. Additionally, special assessments levied total approximately 9% and grants total another 7%. Wellington monitors all of its resources and determines the need for program adjustments or fee increases accordingly.

### ***Next Year's Budget and Rates***

The operating millage rate of 2.47 mills for fiscal year 2022 remained the same as the prior fiscal year. This millage resulted in a total property tax budget of approximately \$21.8 million, an increase of \$1,000,000 or 5% from the property tax budget for the prior year. The Surface Water Management Assessment rate remained unchanged for a total of \$230 per unit. The Solid Waste Assessment increased to \$171 per curbside unit and \$121 per containerized unit. Additional information regarding the adoption of the annual budget can be found on page 61 of this report.

This financial report is designed to provide a general overview of Wellington's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to:

***Office of Financial Management and Budget  
12300 Forest Hill Boulevard  
Wellington, FL 33414  
561-791-4000  
[www.wellingtonfl.gov](http://www.wellingtonfl.gov)***

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# Basic Financial Statements



# VILLAGE OF WELLINGTON, FLORIDA

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
<b>ASSETS</b>			
Cash	\$ 8,814,627	\$ 1,985,439	\$ 10,800,066
Investments	75,024,451	27,005,365	102,029,816
Receivables (net)	1,680,530	2,866,392	4,546,922
Internal balances	152,928	(152,928)	-
Due from other governments	3,103,520	25,787	3,129,307
Prepaid expenses	660,810	60,296	721,106
Inventories	9,521	99,794	109,315
Deposits	51,989	20,467	72,456
Restricted assets:			
Cash	-	1,351,880	1,351,880
Investments	-	17,037,360	17,037,360
Net other postemployment benefit asset	1,225,707	272,286	1,497,993
Long-term assessment receivable	2,156,667	-	2,156,667
Long-term note receivable	232,059	-	232,059
Capital assets:			
Capital assets not being depreciated	99,541,471	17,819,615	117,361,086
Capital assets being depreciated, net	54,192,270	138,328,158	192,520,428
Total assets	<u>\$ 246,846,550</u>	<u>\$ 206,719,911</u>	<u>\$ 453,566,461</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Other postemployment benefit	422,422	111,070	533,492
Pension	5,188,493	1,072,101	6,260,594
Total deferred outflows of resources	<u>5,610,915</u>	<u>1,183,171</u>	<u>6,794,086</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 4,538,362	\$ 1,588,228	\$ 6,126,590
Escrows and deposits	1,166,585	-	1,166,585
Contracts and retainage payable	119,518	1,297,936	1,417,454
Due to other governments	54,964	3,759	58,723
Deposits payable from restricted assets	-	44,929	44,929
Unearned revenue	955,536	40,278	995,814
Accrued interest payable	30,687	43,800	74,487
Noncurrent liabilities:			
Due within one year:			
Bonds payable	195,000	-	195,000
Loans payable	-	1,157,901	1,157,901
Compensated absences	1,182,928	285,610	1,468,538
Due in more than one year:			
Bonds payable	2,310,000	-	2,310,000
Compensated absences	1,525,232	314,555	1,839,787
Loans payable	-	15,879,459	15,879,459
Net pension liability	9,506,115	1,546,314	11,052,429
Total liabilities	<u>21,584,927</u>	<u>22,202,769</u>	<u>43,787,696</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension	11,702,012	2,956,411	14,658,423
Other postemployment benefit	225,998	64,487	290,485
Total deferred inflows of resources	<u>11,928,010</u>	<u>3,020,898</u>	<u>14,948,908</u>
<b>NET POSITION</b>			
Net investment in capital assets	151,228,741	139,110,413	290,339,154
Restricted for:			
Debt service	269,852	-	269,852
Building department	9,015,000	-	9,015,000
Surfacewater management	2,777,082	-	2,777,082
Road capital and maintenance	2,694,877	-	2,694,877
Capital projects	12,502,421	20,184,884	32,687,305
Coronavirus relief funds	3,688,289	-	3,688,289
Unrestricted	36,768,266	23,384,118	60,152,384
Total net position	<u>\$ 218,944,528</u>	<u>\$ 182,679,415</u>	<u>\$ 401,623,943</u>

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

# VILLAGE OF WELLINGTON, FLORIDA

## STATEMENT OF ACTIVITIES YEAR ENDED SEPTEMBER 30, 2021

Function/Program Activities	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 18,647,057	814,890	\$ 3,688,288	\$ -
Public safety	14,377,870	6,800,544	-	1,480
Physical environment	7,495,122	6,084,246	-	9,991
Economic environment	1,568,258	-	286,168	-
Transportation	4,926,166	121,915	1,561,354	847,874
Culture and recreation	10,513,776	2,890,769	-	300,000
Contributions	13,058,530	-	-	-
Interest on long-term debt	74,113	-	-	-
Total governmental activities	<u>70,660,892</u>	<u>16,712,364</u>	<u>5,535,810</u>	<u>1,159,345</u>
<b>Business-type activities:</b>				
Utility system	20,948,966	22,708,810	-	575,190
Solid waste	4,487,765	3,372,805	9,709	-
Lake Wellington Professional Centre	667,407	-	-	-
Total business-type activities	<u>26,104,138</u>	<u>26,081,615</u>	<u>9,709</u>	<u>575,190</u>
Total primary government	<u>\$ 96,765,030</u>	<u>\$ 42,793,979</u>	<u>\$ 5,545,519</u>	<u>\$ 1,734,535</u>

**General revenues:**

- Property taxes
- Franchise fees and taxes
- Communication services taxes
- Discretionary tax
- Utility service taxes
- State shared revenue
- Investment earnings
- Other

**Transfers**

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (14,143,879)	\$ -	\$ (14,143,879)
(7,575,846)	-	(7,575,846)
(1,400,885)	-	(1,400,885)
(1,282,090)	-	(1,282,090)
(2,395,023)	-	(2,395,023)
(7,323,007)	-	(7,323,007)
(13,058,530)	-	(13,058,530)
<u>(74,113)</u>	<u>-</u>	<u>(74,113)</u>
<u>(47,253,373)</u>	<u>-</u>	<u>(47,253,373)</u>
-	2,335,034	2,335,034
-	(1,105,251)	(1,105,251)
-	<u>(667,407)</u>	<u>(667,407)</u>
-	<u>562,376</u>	<u>562,376</u>
<u>(47,253,373)</u>	<u>562,376</u>	<u>(46,690,997)</u>
21,021,227	-	21,021,227
3,620,987	-	3,620,987
1,883,191	-	1,883,191
5,044,586	-	5,044,586
5,228,864	-	5,228,864
7,880,643	-	7,880,643
111,468	(28,479)	82,989
966,296	814,545	1,780,841
<u>2,901,651</u>	<u>(2,901,651)</u>	<u>-</u>
<u>48,658,913</u>	<u>(2,115,585)</u>	<u>46,543,328</u>
1,405,540	(1,553,209)	(147,669)
<u>217,538,988</u>	<u>184,232,624</u>	<u>401,771,612</u>
<u>\$ 218,944,528</u>	<u>\$ 182,679,415</u>	<u>\$ 401,623,943</u>

**VILLAGE OF WELLINGTON, FLORIDA**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021

	General	Building	Acme Improvement	Surtax Fund	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash	\$ 4,505,467	\$ 2,275,403	\$ 4,991	\$ 67,379	\$ 299,140	\$ 1,662,247	\$ 8,814,627
Investments	40,701,157	6,948,975	2,992,364	6,453,319	-	17,928,636	75,024,451
Current receivables:							
Utility taxes	491,196	-	-	-	-	-	491,196
Franchise fees	362,144	-	-	-	-	-	362,144
Accounts	647,654	-	-	-	-	-	647,654
Interest	88,986	16,854	8,466	17,996	-	47,234	179,536
Due from other funds	152,928	-	-	-	-	-	152,928
Due from other governments	1,297,616	-	29,271	1,288,631	1,399	486,603	3,103,520
Prepaid expenditures	621,704	28,068	6,711	-	-	4,327	660,810
Inventory	9,521	-	-	-	-	-	9,521
Deposits	51,989	-	-	-	-	-	51,989
Long-term receivables	232,059	-	-	-	2,156,667	-	2,388,726
<b>Total assets</b>	<b><u>\$49,162,421</u></b>	<b><u>\$ 9,269,300</u></b>	<b><u>\$ 3,041,803</u></b>	<b><u>\$ 7,827,325</u></b>	<b><u>\$ 2,457,206</u></b>	<b><u>\$20,129,047</u></b>	<b><u>\$ 91,887,102</u></b>

(Continued)

**VILLAGE OF WELLINGTON, FLORIDA**

BALANCE SHEET (Continued)

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

	General	Building	Acme Improvement	Surtax Fund	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ 2,955,751	\$ 205,906	\$ 264,721	\$ 67,659	\$ -	\$ 1,044,325	\$ 4,538,362
Escrows and deposits	1,166,585	-	-	-	-	-	1,166,585
Contracts and retainage payable	-	-	-	-	-	119,518	119,518
Due to other funds	-	-	-	-	-	-	-
Due to other governments	6,570	48,394	-	-	-	-	54,964
Unearned revenue	<u>925,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,273</u>	<u>955,536</u>
<b>Total liabilities</b>	<u>5,054,169</u>	<u>254,300</u>	<u>264,721</u>	<u>67,659</u>	<u>-</u>	<u>1,194,116</u>	<u>6,834,965</u>
Deferred inflows of resources:							
Unavailable revenue	<u>232,059</u>	<u>-</u>	<u>-</u>	<u>400,509</u>	<u>2,156,667</u>	<u>143,939</u>	<u>2,933,174</u>
Fund balances:							
Nonspendable:							
Prepaid expenditures	621,704	28,068	6,711	-	-	4,327	660,810
Inventory	9,521	-	-	-	-	-	9,521
Deposits	51,989	-	-	-	-	-	51,989
Long-term notes receivable	232,059	-	-	-	-	-	232,059
Restricted for:							
Capital projects	-	-	-	7,359,157	-	5,143,264	12,502,421
Building	-	8,986,932	-	-	-	-	8,986,932
Surface Water Management	-	-	2,770,371	-	-	-	2,770,371
Road capital and maintenance	-	-	-	-	-	2,690,550	2,690,550
Coronavirus relief funds	3,688,289	-	-	-	-	-	3,688,289
Debt service	-	-	-	-	300,539	-	300,539
Committed for:							
Rate stabilization	2,785,000	-	-	-	-	-	2,785,000
Insurance	1,530,000	-	-	-	-	-	1,530,000
Infrastructure	5,596,000	-	-	-	-	-	5,596,000
Emergency	3,000,000	-	-	-	-	-	3,000,000
Assigned for:							
Contracts	3,546,141	-	-	-	-	10,952,851	14,498,992
Capital projects	492,865	-	-	-	-	-	492,865
Subsequent year's budget: appropriation of fund balance	5,789,378	-	-	-	-	-	5,789,378
Unassigned	<u>16,533,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,533,247</u>
<b>Total fund balances</b>	<u>43,876,193</u>	<u>9,015,000</u>	<u>2,777,082</u>	<u>7,359,157</u>	<u>300,539</u>	<u>18,790,992</u>	<u>82,118,963</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 49,162,421</u>	<u>\$ 9,269,300</u>	<u>\$ 3,041,803</u>	<u>\$ 7,827,325</u>	<u>\$ 2,457,206</u>	<u>\$ 20,129,047</u>	<u>\$ 91,887,102</u>

# VILLAGE OF WELLINGTON, FLORIDA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION SEPTEMBER 30, 2021

Ending fund balance - governmental funds	\$ 82,118,963
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Governmental capital assets	\$275,712,124
Less accumulated depreciation	<u>(121,978,383)</u>
Net capital assets	153,733,741
Net other postemployment benefit (OPEB) asset created through funding of the plan as employer contribution to the defined benefit OPEB plan is not recognized in the funds	1,225,707
Assets that are not available to pay for current period expenditures are unavailable revenue in the fund statements	2,933,174
Deferred outflows of resources related to pensions are recorded in the statement of net position	5,188,493
Deferred outflows of resources related to OPEB are recorded in the statement of net position	422,422
Deferred inflows of resources related to pensions are recorded in the statement of net position	(11,702,012)
Deferred inflows of resources related to OPEB are recorded in the statement of net position	(225,998)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(2,505,000)
Accrued interest	(30,687)
Compensated absences	(2,708,160)
Net pension liability	<u>(9,506,115)</u>
Net position of governmental activities	<u>\$ 218,944,528</u>

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## VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021

	General	Building	Acme Improvement	Surtax Fund	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
Ad valorem taxes	\$ 21,021,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,021,227
Local option taxes	-	-	-	5,044,586	-	1,561,354	6,605,940
Utility services taxes	5,228,864	-	-	-	-	-	5,228,864
Special assessments	-	-	5,810,741	-	273,505	-	6,084,246
Impact fees	-	-	-	-	-	365,265	365,265
Communication services tax	1,883,191	-	-	-	-	-	1,883,191
Local business tax receipts	814,890	-	-	-	-	-	814,890
Permits and fees	986,570	5,676,636	-	-	-	-	6,663,206
Franchise fees	3,620,987	-	-	-	-	-	3,620,987
Grants	4,044,643	-	-	-	-	992,055	5,036,698
State revenue sharing	7,379,470	-	-	-	-	501,173	7,880,643
Charges for services	2,341,077	-	306,342	-	-	-	2,647,419
Fines and forfeitures	137,338	-	-	-	-	-	137,338
Investment income (net)	78,599	2,970	15,351	(889)	230	15,207	111,468
Miscellaneous	533,748	55,223	46,924	-	-	25,748	661,643
<b>Total revenues</b>	<b>48,070,604</b>	<b>5,734,829</b>	<b>6,179,358</b>	<b>5,043,697</b>	<b>273,735</b>	<b>3,460,802</b>	<b>68,763,025</b>

(Continued)

## VILLAGE OF WELLINGTON, FLORIDA

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)

#### GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	<u>General</u>	<u>Building</u>	<u>Acme Improvement</u>	<u>Surtax Fund</u>	<u>Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Expenditures:</b>							
Current:							
General government	\$ 19,095,516	\$ -	\$ 65,813	\$ -	\$ 2,618	\$ -	\$ 19,163,947
Public safety	11,232,200	3,316,390	-	-	-	-	14,548,590
Physical environment	942,256	-	3,318,233	-	-	-	4,260,489
Economic environment	1,546,239	-	-	-	-	-	1,546,239
Transportation	-	-	-	-	-	3,661,576	3,661,576
Culture and recreation	8,758,253	-	387,950	-	-	-	9,146,203
Capital outlay	290,534	-	292,694	7,991,921	-	5,430,718	14,005,867
Debt service:							
Principal	-	-	-	-	190,000	-	190,000
Interest and other fiscal charges	-	-	-	-	76,440	-	76,440
Total expenditures	<u>41,864,998</u>	<u>3,316,390</u>	<u>4,064,690</u>	<u>7,991,921</u>	<u>269,058</u>	<u>9,092,294</u>	<u>66,599,351</u>
Excess (deficiency) of revenues							
over (under) expenditures	<u>6,205,606</u>	<u>2,418,439</u>	<u>2,114,668</u>	<u>(2,948,224)</u>	<u>4,677</u>	<u>(5,631,492)</u>	<u>2,163,674</u>
<b>Other financing sources (uses):</b>							
Transfers in	4,180,376	-	-	-	-	5,659,960	9,840,336
Transfers out	(4,419,960)	(880,000)	(1,638,725)	-	-	-	(6,938,685)
Proceeds from sale of capital assets	<u>122,747</u>	<u>4,450</u>	<u>20,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,848</u>
Total other financing sources (uses)	<u>(116,837)</u>	<u>(875,550)</u>	<u>(1,618,074)</u>	<u>-</u>	<u>-</u>	<u>5,659,960</u>	<u>3,049,499</u>
Net change in fund balances	6,088,769	1,542,889	496,594	(2,948,224)	4,677	28,468	5,213,173
Fund balances, beginning of year	<u>37,787,424</u>	<u>7,472,111</u>	<u>2,280,488</u>	<u>10,307,381</u>	<u>295,862</u>	<u>18,762,524</u>	<u>76,905,790</u>
Fund balances, end of year	<u>\$ 43,876,193</u>	<u>\$ 9,015,000</u>	<u>\$ 2,777,082</u>	<u>\$ 7,359,157</u>	<u>\$ 300,539</u>	<u>\$ 18,790,992</u>	<u>\$ 82,118,963</u>

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

## VILLAGE OF WELLINGTON, FLORIDA

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds	\$ 5,213,173
Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position.	13,454,197
Conveyances of infrastructure improvements to other governments of capitalized capital assets is recorded as an expense in the statement of activities.	(13,058,530)
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(6,115,775)
In the statement of activities, only the gain (loss) on the sale of capital assets is reported	
Net book value of asset disposals	(10,292)
The statement of activities reports noncash contributions as revenues, but these revenues are not reported in the governmental fund financial statements.	298,284
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Principal payments on debt	190,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.	2,933,174
Certain revenues were unavailable for the fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.	(2,967,258)
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.	
Change in accrued interest	2,327
Change in compensated absences	71,082
Other postemployment benefit expense	142,870
Pension expense	<u>1,252,288</u>
Change in net position of governmental activities	<u>\$ 1,405,540</u>

## VILLAGE OF WELLINGTON, FLORIDA

### STATEMENT OF NET POSITION

#### PROPRIETARY FUNDS

SEPTEMBER 30, 2021

	Major		Nonmajor	
	Utility System	Solid Waste	Lake Wellington Professional Centre	Total
<b>ASSETS</b>				
Current assets:				
Cash	\$ 346,504	\$ 14,402	\$ 1,624,533	\$ 1,985,439
Investments	23,284,044	3,721,321	-	27,005,365
Receivables:				
Accounts, net of allowance for uncollectible amounts	2,731,646	16,443	1,621	2,749,710
Interest	104,827	11,855	-	116,682
Due from other governments	-	25,787	-	25,787
Inventories	99,794	-	-	99,794
Prepaid expenses	55,636	486	4,174	60,296
Deposits	20,467	-	-	20,467
Restricted cash	1,306,951	-	44,929	1,351,880
Restricted investments	17,037,360	-	-	17,037,360
Total current assets	<u>44,987,229</u>	<u>3,790,294</u>	<u>1,675,257</u>	<u>50,452,780</u>
Noncurrent assets:				
Net other postemployment benefit asset	252,045	13,547	6,694	272,286
Property, plant and equipment (net of accumulated depreciation)	<u>152,240,135</u>	<u>33,649</u>	<u>3,873,989</u>	<u>156,147,773</u>
Total noncurrent assets	<u>152,492,180</u>	<u>47,196</u>	<u>3,880,683</u>	<u>156,420,059</u>
Total assets	<u>\$ 197,479,409</u>	<u>\$ 3,837,490</u>	<u>\$ 5,555,940</u>	<u>\$ 206,872,839</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Other postemployment benefit	100,402	5,334	5,334	111,070
Pension	<u>977,794</u>	<u>49,355</u>	<u>44,952</u>	<u>1,072,101</u>
Total deferred outflows of resources	<u>1,078,196</u>	<u>54,689</u>	<u>50,286</u>	<u>1,183,171</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 1,226,549	\$ 352,968	\$ 8,711	\$ 1,588,228
Contracts and retainage payable	1,297,936	-	-	1,297,936
Due to other funds	-	-	152,928	152,928
Due to other governments	-	-	3,759	3,759
Deposits, payable from restricted assets	-	-	44,929	44,929
Accrued interest	43,800	-	-	43,800
Compensated absences payable	257,930	18,583	9,097	285,610
Loans payable	1,157,901	-	-	1,157,901
Unearned revenue	24,580	-	15,698	40,278
Total current liabilities	<u>4,008,696</u>	<u>371,551</u>	<u>235,122</u>	<u>4,615,369</u>
Noncurrent liabilities:				
Loans payable	15,879,459	-	-	15,879,459
Compensated absences payable	278,805	26,993	8,757	314,555
Pension	<u>1,417,522</u>	<u>46,439</u>	<u>82,353</u>	<u>1,546,314</u>
Total noncurrent liabilities	<u>17,575,786</u>	<u>73,432</u>	<u>91,110</u>	<u>17,740,328</u>
Total liabilities	<u>21,584,482</u>	<u>444,983</u>	<u>326,232</u>	<u>22,355,697</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Pension	2,714,657	143,700	98,054	2,956,411
Other postemployment benefit	<u>58,679</u>	<u>2,904</u>	<u>2,904</u>	<u>64,487</u>
Total deferred inflow of resources	<u>2,773,336</u>	<u>146,604</u>	<u>100,958</u>	<u>3,020,898</u>
<b>NET POSITION</b>				
Net investment in capital assets	135,202,775	33,649	3,873,989	139,110,413
Restricted for capital improvements - capacity fees	1,306,951	-	-	1,306,951
Restricted for renewal and replacement of capital assets	18,877,933	-	-	18,877,933
Unrestricted	<u>18,812,128</u>	<u>3,266,943</u>	<u>1,305,047</u>	<u>23,384,118</u>
Total net position	<u>\$ 174,199,787</u>	<u>\$ 3,300,592</u>	<u>\$ 5,179,036</u>	<u>\$ 182,679,415</u>

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

## VILLAGE OF WELLINGTON, FLORIDA

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

#### PROPRIETARY FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Major		Nonmajor	
	Utility System	Solid Waste	Lake Wellington Professional Centre	Total
<b>Operating revenues:</b>				
Charges for services	\$ 22,648,909	\$ 4,336	\$ -	\$ 22,653,245
Special assessments	-	3,087,509	-	3,087,509
Licenses and permits	59,901	-	-	59,901
Grants	-	9,709	-	9,709
Franchise fees	-	280,960	-	280,960
Rent revenue	-	-	661,073	661,073
Other	71,911	-	8,278	80,189
<b>Total operating revenues</b>	<b>22,780,721</b>	<b>3,382,514</b>	<b>669,351</b>	<b>26,832,586</b>
<b>Operating expenses:</b>				
Utilities administration	2,393,587	-	-	2,393,587
Water treatment plant	2,740,399	-	-	2,740,399
Field services	432,947	-	-	432,947
Water meter services	610,307	-	-	610,307
Water distribution services	1,110,722	-	-	1,110,722
Utility plant maintenance	833,820	-	-	833,820
Water reclamation facilities	2,155,049	-	-	2,155,049
Wastewater collection services	1,012,089	-	-	1,012,089
Utilities customer service	1,295,387	-	-	1,295,387
Regulatory compliance	235,245	-	-	235,245
Refuse	-	149,617	-	149,617
Professional centre	-	-	528,636	528,636
Other	1,649,958	(13,635)	(10,256)	1,626,067
Solid waste	-	4,337,759	-	4,337,759
Depreciation	5,937,887	14,024	149,027	6,100,938
<b>Total operating expenses</b>	<b>20,407,397</b>	<b>4,487,765</b>	<b>667,407</b>	<b>25,562,569</b>
<b>Income from operations</b>	<b>2,373,324</b>	<b>(1,105,251)</b>	<b>1,944</b>	<b>1,270,017</b>
<b>Nonoperating revenues (expenses):</b>				
Investment income (net)	(34,214)	5,735	-	(28,479)
Net gain (loss) on sale or disposition of capital assets	73,283	-	-	73,283
Interest expense and debt service costs	(541,569)	-	-	(541,569)
<b>Total nonoperating revenues (expenses)</b>	<b>(502,500)</b>	<b>5,735</b>	<b>-</b>	<b>(496,765)</b>
<b>Income before contributions and transfers</b>	<b>1,870,824</b>	<b>(1,099,516)</b>	<b>1,944</b>	<b>773,252</b>
<b>Capital contributions:</b>				
Capacity charges	556,010	-	-	556,010
Distribution lines	6,200	-	-	6,200
Meters	12,980	-	-	12,980
Transfers out	(2,325,351)	(347,550)	(228,750)	(2,901,651)
<b>Change in net position</b>	<b>120,663</b>	<b>(1,447,066)</b>	<b>(226,806)</b>	<b>(1,553,209)</b>
<b>Net position - beginning</b>	<b>174,079,124</b>	<b>4,747,658</b>	<b>5,405,842</b>	<b>184,232,624</b>
<b>Net position - end of year</b>	<b>\$ 174,199,787</b>	<b>\$ 3,300,592</b>	<b>\$ 5,179,036</b>	<b>\$ 182,679,415</b>

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

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# VILLAGE OF WELLINGTON, FLORIDA

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Major		Nonmajor	
	Utility System	Solid Waste	Lake Wellington Professional Centre	Total
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 22,488,708	\$ 3,447,445	\$ 656,207	\$ 26,592,360
Payments to suppliers for goods and services	(13,153,058)	(4,091,956)	(260,972)	(17,505,986)
Payments to employees for services	(6,549,658)	(354,224)	(270,813)	(7,174,695)
Other operating revenues	332,950	2,818	8,356	344,124
Net cash provided by operating activities	3,118,942	(995,917)	132,778	2,255,803
<b>Cash flows from noncapital financing activities:</b>				
Transfers to other funds	(2,325,351)	(347,550)	(78,503)	(2,751,404)
Net cash (used) in noncapital financing activities	(2,325,351)	(347,550)	(78,503)	(2,751,404)
<b>Cash flows from capital and related financing activities:</b>				
Capital contributions	568,990	-	-	568,990
Sale proceeds of capital assets	73,283	-	-	73,283
Acquisition of property, plant and equipment	(18,696,917)	-	-	(18,696,917)
Principal paid on capital debt	(1,122,770)	-	-	(1,122,770)
Interest paid on indebtedness	(544,456)	-	-	(544,456)
Net cash (used) in capital and related financing activities	(19,721,870)	-	-	(19,721,870)
<b>Cash flows from investing activities:</b>				
Interest received	596,028	59,619	-	655,647
Sale of investments	18,503,974	1,142,944	-	19,646,918
Net cash (used) by investing activities	19,100,002	1,202,563	-	20,302,565
Net increase (decrease) in cash	171,723	(140,904)	54,275	85,094
Cash, beginning of year	1,481,732	155,306	1,615,187	3,252,225
Total cash, end of year	\$ 1,653,455	\$ 14,402	\$ 1,669,462	\$ 3,337,319
Cash				
Unrestricted	\$ 346,504	\$ 14,402	\$ 1,624,533	\$ 1,985,439
Restricted	1,306,951	-	44,929	1,351,880
Total cash	\$ 1,653,455	\$ 14,402	\$ 1,669,462	\$ 3,337,319

(Continued)



## VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (Continued)  
 YEAR ENDED SEPTEMBER 30, 2021

	Major		Nonmajor	
	Utility System	Solid Waste	Lake Wellington Professional Centre	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 2,373,324	\$ (1,105,251)	\$ 1,944	\$ 1,270,017
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	5,937,887	14,024	149,027	6,100,938
GASB 68 pension expense	(294,240)	(15,727)	(10,380)	(320,347)
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(221,047)	74,640	(1,460)	(147,867)
Due from other governments	261,039	(6,593)	-	254,446
Inventories	(49,741)	-	-	(49,741)
Deposits	(20,467)	-	-	(20,467)
Prepaid expenses	(44,086)	39	(4,144)	(48,191)
OPEB expense	(38,965)	(1,855)	(1,855)	(42,675)
Increase (decrease) in:				
Accounts payable and accrued liabilities	(4,826,582)	44,908	1,619	(4,780,055)
Due to other governments	-	(298)	78	(220)
Deposits	-	-	(3,996)	(3,996)
Unearned revenue	945	-	592	1,537
Compensated absences payable	40,875	196	1,353	42,424
Total adjustments	745,618	109,334	130,834	985,786
Net cash provided by operating activities	\$ 3,118,942	\$ (995,917)	\$ 132,778	\$ 2,255,803
Noncash investing, capital, and financing activities:				
Developer contributed distribution lines	\$ 6,200	\$ -	\$ -	\$ 6,200
Unrealized gains/( losses) on investments	(512,505)	(49,347)	-	(561,852)

**VILLAGE OF WELLINGTON, FLORIDA**

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

SEPTEMBER 30, 2021

	<u>Employee Retirement Healthcare Trust</u>
<b>ASSETS</b>	
Investments:	
Florida Municipal Pension Trust Fund - OPEB 70/30 Allocation	<u>\$ 2,233,833</u>
<b>NET POSITION</b>	
Net position restricted for other postemployment benefits	<u>\$ 2,233,833</u>

**VILLAGE OF WELLINGTON, FLORIDA**  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUND  
 YEAR ENDED SEPTEMBER 30, 2021

	<u>Employee Retirement Healthcare Trust</u>
<b>Additions:</b>	
Investment income	\$ 402,171
<b>Deductions:</b>	
Administrative expense	<u>(8,577)</u>
Change in net position	393,594
Net position held in trust for other postemployment benefits, beginning of year	<u>1,840,239</u>
Net position held in trust for other postemployment benefits, end of year	<u><u>\$ 2,233,833</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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

***Reporting Entity***

The Village of Wellington (“Wellington”) was incorporated December 31, 1995, pursuant to Chapter 95-496, Laws of Florida, and commenced operations on March 28, 1996. Wellington operates under the Council-Manager form of government and provides a wide range of community services including general government; planning, zoning and building; public safety (police protection); public works (construction and maintenance of roads, rights of way, and other infrastructure; street lighting; and storm water drainage); culture and recreation (parks maintenance, recreational activities, cultural events, and related facilities); water and sewer utilities; and solid waste collection and recycling. Wellington’s Council (“Council”) is responsible for legislative and fiscal control of Wellington.

As required by U.S. generally accepted accounting principles, these basic financial statements present the government and its component units. Component units are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause Wellington’s basic financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization’s governing board. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government.

***Blended Component Units***

Based on the application of the criteria set forth by the Governmental Accounting Standards Board (GASB), management has included Acme Improvement District (District) in Wellington’s reporting entity. Prior to incorporation, the District was an independent special taxing district created in 1953, which served as the local government providing the majority of community services and facilities for the area including water and sewer, stormwater drainage, transportation, street lighting, and parks and recreation. As a result of incorporation, Wellington now provides those municipal services and the District has become a dependent district of Wellington. Because of the breadth of the services it already provided to residents, the District formed the backbone of Wellington. Although the District is legally separate from Wellington, it is reported as if it were part of the primary government as a blended component unit of Wellington because the District is governed by a five-member board of supervisors that is the same as the governing body of Wellington and management of the Village has operational responsibility for the District. The District does not issue separate financial statements and is presented as a special revenue fund type – Acme Improvement Fund.

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions, and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

### ***Measurement Focus, Basis of Accounting and Financial Statement Presentation***

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

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

Property taxes, franchise fees, assessments, intergovernmental revenue and licenses, associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items reported in the governmental funds are considered to be measurable and available only when cash is received by Wellington.

### ***Wellington reports the following major governmental funds:***

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

Building – This special revenue fund accounts for revenues and expenditures applicable to the building function. The purpose of the fund is to segregate permitting services pertaining to building activities and to ensure that the fee structure for such activities is accurate. The revenues received are from the issuance of licenses and permits.

Acme Improvement – This special revenue fund accounts for all financial resources and expenditures applicable to the operations of the Acme Improvement District, a dependent special district of Wellington, related solely to the water management facilities in accordance with the Plan of Reclamation and existing operations, construction of capital facilities, and maintenance of the same. The funding source are non-ad valorem special assessments against all taxable units within the District and charges for services.

Debt Service– This fund is maintained to account for the payment of interest and principal requirements on long-term debt. Wellington maintains one debt service fund for the repayment of revenue and special assessment bonds.

Surtax Capital Project – This fund is used to segregate all financial activity applicable to the one-cent infrastructure sales surtax that was approved by county voters in November 2016.

Wellington reports the following major proprietary funds:

Utility System Enterprise Fund – This fund accounts for the activities related to the sewage treatment plant, sewage pumping stations and collection systems, and the water distribution system.

Solid Waste – This fund accounts for the activities related to solid waste removal and recycling.

Additionally, Wellington reports the following fiduciary fund:

Employee Retirement Healthcare Trust Fund – This fund accounts for the trust fund established to receive and invest Village healthcare contributions in a defined benefit other postemployment benefit plan and to disburse these monies to cover retirees' health insurance in accordance with the trust document. Since these assets are held for the benefit of third parties and cannot be used to finance activities or obligations of Wellington, they are not included in the government-wide financial statements.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility system enterprise fund are charges to customers for sales and services. The principal operating revenues of the solid waste collection and recycling enterprise fund are special assessments. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

### ***Deposits and Investments***

Cash and investments of each fund, except certain investments in the debt service and enterprise funds, are accounted for in pooled cash and investment accounts with each fund maintaining its proportionate equity in the pooled accounts. The use of a pooled cash and investment account enables Wellington to invest idle cash for short periods of time, thereby maximizing earnings potential. Income earned from this pooling is allocated to the respective funds based upon average monthly proportionate balances. Investments are stated at fair value.

Wellington considers cash on hand, demand deposits, and all other short-term investments that are highly liquid to be cash equivalents. Highly liquid short-term investments are those readily convertible to a known amount of cash, that at the day of purchase, have a maturity date not longer than three months.

All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and are collateralized with eligible securities having a fair value equal

to a percentage of the average daily or monthly balance of all public deposits. Wellington's investment practices are governed by Chapter 218.415 of the Florida Statutes and the requirements of outstanding bond issues.

### ***Receivables***

Receivables include amounts due from other governments and others for services provided by Wellington. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables are based on historical trends and the periodic aging of receivables.

### ***Inventories and Prepaid Items***

Inventories are valued at the lower of cost (first-in, first-out) or market. Wellington uses the consumption method wherein all inventories are maintained by perpetual records, expensed when used and adjusted by physical count.

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 using the consumption method. Expenditures for services extending over more than one accounting period are accounted for as expenditures of the period of use.

### ***Restricted Assets***

These assets represent cash and investments set aside pursuant to debt covenants or other contractual restrictions.

### ***Capital Assets and Depreciation***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by Wellington as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are Wellington's assets as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net position. General capital assets are carried at historical cost. Where cost cannot be determined from available records, estimated historical cost has been used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their acquisition value at the date of donation. The road network was valued based on current construction costs discounted by consumer price indices for highway construction.

Capital assets of the enterprise funds are capitalized in the fund in which they are utilized. The valuation basis for enterprise fund capital assets are the same as those used for general capital assets. Additionally, net interest cost is capitalized on enterprise fund projects during the construction period in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 835, Interest.

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated lives for each major class of depreciable capital assets are as follows:

Buildings	30 years
Furniture and Fixtures	15 years
Improvements other than Buildings	10-20 years
Computer Equipment	3-20 years
Vehicles	5-10 years
General Equipment	5-10 years
Major Machinery and Equipment	15 years
Wells	20 years
Infrastructure	40 years
Water Treatment Plant & Waste Water Plant	30 years

The street network is not depreciated. Wellington has elected to use the modified approach in accounting for its streets. The modified approach allows governments to report as expenses in lieu of depreciation, infrastructure expenditures which maintain the asset but do not add to or improve the asset. Additions and improvements to the street network are capitalized. Wellington uses an asset management system to rate street condition and to quantify the results of maintenance efforts.

***Deferred Outflows/Inflows of Resources***

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the Village would record deferred outflows of resources related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the Village reports a deferred inflow of resources until such times as the revenue becomes available.

The Village reports pension and OPEB related deferred outflows of resources and deferred inflows of resources on its financial statements (see footnote 9 & 14 for additional information).

***Compensated Absences***

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. For the governmental funds, compensated absences are liquidated by the fund in which employees are compensated. The Village provides paid time off (PTO) for eligible employees, which accrues at rates depending on an employee’s years of service with a maximum carry forward from year to year of 400 hours. Additionally,



eligible employees may cash out PTO each year with a maximum buyback between 120 and 160 hours depending on years of service.

Benefits for employees also include major illness leave. This benefit accrues at 4 hours per month. Employees may utilize this benefit for a major illness after they have used 3 work days of paid time-off. Upon separation of service, and with 10 years of continuous service, any balance of these hours is valued at the current hourly pay rate, and is paid into a Retirement Health Savings Plan. In this plan, monies are used by individuals to pay for qualified medical expenses, including premiums. For individuals that leave prior to 10 years of service, this time is forfeited.

### ***Unavailable/Unearned Revenue***

Unavailable revenue (a deferred inflow of resources) is recorded for governmental fund receivables that are not both measurable and available. In addition, inflows that do not yet meet the criteria for revenue recognition, such as lease revenue collected in advance, are recorded as unearned revenue in the government-wide and fund statements.

### ***Long-Term Obligations***

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when 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.

### ***Net Position***

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the Village's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

### ***Fund Balance***

The Governmental Accounting Standards Board issued statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which establishes accounting and financial reporting requirements for all governmental funds and establishes criteria for classifying fund balances. Accordingly, the governmental fund financial statements report fund equity classifications that comprise a hierarchy based primarily on the extent to which Wellington is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

*Nonspendable* – Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to remain intact.

Restricted – Restricted fund balances include amounts that are restricted to specific purposes either by (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or through enabling legislation.

Committed – Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by ordinances of Wellington Council, Wellington’s highest level of decision making authority, set in place prior to the end of the period. These amounts cannot be changed unless Council takes the same action to remove or change the constraint.

Assigned – Assigned fund balances include spendable amounts established by Wellington Council that are intended to be used for specific purposes, but are neither restricted nor committed. Assignments of fund balances are made through a motion by Wellington Council, are generally temporary and normally the same formal action need not be taken to remove the assignment.

Unassigned – Unassigned fund balances include amounts that are not assigned to other funds and have not been restricted, committed or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Wellington considers restricted fund balances to be spent when an expenditure is incurred for the restricted purpose. Wellington considers committed, assigned or unassigned fund balances to be spent when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

Wellington’s minimum fund balance policy mandates the General Fund Unassigned Fund Balance, at year end, will range, at a minimum, between 25% and 30% of the following year’s budgeted expenditures, including transfers. In any fiscal year where Wellington is unable to fund the minimum fund balance as required in this section, Wellington will not budget any amount of unassigned fund balance for the purpose of balancing the budget. This minimum is confirmed each year as part of the budget process by Council action.

Wellington Council has committed fund balance as follows:

Rate Stabilization Reserve – Wellington established reserves to offset future rate increases as approved by Wellington’s Council. This amount shall only be used in order to prevent increases to the millage rate to offset short-term economic conditions. Funds shall be released from the Rate Stabilization Reserve only upon Council Resolution. The amount in the Reserve is reviewed annually and established as part of the budget process.

Insurance Reserve – An Insurance Reserve was established to offset future premium increases to be funded from this reserve upon Council action. The amount of this reserve is reviewed and established annually as part of the budget process.

Infrastructure Reserve – An Infrastructure Reserve was established to offset major unexpected facility and infrastructure rehabilitation.

Emergency Reserve – An Emergency Reserve was established to provide sufficient resources to ensure continued operations as well as to fund unplanned expenditures in the event of a hurricane, major storm, or other natural or man- made disaster. Funds will be authorized to be spent from the Disaster Contingency Fund upon Declaration of Emergency and Wellington Council approval.

### ***Interfund Transactions***

Activity between funds that is 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

### ***Property Taxes***

Under Florida law, the assessment of all properties and the collection of county, municipal, school board, and special district property taxes are consolidated with the county Property Appraiser and county Tax Collector, respectively. All property is reassessed according to its fair market value on January 1 of each year and each assessment roll is submitted to the State Department of Revenue for review to determine if the assessment roll meets all of the appropriate requirements of State law. Wellington's Charter permits it to levy property taxes at a rate of up to 5 mills.

The millage rate assessed by Wellington for 2021 was \$2.47 mills (for each \$1,000 of assessed valuation). This levy was based upon an assessed valuation of approximately \$8.89 billion.

Taxes may be paid less a 4% discount in November or at declining discounts each month through the month of February. All unpaid taxes become delinquent on April 1st following the year in which they are assessed. The Constitutional Tax Collector is required by law to hold an annual tax certificate sale to collect the preceding year's unpaid taxes and associated fees. The tax certificate sale must be held 60 days after the date of delinquency or June 1, whichever is later, per Florida Statute 197.402. A tax certificate is an enforceable first lien against the property for unpaid real estate property tax. The certificate holder is an independent investor who actually pays the tax for a property owner in exchange for a competitive bid rate of return on the investment. The tax certificate sale allows investors to purchase certificates by paying the tax debt. The sale is conducted online in a reverse-auction style with participants bidding downward on interest rates starting at 18%; the certificate is awarded to the lowest bidder who will pay the tax, interest and costs, and accept the lowest rate of interest. A tax certificate earns a minimum of 5% interest for the investor until the interest has accrued to greater than 5%, with the exception of “zero” interest bids, which always earn “zero” interest. At September 30, 2021, unpaid delinquent taxes are not material and have not been recorded.

During 2007 the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments. The maximum tax levy allowed by a majority vote of the governing body is based on a percentage reduction applied to the prior year property tax revenue. The percentage reduction is calculated based on the compound annual growth rate in the per capita property taxes levied. The law allows local governments to adopt a higher millage rate based on the following approval of the governing body: 1) a majority vote to adopt a rate equal to the prior year rolled-back millage rate, plus an adjustment for growth in per capita personal income; 2) a two-thirds vote to adopt a rate equal to the prior year adjusted millage rate plus 10%; or 3) any millage rate approved by unanimous vote or referendum. Future property tax growth is limited to the annual growth rate of per capita personal income, which is currently 3% to 4%, plus the value of new construction.

### ***NOTE 2. DEPOSITS AND INVESTMENTS***

Wellington is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, repurchase agreements, certificates of deposit, Florida PRIME (formerly known as the Local Government Investment Pool (LGIP)), any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, commercial paper and money market and mutual funds that restrict its investments to obligations of the U.S. government.

Wellington's cash includes cash on hand, time and demand deposits, cash held with a fiscal agent and money market mutual funds. Wellington maintains a cash and investment pool that is available for use by all funds. Interest earned on pooled cash and investments is allocated to each of the funds based on the fund's average equity balance. Cash and equivalents at September 30, 2021 had a carrying value of \$12,151,946 and a bank balance of \$12,653,774.

All of Wellington's bank deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act". Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels.

The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. The money market mutual fund deposits are uninsured and uncollateralized.

The Florida Municipal Investment Trust was created under the laws of the State of Florida to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

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

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

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

The following table details the Village's investments within the hierarchy at September 30, 2021:

Investment	Amortized		Weighted	Credit Rating (S&P/Fitch)	Level	Percent Distribution
	Cost	Fair Value	Average Maturity			
FL PALM	2,729,045	-	50 days	AAAm	N/A	2.08%
FL Fixed Income Trust Fund	6,345,054	-	104 days	AAAf/S1	N/A	4.84%
Fidelity Invest MM Treasury	506,646	-	N/A	N/A	N/A	0.39%
PTA Cash	2	-	N/A		N/A	0.00%
FL Class	4,719,904	-	84 days	AAAm	N/A	3.60%
<b>Total</b>	<b>14,300,651</b>	<b>-</b>				<b>10.90%</b>
U.S. Treasuries		51,966,445	3.76 years		2	39.60%
FMI VT- Intermediate High Quality Bond Fund		884,382	3.88 years	AAAf/S3	2	0.67%
FMI VT- 1-3 Year High Quality Bond Fund		111,432	1.51 years	AAAf/S2	2	0.08%
Municipal Bonds		1,343,886	3.88 years	AA+	2	1.02%
Mortgage-Backed Securities		663,728	3.51 years	AA+	2	0.51%
U.S. Government Sponsored Enterprises:			3.32 years			0.00%
Federal Farm Credit Bank		8,620,030		AA+	2	6.57%
Federal Home Loan Bank		15,226,167		AA+	2	11.60%
Federal Home Loan Mortgage		10,437,728		AA+	2	7.95%
Federal National Mortgage Association		8,392,790		AA+	2	6.40%
Corporate Notes		7,119,937	2.80 years	(A+) - (AA+)	2	5.43%
<b>Total Investments</b>		<b>104,766,525</b>				<b>79.84%</b>
<b>Total Cash Deposits</b>		<b>12,151,946</b>				<b>9.26%</b>
<b>Total Cash &amp; Investments</b>	<b>14,300,651</b>	<b>116,918,471</b>				<b>100.00%</b>

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

Fixed income – Some of the underlying securities have observable level 1 quoted pricing inputs. However, while the underlying asset values may be based on quoted market prices, the net asset value of the portfolios is not publicly quoted. Additionally, some of the underlying securities employ matrix pricing. Accordingly, these investments have been reported as level 2.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, those Village investments have been reported at amortized cost above, as applicable.

### **Interest Rate Risk**

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. Wellington's investment policy matches its investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement or otherwise approved by Wellington's Council, Wellington will not directly invest in securities maturing in more than 5 years.

### **Credit Risk**

Wellington's policy is to limit investments to the safest types of securities, pre-qualified financial institutions, broker/dealers, intermediaries, and advisors with which Wellington will do business, and diversify the

investment portfolio to minimize potential losses on individual securities. As of the year end, the credit quality ratings investments are shown above.

**Custodial Credit Risk**

Custodial credit risk is defined as the risk that Wellington may not recover the securities held by another party in the event of a financial failure. Wellington’s investment policy for custodial credit risk requires all investment securities to be held in Wellington’s name by a third party safekeeping institution. The investments in the Florida Municipal Investment Trust are considered unclassified pursuant to the custodial credit risk categories of GASB Statement No. 31. All deposits with financial institutions and investments in U.S. Government Agency and Instrumentality securities are considered fully insured or collateralized pursuant to the custodial credit risk categories of GASB Statement No. 31.

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investments in a single issuer. Wellington limits the amount that can be invested in any one issuer of Federal Agencies and Instrumentalities to 40% of the portfolio. Wellington was in compliance with this policy at year-end. The percentage of each investment type is shown in the preceding table as of September 30, 2021.

**NOTE 3. RECEIVABLES**

Receivables for individual major funds and aggregate nonmajor funds are as follows:

	General	Building	Acme Imprv.	Surtax	Nonmajor Govt'l Funds	Utility System	Solid Waste	Nonmajor Lake Wellington Prof. Centre	Total
Utility taxes	\$ 491,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 491,196
Franchise taxes	362,144	-	-	-	-	-	16,443	-	378,587
Accounts	647,654	-	-	-	-	3,137,058	-	1,621	3,786,333
Interest	88,986	16,854	8,466	17,996	47,234	104,827	11,855	-	296,218
Gross receivables	1,589,980	16,854	8,466	17,996	47,234	3,241,885	28,298	1,621	4,952,334
Less allowance for uncollectible accounts	-	-	-	-	-	(405,412)	-	-	(405,412)
	<u>\$1,589,980</u>	<u>\$16,854</u>	<u>\$ 8,466</u>	<u>\$17,996</u>	<u>\$ 47,234</u>	<u>\$2,836,473</u>	<u>\$ 28,298</u>	<u>\$ 1,621</u>	<u>\$4,546,922</u>

**Boys and Girls Club**

In 2013, the Village completed construction of the new Boys & Girls Club Center. Total construction costs were approximately \$3,956,000. The project was to be funded as follows: the Village (\$1.096 million), Palm Beach County (\$600,000) and the Boys & Girls Club (\$2.26 million). The Boys & Girls Club paid \$1.1 million to the Village leaving a balance owed of \$1.16 million. The Village and the Boys & Girls Club agreed that the remaining balance would be paid over ten years in annual amounts of \$116,030. At September 30, 2021, the amount owed is \$232,059 and is recorded as a long-term receivable and unavailable revenue on the fund financial statements.

**Special Assessment Receivable**

In 2016, the Village issued special assessment debt in the amount of \$3,235,000 to finance capital improvements in the Saddle Trail Park Neighborhood. Principal and interest are payable from pledged revenues, which consist of special assessment proceeds on the property owners in the Saddle Trail Neighborhood. The Village has levied

special assessments on the lots that benefit from the project. The benefited lots will be billed annually over the next 15 years. In the event that pledged funds are insufficient to make the debt service payments, the Village has committed to make an annual appropriation of available non-ad valorem revenues to make up any deficiencies. At September 30, 2021, the amount owed is \$2,156,667 and is reported as a long-term receivable and unavailable revenue on the fund financial statements.

On August 10, 2021, the Village adopted Resolution 2021-43 for special assessments due in the amount of \$268,536.

**NOTE 4. DUE FROM OTHER GOVERNMENTS**

Amounts due from other governments for individual major funds and aggregate nonmajor funds are as follows:

	<u>General</u>	<u>Acme Imprv.</u>	<u>Surtax Fund</u>	<u>Debt Service</u>	<u>Nonmajor Govt'l Funds</u>	<u>Utility System</u>	<u>Solid Waste</u>	<u>Total</u>
Federal Government:								
Grants	\$ 38,857	\$ -	\$ 200,000	\$ -	\$ 124,773	\$ -	\$ -	\$ 363,630
State of Florida:								
Grants	-	-	-	-	100,000	-	-	100,000
Half cent sales tax	897,040	-	-	-	-	-	-	897,040
Sales Surtax	-	-	888,122	-	-	-	-	888,122
Communication services tax	316,148	-	-	-	-	-	-	316,148
Local option gas tax	-	-	-	-	260,250	-	-	260,250
Fuel tax refund	-	-	-	-	1,580	-	-	1,580
Palm Beach County:								
County shared revenues	34,221	-	-	-	-	-	9,709	43,930
Alarm revenue	11,350	-	-	-	-	-	-	11,350
Excess fees	-	29,271	-	1,399	-	-	16,078	46,748
Palm Beach County Schools	-	-	200,509	-	-	-	-	200,509
	<u>\$ 1,297,616</u>	<u>\$ 29,271</u>	<u>\$ 1,288,631</u>	<u>\$ 1,399</u>	<u>\$ 486,603</u>	<u>\$ -</u>	<u>\$ 25,787</u>	<u>\$ 3,129,307</u>

**NOTE 5. CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 20,053,844	\$ -	\$ -	\$ -	\$ 20,053,844
Construction in progress	7,626,677	13,408,221	(13,610,201)	(5,942,910)	1,481,787
Infrastructure	78,005,840	-	-	-	78,005,840
Total capital assets, not being depreciated	105,686,361	13,408,221	(13,610,201)	(5,942,910)	99,541,471
Capital assets, being depreciated:					
Buildings	39,468,801	-	-	-	39,468,801
Improvements	111,308,115	590,305	-	5,747,411	117,645,831
Machinery and equipment	19,104,680	305,623	(549,781)	195,499	19,056,021
Total capital assets, being depreciated	169,881,596	895,928	(549,781)	5,942,910	176,170,653
Less accumulated depreciation for:					
Buildings	(12,583,633)	(1,309,168)	-	-	(13,892,801)
Improvements	(91,252,291)	(3,615,164)	-	-	(94,867,455)
Machinery and equipment	(12,566,176)	(1,191,443)	539,492	-	(13,218,127)
Total accumulated depreciation	(116,402,100)	(6,115,775)	539,492	-	(121,978,383)
Total capital assets, being depreciated, net	53,479,496	(5,219,847)	(10,289)	5,942,910	54,192,270
Governmental activities capital assets, net	\$ 159,165,857	\$ 8,188,374	\$ (13,620,490)	\$ -	\$ 153,733,741
	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 9,579,678	\$ -	\$ -	\$ -	\$ 9,579,678
Construction in progress	40,184,861	18,306,133	-	(50,251,057)	8,239,937
Total capital assets, not being depreciated	49,764,539	18,306,133	-	(50,251,057)	17,819,615
Capital assets, being depreciated:					
Buildings	9,540,387	-	-	-	9,540,387
Land improvements	9,056,865	21,997	-	38,773	9,117,635
Furniture, fixtures, equipment and vehicles	15,370,403	152,323	(147,686)	-	15,375,040
Infrastructure	111,700,139	6,200	-	3,227,254	114,933,593
Water treatment plant	34,370,640	-	-	25,009,490	59,380,130
Waste water plant	37,224,810	-	-	21,975,540	59,200,350
Total capital assets, being depreciated	217,263,244	180,520	(147,686)	50,251,057	267,547,135
Less accumulated depreciation for:					
Buildings	(3,458,759)	(312,724)	-	-	(3,771,483)
Land improvements	(5,168,933)	(538,308)	-	-	(5,707,241)
Furniture, fixtures, equipment and vehicles	(11,967,362)	(517,597)	147,686	-	(12,337,273)
Infrastructure	(66,865,382)	(2,500,544)	-	-	(69,365,926)
Water treatment plant	(18,793,117)	(1,003,221)	-	-	(19,796,338)
Waste water plant	(17,012,172)	(1,228,544)	-	-	(18,240,716)
Total accumulated depreciation	(123,265,725)	(6,100,938)	147,686	-	(129,218,977)
Total capital assets, being depreciated, net	93,997,519	(5,920,418)	-	50,251,057	138,328,158
Business-type activities capital assets, net	\$ 143,762,058	\$ 12,385,715	\$ -	\$ -	\$ 156,147,773



Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 286,455
Public Safety	44,577
Physical environment	3,240,522
Economic environment	61,283
Transportation	1,308,836
Culture and recreation	<u>1,174,102</u>
Total depreciation expense - governmental activities	<u>\$ 6,115,775</u>
Business-type activities:	
Water utility	\$ 5,937,887
Lake Wellington Professional Centre - nonmajor	149,027
Solid waste	<u>14,024</u>
Total depreciation expense - business-type activities	<u>\$ 6,100,938</u>

**NOTE 6. NONCURRENT LIABILITIES**

***Changes in Noncurrent Liabilities***

Noncurrent liability activity for the year ended September 30, 2021, was as follows:

*Governmental Activities*

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Special Assessment Bond, Series 2016	2,695,000	-	(190,000)	2,505,000	195,000
Total Bonds Payable, net	2,695,000	-	(190,000)	2,505,000	195,000
Compensated absences payable	2,779,241	1,569,480	(1,640,561)	2,708,160	1,182,928
Net pension liability	<u>23,797,038</u>	<u>5,410,585</u>	<u>(19,701,508)</u>	<u>9,506,115</u>	-
Total	<u>\$ 29,271,279</u>	<u>\$ 6,980,065</u>	<u>\$ (21,532,069)</u>	<u>\$ 14,719,275</u>	<u>\$ 1,377,928</u>

*\$3,235,000 Special Assessment Bond*

In May 2016, Wellington issued \$3,235,000 of Special Assessment Bond, Series 2016 for the Saddle Trail Park (South) Neighborhood Improvement Project. Interest at a rate of 2.94% is payable semi-annually on May 1 and November 1. The principal is payable in annual installments of \$175,000 to \$260,000 with the final payment due November 1, 2031. The bonds will be repaid from amounts levied against property owners benefited by this construction. In the event that a deficiency exists, the Village must provide resources to cover the deficiency until other resources are received. At September 30, 2021, the outstanding balance was \$2,505,000.

Future debt service requirements to maturity are:

	Special Assessment Bond, Series 2016		
	Principal	Interest	Total
Year Ending September 30:			
2022	195,000	70,781	265,781
2023	200,000	64,974	264,974
2024	210,000	58,947	268,947
2025	215,000	52,700	267,700
2026	220,000	46,305	266,305
2027-2031	1,205,000	128,993	1,333,993
2032	260,000	3,822	263,822
	<u>\$ 2,505,000</u>	<u>\$ 426,522</u>	<u>\$2,931,522</u>

Business-type Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Utility loans, direct borrowings	\$18,160,130	\$ -	\$(1,122,770)	\$ 17,037,360	\$1,157,901
Compensated absences payable	557,741	473,103	(430,679)	600,165	285,610
Net pension liability	5,202,049	1,384,071	(5,039,806)	1,546,314	-
Total	<u>\$ 23,919,920</u>	<u>\$ 1,857,174</u>	<u>\$(6,593,255)</u>	<u>\$ 19,183,839</u>	<u>\$ 1,443,511</u>

In December 2018, the Village borrowed \$10 million for the purpose of financing capital expenditures relating to the water and wastewater system. Payments, including principal and interest, are to be made in equal monthly installments of \$69,443.57 over 15 years. The interest rate of the loan is 3.08% and matures on December 12, 2033.

In January 2019, the Village borrowed \$10 million for the purpose of financing capital expenditures relating to the water and wastewater system. Payments, including principal and interest, are to be made in equal monthly installments of \$69,491.84 over 15 years. The interest rate of the loan is 3.09% and matures on January 4, 2034.

The loans are payable pursuant to a covenant to budget and appropriate from legally available non-ad valorem revenues.

Future debt service requirements to maturity are:

	Loans Payable		
	Principal	Interest	Total
Year Ending September 30:			
2022	1,157,901	509,324	1,667,225
2023	1,194,132	473,093	1,667,225
2024	1,231,496	435,729	1,667,225
2025	1,270,029	397,196	1,667,225
2026	1,309,768	357,457	1,667,225
2027-2031	7,189,836	1,146,289	8,336,125
2032-2034	3,684,198	136,550	3,820,748
	<u>\$ 17,037,360</u>	<u>\$ 3,455,638</u>	<u>\$ 20,492,998</u>

**NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**A. DUE TO/FROM OTHER FUNDS (BALANCES EXPECTED TO BE REPAID WITHIN ONE YEAR)**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.

The following is a summary of interfund receivable and payable balances as of September 30, 2021:

Receivable Fund	Payable Fund	Amount
General Fund	Lake Wellington Professional Centre	\$ 152,928

The interfund balances above represent short-term loans to cover temporary negative balances in the fund at year-end.

**B. INTERFUND TRANSFERS AND INDIRECT COST ALLOCATION**

The following is a summary of transfers by fund type for the fiscal year ended September 30, 2021:

	Transfers In	Transfers Out
General	\$ 4,180,376	\$ 4,419,960
Building	-	880,000
Acme Improvement	-	1,638,725
Nonmajor governmental funds	5,659,960	-
Utility System	-	2,325,351
Lake Wellington Professional Centre	-	228,750
Solid Waste	-	347,550
Total	<u>\$ 9,840,336</u>	<u>\$ 9,840,336</u>

General fund transfers in are related to indirect cost allocations from the other funds list above. The transfers into the non-major governmental funds (road maintenance and capital projects) are related to capital expenditures and were transferred out of the general fund, building fund and ACME improvement fund.

**NOTE 8. ENCUMBRANCES**

Purchase orders are issued throughout the year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2021 are as follows:

Major funds:	
General Fund	\$ 1,203,641
Building Fund	366,055
Acme Improvement	119,253
Surtax Fund	<u>224,346</u>
Total Major Funds	1,913,295
Non-Major Governmental Funds	<u>1,176,375</u>
Total Encumbrances	<u>\$ 3,089,670</u>

**NOTE 9. RETIREMENT PLAN**

**Florida Retirement System (FRS)**

**General Information about the FRS**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Village are eligible to enroll as members of the FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

**Aggregate Amount of Net Pension Liability, Deferred Outflow/Inflow and Expense**

The aggregate amount of deferred outflows, deferred inflows, and net pension liability reported in the statement of net position and the aggregate total pension expense reported in the statement of activities is as follows:

<u>Description</u>	<u>Net Pension Liability</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>	<u>Pension Expense</u>
Village's proportion of the FRS Pension Plan	\$ 3,992,706	\$ 5,217,917	\$ (14,126,243)	\$ 305,527
Village's proportion of the HIS Pension Plan	<u>7,059,723</u>	<u>1,042,677</u>	<u>(532,180)</u>	<u>508,658</u>
Total	<u>\$ 11,052,429</u>	<u>\$ 6,260,594</u>	<u>\$ (14,658,423)</u>	<u>\$ 814,185</u>

**FRS Pension Plan**

Plan Description – The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

The classes of membership within the Village are as follows:

- ❖ Regular Class – Member of the FRS who do not qualify for membership in another class.
- ❖ Elected Local Officers Class – Members who hold specified elective offices in local government.
- ❖ Senior Management Service Class – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided – Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<b>Regular Class members initially enrolled before July 1, 2011</b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service	1.68
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
<b>Elected Local Officers</b>	3.00
<b>Senior Management Service Class</b>	2.00

Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2021 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u> <u>October 1, 2020 to</u> <u>June 30, 2021</u>		<u>Percent of Gross Salary</u> <u>July 1, 2021 to</u> <u>September 30, 2021</u>	
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employee</u>	<u>Employer (1)</u>
	FRS, Regular	3.00	10.00	3.00
FRS, Elected Local Officers	3.00	49.18	3.00	51.42
FRS, Senior Management Service Class	3.00	27.29	3.00	29.01
DROP - Applicable to all members in the above classes	0.00	16.98	0.00	18.34

(1) Employer rates include a postemployment HIS contribution rate of 1.66 percent. Also, employer rates, other than DROP participants, include .06 percent for administrative costs of the Investment Plan.

The Village’s employer contributions to the Plan totaled \$2,013,604 for the fiscal year ended September 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2021, the Village reported a liability of \$3,992,706 for its proportionate share of the Plan’s net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The Village’s proportionate share of the net pension liability was based on the Village’s contributions for the year ended June 30, 2021 relative to the contributions of all participating members. At June 30, 2021, the Village’s proportionate share was .0529% percent, which was an increase of .0026% from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021 the Village recognized pension expense of \$305,527 related to the Pension Plan. In addition, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 684,356	\$ -
Change of assumptions	2,732,008	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(13,929,552)
Changes in proportion and differences between Wellington FRS contributions and proportionate share of contributions	1,190,922	(196,691)
Wellington FRS contributions subsequent to the measurement date	610,631	-
Total	<u>\$ 5,217,917</u>	<u>\$ (14,126,243)</u>

The deferred outflows of resources related to pensions, totaling \$610,631, resulting from Village contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The net amount of the remaining deferred outflows of resources and deferred inflows of resources in the amount of \$9,518,957 will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	(1,515,822)
2023	(1,897,150)
2024	(2,708,448)
2025	(3,518,129)
2026	120,592
Thereafter	-
<b>Total</b>	<b><u>\$ (9,518,957)</u></b>

Actuarial Assumptions – The FRS Pension Plan’s GASB 67 valuation is performed annually. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method:

Inflation	2.40 percent
Salary Increase	3.25 percent, average, including inflation
Discount Rate	6.80 percent

Mortality rates were based on the PUB-2010 with projection Scale MP-2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Arithmetic Return</u>	<u>Geometric Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
<b>Total</b>	<b>100.00%</b>			
Assumed inflation - mean			2.4%	1.2%

(1) As outlined in the Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 6.80%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate did not change from prior year.

Sensitivity of the Village's Proportionate Share of the Net Position Liability to Changes in the Discount Rate The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate 6.80%</u>	<u>1% Increase</u>
Village's proportionate share of the net pension liability	\$17,855,655	\$3,992,706	-\$7,595,162

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2021, the Village reported a payable of \$0 for the outstanding amount of contributions to the Plan.

### ***HIS Pension Plan***

Plan Description – The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.



**Benefits Provided** – For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions** – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the contribution rate was 1.66% of payroll for July 1, 2010 through September 30, 2021 pursuant to section 112.363, Florida Statutes. The Village contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Village’s contributions to the HIS Plan totaled \$338,296 for the fiscal year ended September 30, 2021.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – At September 30, 2021, the Village reported a net pension liability of \$7,059,723 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2021. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. At June 30, 2021, the Village’s proportionate share was .0576%, which was an increase of .001% from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021 the Village recognized pension expense of \$508,658 related to the HIS Plan. In addition, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 236,236	\$ (2,957)
Change of assumptions	554,736	(290,878)
Net difference between projected and actual earnings on HIS pension plan investments	7,360	-
Changes in proportion and differences between Wellington HIS contributions and proportionate share of HIS contributions	150,912	(238,345)
Wellington HIS contributions subsequent to the measurement date	93,433	-
<b>Total</b>	<b>\$ 1,042,677</b>	<b>\$ (532,180)</b>

The deferred outflows of resources related to pensions, totaling \$93,433, resulting from Village contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The net amount of the remaining deferred outflows of resources and deferred inflows of resources in the amount of \$417,064 will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	145,447
2023	52,696
2024	69,490
2025	77,241
2026	63,389
Thereafter	8,801
<b>Total</b>	<b>\$ 417,064</b>

Actuarial Assumptions – The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increase	3.25 percent, average, including inflation
Discount Rate	2.16 percent

Mortality rates were based on the Generational PUB-2010 with projection Scale MP-2018. Actuarial valuations for the HIS program are conducted biennially. The July 1, 2020, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for the June 30, 2021, financial reporting exhibits.

Discount Rate – The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. Since the prior measurement date, the discount rate was decreased from 2.21% to 2.16%.

Sensitivity of the Village’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following presents the Village’s proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the Village’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount Rate</u> <u>2.16%</u>	<u>1%</u> <u>Increase</u>
Village's proportionate share of the net pension liability	\$8,161,723	\$7,059,723	\$6,156,880

Pension Plan Fiduciary Net Position – Detailed information about the HIS Plan’s fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2021, the Village reported a payable of \$0 for the outstanding amount of contributions to the HIS Plan.

## **FRS – Defined Contribution Pension Plan**

The Village contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement.

The report can be found at <https://www.myfloridacfo.com/Division/AA/Reports/>.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Village employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member’s accounts during the current fiscal year were as follows:

<b>Class</b>	<b>Percent of Gross Compensation</b>
FRS, Regular	6.30%
FRS, Elected Local Officers	11.34%
FRS, Senior Management Service	7.67%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .06 percent from July 1, 2010 – September 30, 2021 of payroll and by forfeited benefits of Investment Plan members.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Village’s Investment Plan pension expense totaled \$448,427 for the fiscal year ended September 30, 2021.

Payables to the Investment Plan – At September 30, 2021, the Village reported a payable of \$0 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended September 30, 2021.

**NOTE 10. HEALTH INSURANCE**

Effective January 1, 2015 Wellington changed health insurance plans from fully insured United Health Care to a minimum premium arrangement with CIGNA. This minimum premium arrangement is a hybrid of fully insured and self-insured arrangements in which the insurance company remains legally liable for all claims. Reserve funding is built into premium rates and amounts paid in excess of the predetermined limit are accumulated into a reserve and refunded to the Village. As of September 30, 2021 the reserve accumulation with CIGNA is \$619,936 and the Village reported a payable of \$634,592.

On average the employee bears 15.0% and the Village bears the remaining 85.0% of the total health care premium.

**NOTE 11. RISK MANAGEMENT**

Wellington is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; cyber threats and natural disasters for which Wellington carries commercial insurance. Specifically, Wellington purchases commercial insurance for property, medical benefits, worker's compensation, general liability, automobile liability, cyber liability, errors and omissions, and director and officer liability; coverage may not extend to all situations. Wellington is also protected by Florida Statutes under the Doctrine of Sovereign Immunity, which effectively limits the amount of liability of municipalities to individual claims of \$200,000/\$300,000 for all claims relating to the same occurrence. There were no changes in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage in the last three years.

**NOTE 12. CONTINGENCIES**

***Legal***

There are various claims and legal actions pending against Wellington for which no provision has been made in the financial statements. Although the outcome of these lawsuits is not presently determinable, it is the opinion of Wellington's attorneys that resolution of these matters will not have a material adverse effect on the financial condition of Wellington.

***Other***

The Village of Wellington is in dispute with one of its contractors, Weiss Construction Co LLC, in relation to a final payment on a capital project. The Village recorded the original value of the payment request for \$373,798.

**NOTE 13. COMMITMENTS**

***Information Technology***

An Application Service Provider Agreement for a term of 5 years was executed during 2009 which provides for the use of the SunGard Public Sector, Inc. software package. This agreement was amended during 2012. Beginning October 1, 2014 this contract will automatically renew each year unless the Village opts to terminate the agreement. The amount remitted this fiscal year pursuant to the agreement was \$76,303.

In November 2017, the Village entered into a 7 year Software as a Service Agreement, SAAS, with Tyler Technologies. Tyler Technologies is an Enterprise Resource Planning (ERP) system that allows an organization to use integrated applications to manage the business and automate many departmental functions. The amount remitted for licensing and maintenance this fiscal year pursuant to the agreement was \$575,888.

### ***Agreement for Police Services***

During 2014, Wellington entered into an agreement with the Palm Beach County Sheriff's Office for the provision of professional police services through September 30, 2021. The contract will automatically renew for subsequent five-year terms, unless either party terminates the agreement. By May 1st of each year, the Palm Beach County Sheriff's Office submits the proposed cost of services and related staffing which is incorporated into Wellington's budget. Pursuant to the agreement, the Sheriff will assign personnel to provide law enforcement coverage within Wellington. Amount remitted this fiscal year pursuant to this agreement was \$9,987,534.

### ***Solid Waste Collection and Recycling***

On April 14, 2015, the contract for waste and recycling collection services was awarded to Waste Management. The agreement is for five years and expires on September 30, 2021. There are three renewal options in this agreement for an additional one-year period. The contract also grants the contractor the exclusive right to provide service directly to commercial operations. The contract gives the contractor the right to petition Wellington for rate adjustments based on extraordinary and unusual changes in the cost of operations. Amounts paid this fiscal year pursuant to this agreement total \$3,979,887. According to the agreement, future year payments to Waste Management, Inc. will be adjusted by a yearly CPI index.

On May 11, 2021, Wellington entered into an exclusive franchise agreement with FCC Environmental Services Florida, LLC. for the collection of solid waste and recyclable materials generated by the Village's residents and businesses. The agreement will commence on December 30, 2021. The agreement is for 10 years and expires on September 30, 2031. There is a renewal option in this agreement for an additional 5-year period. The contract was awarded for residential services in the amount of \$5,021,347 annually. The agreement does allow for annual CPI adjustments if the contractor requests them in writing before July 1<sup>st</sup> of each year.

### ***Water/Wastewater Treatment Plant Projects***

On August 18, 2018, Council awarded a contract to Weiss Construction of Florida, LLC for the renewal, replacement and expansion of the Water Treatment Plant in the amount of \$17,005,300 and subsequently amended to \$13,151,551. The amount expensed this fiscal year was \$1,965,897. The remainder of the original contract will be completed by a new contractor subsequent to year-end.

On March 12, 2019, Council awarded a contract to Wharton Smith, Inc. for the Wastewater Treatment Facility renewal and replacement project in the amount of \$19,042,020 and subsequently amended to \$16,512,434. The amount expensed this fiscal year was \$4,146,384.

### ***NOTE 14. OTHER POSTEMPLOYMENT BENEFITS***

Pursuant to Section 112.081, Florida Statutes, the Village is required to permit eligible retirees and their eligible dependents to participate in the Village's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The Village does not provide retirees with any subsidy for this benefit.

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. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Plan Description: On September 28, 2007, Wellington established the Employee Retirement Healthcare Trust Fund, administered by the League of Cities. Wellington employees are provided with defined benefit OPEB through an agent multiple-employer OPEB plan. The plan assets are pooled for investment purposes but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees. The Village contributed \$879,951 to the Trust in 2007. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses and families. Wellington Council is authorized to establish and amend benefit levels, subject to the minimum requirements set forth by Florida Statutes, and to approve the actuarial assumptions used in the determination of contribution levels. The Plan does not issue a separate financial statement and required supplementary information. There were 12 retirees eligible to receive benefits as of September 30, 2021.

Benefits Provided: Village of Wellington provides healthcare, vision, and dental for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits are covered by the retiree.

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

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>294</u>
	306

Contributions: Village of Wellington authorizes the Village Council to establish benefit levels. Wellington Council also establishes the contribution requirements of plan members and Wellington. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the full cost of the premium. Wellington does not subsidize member premiums. Plan members contribute 100% of the monthly premium ranging from a minimum of \$817 to a maximum of \$2,451.

Actuarial Assumptions: The total OPEB asset in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.8 percent
Healthcare cost trend rates	7.0 percent for FY 2021, decreasing 0.5 percent per year to 5.0 percent for the years FY 2025 and later.
Salary increases	3.0 percent per annum
Investment rate of return	7.5 percent, including inflation
Retirement age	With respect to employees hired prior to July 1, 2011, retirement is assumed to occur at the earlier of age 62 with six years of service or any age with 30 years of service; with respect to all other employees, retirement is assumed to occur at the earlier of age 65 with six years of service or any age with 33 years of service.
Age-related morbidity	Healthcare costs are assumed to increase for each year of age according to the Society of Actuaries report "Health Care Costs - From Death to Birth" prepared by Dale H. Yamamoto (June 2013).
Implied Subsidy	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy has been assumed for FY 2021 based on the age related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the health care costs and trend rates.
Other Decrements	Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1)
Coverage election	5.0 percent of eligible employees (other than the Village Manager) are assumed to elect medical coverage until age 65 upon retirement or disability. Village Manager is assumed to elect medical coverage until 65; all retirees (current and future) have been assumed to continue their current health plan coverage election.
Spouses and dependents	Husbands are assumed to be three years older than their wives; retirees are not assumed to have any dependent children.
COBRA	Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation.
Changes	Since the prior measurement date, the healthcare cost trend rates were changed from 6.0 percent for the FY 2021 graded down to 5.0 percent for the FY 2023 and later to 7.0 percent for the FY 2021 graded down to 5.0 percent for the FY 2025 and later fiscal years. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2020.

Mortality rates are based on the PUB-2010 Mortality Table with full generational improvements in mortality using Scale MP-2020.

The actuarial assumptions used in the September 30, 2021 valuation were based on the results of an actuarial experience study for the period October 1, 2020-September 30, 2021.

The long-term expected rate of return on the OPEB plan investments was determined using a building-block method in which best-estimate ranges of the expected return (expected returns, net of OPEB plan investment expense 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. The target allocation and the best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap equity	30.0%	4.6%
Non-U.S. equity	24.0%	6.7%
U.S. small cap equity	16.0%	5.5%
Core plus	10.0%	2.1%
Core bonds	10.0%	1.6%
Core real estate	10.0%	5.0%
<b>Total</b>	<b>100.00%</b>	
Weighted Arithmetic average		4.7%

Discount Rate: The discount rate used to measure the total OPEB asset was 7.5%. The projection of cash flows used to determine the discount rate assumed that Village contributions will be made at rates equal to actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

	<u>Total OPEB Liability</u> (a)	<u>Plan Fiduciary Net Position</u> (b)	<u>Net OPEB Asset</u> (a) + (b)
Balances at 9/30/2020	\$ 789,386	\$ (1,840,239)	\$(1,050,853)
Changes for the year:			
Service cost	22,590	-	22,590
Expected interest growth	56,551	(137,702)	(81,151)
Demographic Experience	(34,139)		(34,139)
Unexpected investment growth	-	(264,469)	(264,469)
Benefit payments & refunds	(118,065)		(118,065)
Administrative expense	-	8,577	8,577
Assumption Changes	19,517		19,517
Net Changes	(53,546)	(393,594)	(447,140)
Balance at 9/30/2021	\$ 735,840	\$ (2,233,833)	\$(1,497,993)

Sensitivity of the net OPEB asset to changes in the discount rate and health-care cost trend rates- The following presents the net OPEB asset of the Village, as well as what the Village's net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>Discount Rate</u>		
	<u>1% Decrease</u>	<u>(7.5%)</u>	<u>1% Increase</u>
Net OPEB asset	\$ 1,456,241	\$ 1,497,993	\$ 1,535,768



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

	<b>Trend Rate minus 1%</b>	<b>Healthcare Cost Trend Rates (7.0% decreasing to 5.0%)</b>	<b>Trend Rate plus 1%</b>
Net OPEB asset	\$ 1,549,211	\$ 1,497,993	\$ 1,439,027

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, the Village recognized OPEB expense of (\$185,545). At September 30, 2021, the Village reported deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances at 9/30/2020	\$ 581,718	\$ 77,115
Changes for the year:		
Amortization payments	(67,743)	(85,239)
Investment gain/loss	-	264,469
Demographic gain/loss	-	34,139
Assumption changes	19,517	-
Balances at 9/30/2021	<u>\$ 533,492</u>	<u>\$ 290,484</u>

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

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	2,096
2023	5,908
2024	(2,979)
2025	(3,922)
2026	48,971
Thereafter	192,934
<b>Total</b>	<b>\$ 243,008</b>

**NOTE 15.      *SUBSEQUENT EVENTS***

On October 26, 2021, Village Council adopted Resolution No. 2021-65 to approve the purchase and sale agreement for 4001 Flying Cow Road, 160<sup>th</sup> Avenue North, Wellington, FL in the amount of \$4,500,000 to expand and enhance the Wellington Environmental Preserve at the Marjory Stoneman Douglas Habitat. The Florida Department of Environmental Protection (FDEP) administers the Florida Communities Trust (FCT) Florida Forever Program Parks and Open Space Program to provide grants for the acquisition of land for community-based parks, open spaces, stormwater parks and greenways and trails that further the outdoor recreation and natural resource protection needs identified in the local government comprehensive plan. The Village has applied for this grant and was ranked successfully for funding in the amount of \$3,386,250.



# Required Supplementary Information

# **Budgetary Comparison Schedules:**

## **General Fund**

### **Special Revenue Funds:**

Building

Acme Improvement

# VILLAGE OF WELLINGTON, FLORIDA

## BUDGETARY COMPARISON SCHEDULE

### GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 20,864,280	\$ 20,864,280	\$ 21,021,227	\$ 156,947
Utility services taxes	5,075,000	5,075,000	5,228,864	153,864
Communication services taxes	2,110,000	2,110,000	1,883,191	(226,809)
Local business tax receipts	664,339	664,339	814,890	150,551
Other permit and fees	1,153,000	1,153,000	986,570	(166,430)
Franchise fees	3,535,000	3,535,000	3,620,987	85,987
Grants	291,425	384,569	4,044,643	3,660,074
State revenue sharing	7,071,370	7,071,370	7,379,470	308,100
Charges for services	1,903,000	1,903,000	2,341,077	438,077
Fines and forfeitures	381,000	381,000	137,338	(243,662)
Investment income (net)	206,000	206,000	78,599	(127,401)
Miscellaneous	360,057	360,057	533,748	173,691
Total revenues	<u>43,614,471</u>	<u>43,707,615</u>	<u>48,070,604</u>	<u>4,362,989</u>
<b>Expenditures:</b>				
Current:				
General government	20,246,329	20,748,823	19,095,516	1,653,307
Public safety	11,520,051	11,496,851	11,232,200	264,651
Physical environment	1,194,341	1,139,024	942,256	196,768
Economic environment	1,882,859	1,819,225	1,546,239	272,986
Culture and recreation	9,133,698	9,582,469	8,758,253	824,216
Capital outlay	461,300	667,801	290,534	377,267
Total expenditures	<u>44,438,578</u>	<u>45,454,193</u>	<u>41,864,998</u>	<u>3,589,195</u>
Excess (deficiency) of revenues over expenditures	<u>(824,107)</u>	<u>(1,746,578)</u>	<u>6,205,606</u>	<u>7,952,184</u>
<b>Other financing sources (uses):</b>				
Transfers in	4,030,376	4,030,376	4,180,376	150,000
Transfers out	(4,419,960)	(4,419,960)	(4,419,960)	-
Proceeds from sale of capital assets	-	-	122,747	122,747
Total other financing sources (uses)	<u>(389,584)</u>	<u>(389,584)</u>	<u>(116,837)</u>	<u>272,747</u>
Net change in fund balances	(1,213,691)	(2,136,162)	6,088,769	8,224,931
Fund balances, beginning of year	<u>37,787,424</u>	<u>37,787,424</u>	<u>37,787,424</u>	<u>-</u>
Fund balances, end of year	<u>\$ 36,573,733</u>	<u>\$ 35,651,262</u>	<u>\$ 43,876,193</u>	<u>\$ 8,224,931</u>

## VILLAGE OF WELLINGTON, FLORIDA

### BUDGETARY COMPARISON SCHEDULE

#### BUILDING - SPECIAL REVENUE FUND

YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Building permits and fees	\$ 3,850,340	\$ 3,850,340	\$ 5,676,636	\$ 1,826,296
Investment income (net)	34,000	34,000	2,970	(31,030)
Miscellaneous	<u>8,000</u>	<u>8,000</u>	<u>55,223</u>	<u>47,223</u>
Total revenues	<u>3,892,340</u>	<u>3,892,340</u>	<u>5,734,829</u>	<u>1,842,489</u>
<b>Expenditures:</b>				
Current:				
General government	41,890	41,890	-	41,890
Public safety	3,192,265	3,859,178	3,316,390	542,788
Capital outlay	<u>-</u>	<u>44,778</u>	<u>-</u>	<u>44,778</u>
Total expenditures	<u>3,234,155</u>	<u>3,945,846</u>	<u>3,316,390</u>	<u>629,456</u>
Excess (deficiency) of revenues over expenditures	<u>658,185</u>	<u>(53,506)</u>	<u>2,418,439</u>	<u>2,471,945</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	(880,000)	(880,000)	(880,000)	-
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>4,450</u>	<u>4,450</u>
Total other financing sources (uses)	<u>(880,000)</u>	<u>(880,000)</u>	<u>(875,550)</u>	<u>4,450</u>
Net change in fund balances	(221,815)	(933,506)	1,542,889	2,476,395
Fund balances, beginning of year	<u>7,472,111</u>	<u>7,472,111</u>	<u>7,472,111</u>	<u>-</u>
Fund balances, end of year	<u>\$ 7,250,296</u>	<u>\$ 6,538,605</u>	<u>\$ 9,015,000</u>	<u>\$ 2,476,395</u>

## VILLAGE OF WELLINGTON, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
ACME IMPROVEMENT - SPECIAL REVENUE FUND  
YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Special assessments	\$ 5,783,040	\$ 5,783,040	\$ 5,810,741	\$ 27,701
Charges for services	316,000	316,000	306,342	(9,658)
Investment income (net)	10,820	10,820	15,351	4,531
Miscellaneous	<u>56,500</u>	<u>56,500</u>	<u>46,924</u>	<u>(9,576)</u>
Total revenues	<u>6,166,360</u>	<u>6,166,360</u>	<u>6,179,358</u>	<u>12,998</u>
<b>Expenditures:</b>				
Current:				
General government	63,104	63,104	65,813	(2,709)
Physical environment	3,967,062	3,946,479	3,318,233	628,246
Culture and recreation	414,469	405,469	387,950	17,519
Capital outlay	<u>83,000</u>	<u>98,000</u>	<u>292,694</u>	<u>(194,694)</u>
Total expenditures	<u>4,527,635</u>	<u>4,513,052</u>	<u>4,064,690</u>	<u>448,362</u>
Excess (deficiency) of revenues over expenditures	<u>1,638,725</u>	<u>1,653,308</u>	<u>2,114,668</u>	<u>461,360</u>
<b>Other financing uses:</b>				
Transfers out	(1,638,725)	(1,638,725)	(1,638,725)	-
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>20,651</u>	<u>20,651</u>
Total other financing uses	<u>(1,638,725)</u>	<u>(1,638,725)</u>	<u>(1,618,074)</u>	<u>20,651</u>
Net change in fund balances	-	14,583	496,594	482,011
Fund balances, beginning of year	<u>2,280,488</u>	<u>2,280,488</u>	<u>2,280,488</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,280,488</u>	<u>\$ 2,295,071</u>	<u>\$ 2,777,082</u>	<u>\$ 482,011</u>

**NOTE 1. BUDGETARY ACCOUNTING**

State of Florida Statutes requires that all municipal governments establish budgetary systems and approve annual operating budgets. The Council annually adopts an operating budget and appropriates funds for the general, special revenue, capital projects and debt service funds. The procedures for establishing the budgetary data are as follows:

- ❖ Prior to September 1, Wellington Manager submits a proposed operating budget to the Council for the next fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- ❖ Public hearings are conducted to obtain taxpayer comments.
- ❖ Wellington advises the County Property Appraiser of the proposed millage rate, special assessment levies, and the date, time and place of the public hearing for budget acceptance.
- ❖ The budget and related millage rate and special assessment levies are legally enacted by resolution.

Changes or amendments to the total budget of a fund must be approved by the Council. Changes within a fund which do not affect total fund expenditures may be approved at the administrative level. Accordingly, the legal level of control is at the fund level.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Wellington also adopts a nonappropriated operating budget for the enterprise funds substantially on a basis consistent with U.S. generally accepted accounting principles. All appropriations lapse at fiscal year-end; however, encumbrances and amounts specifically designated to be carried forward to the subsequent year are re-appropriated in the following year.

As required by GASB Statement No. 34, budgetary comparison schedules are presented for the general fund and major special revenue funds.



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## VILLAGE OF WELLINGTON, FLORIDA

### SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

SEPTEMBER 30, 2021

#### Florida Retirement System Pension Plan

##### Last Ten Measurement Years <sup>(1)</sup>

	2021	2020	2019
Village's proportion of the FRS net pension liability	0.0529%	0.0503%	0.0496%
Village's proportionate share of the FRS net pension liability	3,992,707	21,803,503	17,074,811
Village's covered payroll	20,372,638	20,450,352	19,687,857
Village's proportionate share of the FRS net pension liability as a percentage of its covered payroll	19.60%	106.62%	86.73%
FRS plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%

#### Health Insurance Subsidy Pension Plan

##### Last Ten Measurement Years <sup>(1)</sup>

	2021	2020	2019
Village's proportion of the HIS net pension liability	0.0576%	0.0589%	0.0588%
Village's proportionate share of the HIS net pension liability	7,059,723	7,195,583	6,580,765
Village's covered payroll	20,372,638	20,450,352	19,687,857
Village's proportionate share of the HIS net pension liability as a percentage of its covered payroll	34.65%	35.19%	33.43%
HIS plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%

*(1) The amounts presented for each measurement year were determined as of 06/30. GASB 68 requires information for 10 years. However, until a full ten-year trend is compiled, information will be presented for only those years which information is available.*

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.0513%	0.0483%	0.0420%	0.0439%	0.0445%
15,440,590	14,276,459	10,615,415	5,674,291	2,713,638
19,786,378	18,900,403	17,448,015	17,158,799	19,328,166
78.04%	75.54%	60.84%	33.07%	14.04%
84.26%	83.89%	84.88%	92.00%	96.09%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.0606%	0.0593%	0.0565%	0.0566%	0.0571%
6,411,831	6,339,281	6,585,785	5,768,050	5,341,134
19,786,378	18,900,403	17,448,015	17,158,799	19,328,166
32.41%	33.54%	37.75%	33.62%	27.63%
2.15%	1.64%	0.97%	0.50%	0.99%

**VILLAGE OF WELLINGTON, FLORIDA**

SCHEDULE OF THE VILLAGE CONTRIBUTIONS

SEPTEMBER 30, 2021

**Florida Retirement System Pension Plan**  
**Last Ten Fiscal Years <sup>(1)</sup>**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required FRS contribution	\$ 2,013,604	\$ 1,671,456	\$ 1,537,351
FRS contributions in relation to the contractually required contribution	<u>(2,013,604)</u>	<u>(1,671,456)</u>	<u>(1,537,351)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	20,219,891	20,596,488	19,909,643
FRS contributions as a percentage of covered payroll	9.96%	8.12%	7.72%

**Health Insurance Subsidy Pension Plan**  
**Last Ten Fiscal Years <sup>(1)</sup>**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required HIS contribution	\$ 338,296	\$ 339,601	\$ 326,592
HIS contributions in relation to the contractually required contribution	<u>(338,296)</u>	<u>(339,601)</u>	<u>(326,592)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	20,219,891	20,596,488	19,909,643
HIS contributions as a percentage of covered payroll	1.67%	1.65%	1.64%

*(1) The amounts presented for each fiscal year were determined as of 09/30. GASB 68 requires information for 10 years. However, until a full ten-year trend is compiled, information will be presented for only those years which information is available.*

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,333,196	\$ 1,186,398	\$ 1,205,050	\$ 1,108,302
<u>(1,333,196)</u>	<u>(1,186,398)</u>	<u>(1,205,050)</u>	<u>(1,108,302)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
19,500,893	19,478,310	18,354,726	17,179,188
6.84%	6.09%	6.57%	6.45%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 323,715	\$ 323,340	\$ 304,688	\$ 285,175
<u>(323,715)</u>	<u>(323,340)</u>	<u>(304,688)</u>	<u>(285,175)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
19,500,893	19,478,310	18,354,726	17,179,188
1.66%	1.66%	1.66%	1.66%

## VILLAGE OF WELLINGTON, FLORIDA

### OPEB LIABILITY SCHEDULES

SEPTEMBER 30, 2021

#### Schedule of Changes in the Village's Net OPEB Liability and Related Ratios - Last Ten Fiscal Years <sup>(1)</sup>

	2021	2020	2019
<b>Total OPEB liability</b>			
Service Cost	\$ 22,590	\$ 22,570	\$ 11,552
Expected interest growth	56,551	20,498	21,223
Demographic experience	(34,139)	168,621	60,600
Changes of benefit terms		-	-
Differences between expected and actual experience		-	-
Changes of assumptions	19,517	383,618	(30,336)
Benefit payments	(118,065)	(111,316)	(57,111)
<b>Net change in total OPEB liability</b>	(53,546)	483,991	5,928
<b>Total OPEB liability - beginning</b>	789,386	305,395	299,467
<b>Total OPEB liability - ending (a)</b>	<u>\$ 735,840</u>	<u>\$ 789,386</u>	<u>\$ 305,395</u>
<b>Plan fiduciary net position</b>			
Contributions - employer		\$ -	\$ -
Expected interest growth	137,702	129,116	123,986
Unexpected investment income	264,469	(4,724)	(44,426)
Benefit refunds		-	-
Administrative expense	(8,577)	(11,198)	(11,131)
<b>Net change in plan fiduciary net position</b>	393,594	113,194	68,429
<b>Plan fiduciary net position - beginning</b>	1,840,239	1,727,045	1,658,616
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 2,233,833</u>	<u>\$ 1,840,239</u>	<u>\$ 1,727,045</u>
<b>Village's net OPEB asset - ending (b) - (a)</b>	<u>\$ 1,497,993</u>	<u>\$ 1,050,853</u>	<u>\$ 1,421,650</u>
Plan fiduciary net position as a percentage of the total OPEB liability	303.58%	233.12%	565.51%
Covered payroll	18,308,570	18,647,506	18,149,435
Village's net OPEB liability as a percentage of covered-payroll	N/A	N/A	N/A

(1) GASB 75 requires information for 10 years. However, until a full ten-year trend is compiled, information will be presented for only those years which information is available.

	2018		2017
\$	11,276	\$	8,343
	24,839		25,067
	(34,071)		-
	-		-
	-		-
	-		-
	(44,188)		(34,743)
	(42,144)		(1,333)
	341,611		342,944
\$	299,467	\$	341,611

\$	-	\$	-
	114,781		100,494
	19,063		97,942
	-		-
	(11,080)		(4,907)
	122,764		193,529
	1,535,852		1,342,323
\$	1,658,616	\$	1,535,852

\$	1,359,149	\$	1,194,241
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	553.86%		449.59%
	17,593,811		16,763,480
	N/A		N/A

## CONDITION RATING OF STREET SYSTEM SEPTEMBER 30, 2021

The condition of street pavement is measured using the Asphalt Pavement Rating Form as developed by the Asphalt Institute. The Asphalt Pavement Rating Form is based on a weighted average of thirteen defects found in pavement surfaces. The form uses a measurement scale that is based on a condition index rating from zero for failed pavement to 100 for pavement in perfect condition. The condition index is used to classify roads in seven categories: excellent (100-85), very good (84-70), good (69-55), fair (54-40), poor (39-25), very poor (24-10), failed (9-0). It is Wellington's policy to maintain at least 100% of its street system at a good or better condition. Needed maintenance is calculated based upon inspections and the condition assessment index.

In accordance with GASB Statement No. 34, Wellington is required to report at least one complete condition assessment at transition using the modified approach. The condition assessment was completed and documented that the eligible infrastructure assets are being preserved at or above the condition level established. Future assessments will be completed on a cyclical basis (one-third of all the streets in the network every year for three years).

Wellington calculates needed maintenance of its street system annually. However, the scheduling of these road projects often crosses fiscal years. Therefore, actual maintenance may be less than the calculated needed maintenance in one fiscal year and greater than the calculated needed maintenance in the subsequent fiscal year.

### CONDITION RATING OF THE VILLAGE'S STREET SYSTEM

#### Percentage of lane miles in good or better condition

##### Overall System:

2019	100%
2020	100%
2021	100%

#### Percentage of lane miles in substandard condition

##### Overall System:

2019	0%
2020	0%
2021	0%

### COMPARISON OF ESTIMATED-TO-ACTUAL MAINTENANCE/PRESERVATION

	<u>Estimated</u>	<u>Actual</u>
Overall System:		
2017	1,743,687	1,445,990
2018	2,559,983	1,973,588
2019	2,366,304	2,299,024
2020	2,188,187	2,086,209
2021	2,312,936	2,209,638





Combining and  
Individual Fund  
Information and Other  
Supplementary  
Information

## ***NONMAJOR GOVERNMENTAL FUNDS***

### ***SPECIAL REVENUE FUNDS***

Special Revenue Funds are maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

*Gas Tax Maintenance Fund* – Accounts for gas tax revenues and expenditures related to road maintenance projects.

### ***CAPITAL PROJECTS FUNDS***

Capital Projects Funds are maintained to account for the proceeds of specific revenue sources that are legally restricted for capital expenditures.

*Recreation Impact Fees Fund* – Accounts for impact fee revenues and expenditures for recreation construction projects.

*Gas Tax Capital Fund* – Accounts for gas tax revenues and expenditures related to road construction.

*Road Impact Fees Fund* – Accounts for impact fee revenues and expenditures for road construction projects.

*Capital Projects Fund* – This fund is used to segregate all financial activity applicable to governmental capital expenditures from governmental operating expenditures. These expenditures are funded through transfers and grant proceeds.

# VILLAGE OF WELLINGTON, FLORIDA

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

	Special Revenue					
	Fund	Capital Project Funds				
	Gas Tax Maintenance	Recreation Impact Fees	Gas Tax Capital	Road Impact Fees	Capital Projects	Total Nonmajor Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 24,098	\$ 1,120,500	\$ 6,463	\$ 241,102	\$ 270,084	\$ 1,662,247
Investments	2,561,591	-	2,343,102	1,340,941	11,683,002	17,928,636
Receivables:						
Accrued interest receivable	8,088	-	5,683	3,252	30,211	47,234
Prepaid expenditures	4,327	-	-	-	-	4,327
Due from other governments	179,690	-	206,913	-	100,000	486,603
Total assets	<u>\$ 2,777,794</u>	<u>\$ 1,120,500</u>	<u>\$ 2,562,161</u>	<u>\$ 1,585,295</u>	<u>\$ 12,083,297</u>	<u>\$ 20,129,047</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 82,917	\$ -	\$ 50,480	\$ -	\$ 910,928	\$ 1,044,325
Retainage payable	-	-	-	-	119,518	119,518
Unearned revenue	-	-	-	30,273	-	30,273
Total liabilities	<u>82,917</u>	<u>-</u>	<u>50,480</u>	<u>30,273</u>	<u>1,030,446</u>	<u>1,194,116</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	43,939	-	100,000	143,939
Fund balances:						
Nonspendable:						
Prepaid expenditures	4,327	-	-	-	-	4,327
Restricted for:						
Capital projects	-	1,120,500	2,467,742	1,555,022	-	5,143,264
Road capital and maintenance	2,690,550	-	-	-	-	2,690,550
Assigned for:						
Capital projects	-	-	-	-	-	-
Contracts	-	-	-	-	10,952,851	10,952,851
Unassigned	-	-	-	-	-	-
Total fund balances	<u>2,694,877</u>	<u>1,120,500</u>	<u>2,467,742</u>	<u>1,555,022</u>	<u>10,952,851</u>	<u>18,790,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,777,794</u>	<u>\$ 1,120,500</u>	<u>\$ 2,562,161</u>	<u>\$ 1,585,295</u>	<u>\$ 12,083,297</u>	<u>\$ 20,129,047</u>

## VILLAGE OF WELLINGTON, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021

	Special					Total Nonmajor Funds
	Revenue Fund	Capital Project Funds				
	Gas Tax Maintenance	Recreation Impact Fees	Gas Tax Capital	Road Impact Fees	Capital Projects	
<b>Revenues:</b>						
Impact fees	\$ -	\$ 243,350	\$ -	\$ 121,915	\$ -	\$ 365,265
Grants	-	-	992,055	-	-	992,055
Local option taxes	1,071,901	-	489,453	-	-	1,561,354
State revenue sharing	501,173	-	-	-	-	501,173
Investment income (net)	3,058	-	1,166	886	10,097	15,207
Miscellaneous	25,748	-	-	-	-	25,748
Total revenues	<u>1,601,880</u>	<u>243,350</u>	<u>1,482,674</u>	<u>122,801</u>	<u>10,097</u>	<u>3,460,802</u>
<b>Expenditures:</b>						
Current:						
Transportation	3,661,576	-	-	-	-	3,661,576
Capital outlay	14,417	-	1,694,736	-	3,721,565	5,430,718
Total expenditures	<u>3,675,993</u>	<u>-</u>	<u>1,694,736</u>	<u>-</u>	<u>3,721,565</u>	<u>9,092,294</u>
Excess (deficiency) of revenues over expenditures	<u>(2,074,113)</u>	<u>243,350</u>	<u>(212,062)</u>	<u>122,801</u>	<u>(3,711,468)</u>	<u>(5,631,492)</u>
<b>Other financing sources (uses):</b>						
Transfers in	2,887,960	-	-	-	2,772,000	5,659,960
Total other financing sources (uses)	<u>2,887,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,772,000</u>	<u>5,659,960</u>
Net change in fund balances	813,847	243,350	(212,062)	122,801	(939,468)	28,468
Fund balances, beginning of year	<u>1,881,030</u>	<u>877,150</u>	<u>2,679,804</u>	<u>1,432,221</u>	<u>11,892,319</u>	<u>18,762,524</u>
Fund balances, end of year	<u>\$ 2,694,877</u>	<u>\$ 1,120,500</u>	<u>\$ 2,467,742</u>	<u>\$ 1,555,022</u>	<u>\$ 10,952,851</u>	<u>\$ 18,790,992</u>

# VILLAGE OF WELLINGTON, FLORIDA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

### GAS TAX MAINTENANCE - SPECIAL REVENUE FUND

YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local option taxes	\$ 607,000	\$ 607,000	\$ 1,071,901	\$ 464,901
State revenue sharing	482,000	482,000	501,173	19,173
Investment income (net)	7,200	7,200	3,058	(4,142)
Miscellaneous	<u>6,000</u>	<u>6,000</u>	<u>25,748</u>	<u>19,748</u>
Total revenues	<u>1,102,200</u>	<u>1,102,200</u>	<u>1,601,880</u>	<u>499,680</u>
<b>Expenditures:</b>				
Current:				
General government	12,397	12,397	-	12,397
Transportation	3,879,763	3,872,699	3,661,576	211,123
Capital outlay	<u>98,000</u>	<u>98,000</u>	<u>14,417</u>	<u>83,583</u>
Total expenditures	<u>3,990,160</u>	<u>3,983,096</u>	<u>3,675,993</u>	<u>307,103</u>
Excess (deficiency) of revenues over expenditures	<u>(2,887,960)</u>	<u>(2,880,896)</u>	<u>(2,074,113)</u>	<u>806,783</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>2,887,960</u>	<u>2,887,960</u>	<u>2,887,960</u>	<u>-</u>
Total other financing sources	<u>2,887,960</u>	<u>2,887,960</u>	<u>2,887,960</u>	<u>-</u>
Net change in fund balances	-	7,064	813,847	806,783
Fund balances, beginning of year	<u>1,881,030</u>	<u>1,881,030</u>	<u>1,881,030</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,881,030</u>	<u>\$ 1,888,094</u>	<u>\$ 2,694,877</u>	<u>\$ 806,783</u>

## VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 RECREATION IMPACT FEES - CAPITAL PROJECTS FUND  
 YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Impact fees	\$ 180,000	\$ 180,000	\$ 243,350	\$ 63,350
Investment income (net)	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>180,000</u>	<u>180,000</u>	<u>243,350</u>	<u>63,350</u>
<b>Expenditures:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>180,000</u>	<u>180,000</u>	<u>243,350</u>	<u>63,350</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	180,000	180,000	243,350	63,350
Fund balances, beginning of year	<u>877,150</u>	<u>877,150</u>	<u>877,150</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,057,150</u>	<u>\$ 1,057,150</u>	<u>\$ 1,120,500</u>	<u>\$ 63,350</u>

## VILLAGE OF WELLINGTON, FLORIDA

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

#### GAS TAX CAPITAL - CAPITAL PROJECTS FUND

YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Local option taxes	\$ 280,000	\$ 280,000	\$ 489,453	\$ 209,453
Grants	-	1,009,430	992,055	(17,375)
Miscellaneous	-	-	-	-
Investment income (net)	17,000	17,000	1,166	(15,834)
Total revenues	<u>297,000</u>	<u>1,306,430</u>	<u>1,482,674</u>	<u>176,244</u>
<b>Expenditures:</b>				
Capital outlay	<u>297,000</u>	<u>1,805,266</u>	<u>1,694,736</u>	<u>110,530</u>
Total expenditures	<u>297,000</u>	<u>1,805,266</u>	<u>1,694,736</u>	<u>110,530</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(498,836)</u>	<u>(212,062)</u>	<u>286,774</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(498,836)	(212,062)	286,774
Fund balances, beginning of year	<u>2,679,804</u>	<u>2,679,804</u>	<u>2,679,804</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,679,804</u>	<u>\$ 2,180,968</u>	<u>\$ 2,467,742</u>	<u>\$ 286,774</u>

## VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
ROAD IMPACT FEES - CAPITAL PROJECTS FUND  
YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Impact fees	\$ -	\$ -	\$ 121,915	\$ 121,915
Investment income (net)	5,300	5,300	886	(4,414)
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>5,300</u>	<u>5,300</u>	<u>122,801</u>	<u>117,501</u>
<b>Expenditures:</b>				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>5,300</u>	<u>5,300</u>	<u>122,801</u>	<u>117,501</u>
<b>Other financing uses:</b>				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	5,300	5,300	122,801	117,501
Fund balances, beginning of year	<u>1,432,221</u>	<u>1,432,221</u>	<u>1,432,221</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,437,521</u>	<u>\$ 1,437,521</u>	<u>\$ 1,555,022</u>	<u>\$ 117,501</u>



## VILLAGE OF WELLINGTON, FLORIDA

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

#### CAPITAL PROJECTS FUND

YEAR ENDED SEPTEMBER 30, 2021

	Original Adopted Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment income (net)	\$ 28,000	\$ 28,000	\$ 10,097	\$ (17,903)
Miscellaneous	-	-	-	-
Total revenues	28,000	28,000	10,097	(17,903)
<b>Expenditures:</b>				
Capital outlay:				
General government-technology	280,000	9,206	9,183	23
Public safety	-	-	-	-
Surface water management	1,320,000	1,526,255	1,384,338	141,917
Transportation- roads	-	-	-	-
Community services	-	1,693	-	1,693
Parks and recreation	1,200,000	3,334,723	2,328,044	1,006,679
Total expenditures	2,800,000	4,871,877	3,721,565	1,150,312
Excess (deficiency) of revenues over expenditures	(2,772,000)	(4,843,877)	(3,711,468)	1,132,409
<b>Other financing sources (uses):</b>				
Transfers in	2,772,000	2,772,000	2,772,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	2,772,000	2,772,000	2,772,000	-
Net change in fund balances	-	(2,071,877)	(939,468)	1,132,409
Fund balances, beginning of year	11,892,319	11,892,319	11,892,319	-
Fund balances, end of year	\$ 11,892,319	\$ 9,820,442	\$ 10,952,851	\$ 1,132,409

## ***MAJOR CAPITAL PROJECTS FUND AND DEBT SERVICE FUND***

*Surtax Fund* – Accounts for the voter approved one-cent sales surtax program.

*Debt Service Fund* – Maintained to account for the payment of interest and principal requirements on long-term debt. Wellington maintains one debt service fund for the repayment of revenue bonds.

## VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SALES SURTAX -CAPITAL PROJECTS FUND  
 YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Local option taxes	\$ 1,800,000	\$ 3,000,000	\$ 5,044,586	\$ 2,044,586
Investment income (net)	41,000	41,000	(889)	(41,889)
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,841,000</u>	<u>3,041,000</u>	<u>5,043,697</u>	<u>2,002,697</u>
<b>Expenditures:</b>				
Capital outlay:				
Parks and recreation	<u>1,841,000</u>	<u>8,234,284</u>	<u>7,991,921</u>	<u>(242,363)</u>
Total expenditures	<u>1,841,000</u>	<u>8,234,284</u>	<u>7,991,921</u>	<u>(242,363)</u>
Excess (deficiency) of revenues over expenditures	-	(5,193,284)	(2,948,224)	2,245,060
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net gain on sale or disposition of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(5,193,284)	(2,948,224)	2,245,060
Fund balances, beginning of year	<u>10,307,381</u>	<u>10,307,381</u>	<u>10,307,381</u>	<u>-</u>
Fund balances, end of year	<u>\$ 10,307,381</u>	<u>\$ 5,114,097</u>	<u>\$ 7,359,157</u>	<u>\$ 2,245,060</u>

## VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 268,536	\$ 268,536	\$ 273,505	\$ 4,969
Investment income (net)	<u>-</u>	<u>-</u>	<u>230</u>	<u>230</u>
Total revenues	<u>268,536</u>	<u>268,536</u>	<u>273,735</u>	<u>5,199</u>
<b>Expenditures:</b>				
General government	-	-	2,618	(2,618)
Debt service:				
Principal	190,000	190,000	190,000	-
Interest and other fiscal charges	<u>76,440</u>	<u>76,440</u>	<u>76,440</u>	<u>-</u>
Total expenditures	<u>266,440</u>	<u>266,440</u>	<u>269,058</u>	<u>(2,618)</u>
Excess (deficiency) of revenues over expenditures	2,096	2,096	4,677	2,581
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,096	2,096	4,677	2,581
Fund balances, beginning of year	<u>295,862</u>	<u>295,862</u>	<u>295,862</u>	<u>-</u>
Fund balances, end of year	<u>\$ 297,958</u>	<u>\$ 297,958</u>	<u>\$ 300,539</u>	<u>\$ 2,581</u>



# OTHER INFORMATION

**VILLAGE OF WELLINGTON, FLORIDA**

DATA ELEMENTS REQUIRED BY FLORIDA STATUTE 218.39  
ACME IMPROVEMENT DISTRICT

Number of district employees compensated at 9/30/2021	14
Number of independent contractors compensated in September 2021	5
Employee compensation for FYE 9/30/2021	\$ 1,376,011
Independent contractor compensation for FYE 9/30/2021	\$ 33,663
Construction projects to begin on or after October 1;	
Pipe Lining - Forest Hill Blvd	\$ 156,065
Swale Reconstruction	\$ 123,012
Budget variance report	See page 60 of annual financial report
Ad Valorem taxes;	
Millage rate FYE 9/30/2021	Not Applicable
Ad valorem taxes collected FYE 9/30/2021	Not Applicable
Outstanding Bonds:	Not Applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2021	\$ 230
Special assessments collected FYE 9/30/2021	\$ 5,810,741
Outstanding Bonds:	Not Applicable

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# STATISTICAL SECTION



## STATISTICAL SECTION

This part of Wellington'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 Wellington's overall financial health.

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*Source: Unless other wise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year*

## VILLAGE OF WELLINGTON, FLORIDA

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities:				
Net investment in capital assets	\$ 156,259,669	\$ 157,294,472	\$ 152,841,077	\$ 153,712,972
Restricted	15,688,323	13,054,226	11,860,096	8,668,360
Unrestricted	<u>46,488,944</u>	<u>45,664,992</u>	<u>44,669,371</u>	<u>34,090,973</u>
Total governmental activities net position	<u>218,436,936</u>	<u>216,013,690</u>	<u>209,370,544</u>	<u>196,472,305</u>
Business-type activities:				
Net investment in capital assets	121,309,078	119,051,675	121,767,825	118,477,452
Restricted	14,600,130	19,715,884	22,519,428	25,911,904
Unrestricted	<u>18,068,745</u>	<u>20,957,498</u>	<u>26,295,502</u>	<u>28,415,561</u>
Total business-type activities net position	<u>153,977,953</u>	<u>159,725,057</u>	<u>170,582,755</u>	<u>172,804,917</u>
Total government:				
Net investment in capital assets	277,568,747	276,346,147	274,608,902	272,190,424
Restricted	30,288,453	32,770,110	34,379,524	34,580,264
Unrestricted	<u>64,557,689</u>	<u>66,622,490</u>	<u>70,964,873</u>	<u>62,506,534</u>
Total government net position	<u>\$ 372,414,889</u>	<u>\$ 375,738,747</u>	<u>\$ 379,953,299</u>	<u>\$ 369,277,222</u>

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ 156,477,844	\$ 154,637,467	\$ 152,677,755	\$ 151,803,103	\$ 156,470,856	\$ 151,228,741
12,878,989	17,654,628	21,227,099	26,716,506	27,193,033	30,947,521
<u>31,647,938</u>	<u>28,892,221</u>	<u>32,947,080</u>	<u>37,059,717</u>	<u>33,875,099</u>	<u>36,768,266</u>
<u>201,004,771</u>	<u>201,184,316</u>	<u>206,851,933</u>	<u>215,579,326</u>	<u>217,538,988</u>	<u>218,944,528</u>
117,260,300	112,584,261	110,518,031	96,986,412	125,555,240	139,110,413
26,253,113	31,999,595	49,900,680	55,622,834	28,706,804	20,184,884
<u>32,608,255</u>	<u>31,719,596</u>	<u>14,971,159</u>	<u>27,218,416</u>	<u>29,970,580</u>	<u>23,384,118</u>
<u>176,121,668</u>	<u>176,303,452</u>	<u>175,389,870</u>	<u>179,827,662</u>	<u>184,232,624</u>	<u>182,679,415</u>
273,738,144	267,221,728	267,221,728	248,789,515	282,026,096	290,339,154
39,132,102	49,654,223	49,654,223	82,339,340	55,899,837	51,132,405
<u>64,256,193</u>	<u>60,611,817</u>	<u>60,611,817</u>	<u>64,278,133</u>	<u>63,845,679</u>	<u>60,152,384</u>
<u>\$ 377,126,439</u>	<u>\$ 377,487,768</u>	<u>\$ 377,487,768</u>	<u>\$ 395,406,988</u>	<u>\$ 401,771,612</u>	<u>\$ 401,623,943</u>

# VILLAGE OF WELLINGTON, FLORIDA

## CHANGES IN NET POSITION

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
<b>Expenses:</b>				
<b>Governmental activities:</b>				
General government	\$ 13,904,267	\$ 11,971,092	\$ 12,054,127	\$ 14,741,280
Public safety	7,839,229	10,795,719	11,783,514	11,461,629
Physical environment	14,513,657	15,308,064	17,276,231	17,126,182
Economic environment	-	1,249,167	672,675	1,263,111
Transportation	3,052,299	3,621,583	3,176,258	3,130,567
Culture and recreation	5,440,873	6,211,642	6,025,857	5,012,176
Contributions	-	-	-	-
Interest on long-term debt	404,574	270,673	235,607	289,539
	<u>45,154,899</u>	<u>49,427,940</u>	<u>51,224,269</u>	<u>53,024,484</u>
Indirect expense allocation	<u>(1,616,157)</u>	<u>(1,182,578)</u>	<u>(1,526,246)</u>	<u>(1,483,933)</u>
<b>Total governmental activities</b>	<u><b>43,538,742</b></u>	<u><b>48,245,362</b></u>	<u><b>49,698,023</b></u>	<u><b>51,540,551</b></u>
<b>Business-type activities:</b>				
Utility system	13,599,774	14,332,462	14,775,996	15,129,671
Solid waste	3,287,632	3,334,847	3,434,234	3,477,952
Lake wellington professional centre	-	-	448,951	513,698
	<u>16,887,406</u>	<u>17,667,309</u>	<u>18,659,181</u>	<u>19,121,321</u>
Indirect expense allocation	<u>1,616,157</u>	<u>1,182,578</u>	<u>1,526,246</u>	<u>1,483,933</u>
<b>Total business-type activities</b>	<u><b>18,503,563</b></u>	<u><b>18,849,887</b></u>	<u><b>20,185,427</b></u>	<u><b>20,605,254</b></u>
<b>Total government expenses</b>	<u><b>\$ 62,042,305</b></u>	<u><b>\$ 67,095,249</b></u>	<u><b>\$ 69,883,450</b></u>	<u><b>\$ 72,145,805</b></u>
<b>Program revenues:</b>				
<b>Governmental activities:</b>				
<b>Charges for services:</b>				
General government	\$ 441,844	\$ 693,477	\$ 1,764,741	\$ 1,217,887
Public safety	4,857,628	4,230,725	3,013,632	2,647,457
Physical environment	5,602,962	5,800,532	5,258,966	7,039,026
Economic environment	-	-	521,575	544,972
Transportation	374,677	421,328	282,850	91,461
Culture and recreation	1,999,818	2,041,164	2,350,399	2,012,325
Operating grants and contributions	1,496,711	1,546,079	1,593,870	1,765,489
Capital grants and contributions	33,692	1,432,186	842,361	154,724
<b>Total governmental activities</b>	<u>14,807,332</u>	<u>16,165,491</u>	<u>15,628,394</u>	<u>15,473,341</u>
<b>program revenues:</b>	<u><b>14,807,332</b></u>	<u><b>16,165,491</b></u>	<u><b>15,628,394</b></u>	<u><b>15,473,341</b></u>
<b>Business-type activities:</b>				
<b>Charges for services:</b>				
Utility system	17,723,213	17,831,536	18,893,050	19,067,393
Solid waste	3,747,741	3,803,172	3,788,513	3,857,363
Lake wellington professional centre	-	-	72,877	8,127
Operating grants and contributions	105,973	66,333	58,880	44,202
Capital grants and contributions	2,353,122	2,758,152	2,399,062	612,327
<b>Total business-type activities</b>	<u>23,930,049</u>	<u>24,459,193</u>	<u>25,212,382</u>	<u>23,589,412</u>
<b>program revenues</b>	<u><b>23,930,049</b></u>	<u><b>24,459,193</b></u>	<u><b>25,212,382</b></u>	<u><b>23,589,412</b></u>
<b>Total program revenues</b>	<u><b>\$ 38,737,381</b></u>	<u><b>\$ 40,624,684</b></u>	<u><b>\$ 40,840,776</b></u>	<u><b>\$ 39,062,753</b></u>

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 17,619,102	\$ 14,009,092	\$ 19,678,060	\$ 21,067,869	\$ 22,076,325	\$ 18,647,057
11,722,878	12,456,166	13,542,866	13,870,291	15,213,948	14,377,870
14,091,443	15,542,944	11,277,213	10,275,909	9,950,155	7,495,122
1,132,293	1,202,739	1,403,022	1,597,316	1,719,540	1,568,258
3,340,822	4,033,291	4,630,376	4,926,862	4,779,912	4,926,166
8,569,180	9,952,368	10,343,571	10,679,529	10,449,625	10,513,776
-	-	-	-	-	13,058,530
<u>98,941</u>	<u>140,924</u>	<u>114,164</u>	<u>85,113</u>	<u>79,686</u>	<u>74,113</u>
56,574,659	57,337,524	60,989,273	62,502,889	64,269,191	70,660,892
(2,601,695)	(2,351,344)	-	-	-	-
<u>53,972,964</u>	<u>54,986,180</u>	<u>60,989,273</u>	<u>62,502,889</u>	<u>64,269,191</u>	<u>70,660,892</u>
15,335,041	17,087,678	17,672,912	18,583,539	21,083,740	20,948,966
3,577,209	4,378,318	4,948,498	3,843,547	4,050,260	4,487,765
<u>629,998</u>	<u>635,818</u>	<u>635,366</u>	<u>634,000</u>	<u>643,475</u>	<u>667,407</u>
19,542,248	22,101,814	23,256,776	23,061,086	25,777,475	26,104,138
<u>2,601,695</u>	<u>2,351,344</u>	-	-	-	-
<u>22,143,943</u>	<u>24,453,158</u>	<u>23,256,776</u>	<u>23,061,086</u>	<u>25,777,475</u>	<u>26,104,138</u>
<u>\$ 76,116,907</u>	<u>\$ 79,439,338</u>	<u>\$ 84,246,048</u>	<u>\$ 85,563,975</u>	<u>\$ 90,046,666</u>	<u>\$ 96,765,030</u>
\$ 1,450,142	\$ 1,467,585	\$ 948,776	\$ 933,235	\$ 864,066	\$ 814,890
3,298,614	2,706,456	6,573,485	5,727,408	6,568,657	6,800,544
7,189,694	7,023,620	5,761,643	6,022,430	6,159,597	6,084,246
340,805	273,142	-	-	-	-
400,174	210,737	246,063	40,911	117,466	121,915
3,375,561	2,948,080	3,326,856	3,332,894	2,771,345	2,890,769
1,745,869	1,905,383	1,881,640	1,793,226	1,481,179	5,535,810
<u>6,112,810</u>	<u>281,700</u>	<u>472,113</u>	<u>2,682,118</u>	<u>866,210</u>	<u>1,159,345</u>
<u>23,913,669</u>	<u>16,816,703</u>	<u>19,210,575</u>	<u>20,532,222</u>	<u>18,828,520</u>	<u>23,407,519</u>
19,023,000	19,418,288	19,583,648	20,568,832	22,023,862	22,708,810
3,443,604	3,432,818	3,409,943	3,459,505	3,481,911	3,372,805
-	-	-	-	-	-
34,804	61,437	15,599	5,513	-	9,709
<u>574,503</u>	<u>565,628</u>	<u>2,308,590</u>	<u>2,874,513</u>	<u>4,427,046</u>	<u>575,190</u>
<u>23,075,911</u>	<u>23,478,171</u>	<u>25,317,780</u>	<u>26,908,363</u>	<u>29,932,819</u>	<u>26,666,514</u>
<u>\$ 46,989,580</u>	<u>\$ 40,294,874</u>	<u>\$ 44,528,355</u>	<u>\$ 47,440,585</u>	<u>\$ 48,761,339</u>	<u>\$ 50,074,033</u>

## VILLAGE OF WELLINGTON, FLORIDA

### CHANGES IN NET POSITION (Continued)

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
Net (expense) revenue:				
Governmental activities	\$ (28,731,410)	\$ (32,079,871)	\$ (34,069,629)	\$ (36,067,210)
Business-type activities	<u>5,426,486</u>	<u>5,609,306</u>	<u>5,026,955</u>	<u>2,984,158</u>
Total net (expense) revenue	<u>\$ (23,304,924)</u>	<u>\$ (26,470,565)</u>	<u>\$ (29,042,674)</u>	<u>\$ (33,083,052)</u>
General revenues:				
Governmental activities:				
Property taxes	\$ 13,340,895	\$ 12,816,288	\$ 13,690,328	\$ 14,818,492
Franchise fees and taxes	3,157,328	3,205,140	3,481,665	3,541,429
Communications services taxes	2,775,696	2,734,276	2,582,291	2,490,280
Utility service taxes	3,859,536	4,070,001	4,525,286	4,599,503
Discretionary tax	-	-	-	-
State shared revenue	4,856,902	5,230,074	5,720,041	6,171,661
Investment earnings	523,627	170,837	201,730	397,527
Gain on sale of capital asset	9,250	-	29,694	-
Transfers	-	-	-	-
Other	<u>540,669</u>	<u>1,460,976</u>	<u>2,221,124</u>	<u>421,457</u>
Total governmental activities	<u>29,063,903</u>	<u>29,687,593</u>	<u>32,452,159</u>	<u>32,440,348</u>
Business-type activities:				
Investment earnings	144,603	83,528	133,156	316,422
Gain on disposal of assets	10,692	-	71,679	-
Other	2,486	97,887	600,232	840,763
Transfers	-	-	-	-
Total business-type activities	<u>157,781</u>	<u>181,415</u>	<u>805,067</u>	<u>1,157,185</u>
Total general revenues	<u>\$ 29,221,684</u>	<u>\$ 29,869,008</u>	<u>\$ 33,257,226</u>	<u>\$ 33,597,533</u>
Change in net position:				
Governmental activities	\$ 332,493	\$ (2,392,278)	\$ (1,617,470)	\$ (3,626,862)
Business-type activities	<u>5,584,267</u>	<u>5,790,721</u>	<u>5,832,022</u>	<u>4,141,343</u>
Total change in net position	<u>\$ 5,916,760</u>	<u>\$ 3,398,443</u>	<u>\$ 4,214,552</u>	<u>\$ 514,481</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ (30,059,295)	\$ (38,169,477)	\$ (41,778,698)	\$ (40,010,155)	\$ (45,440,671)	\$ (47,253,373)
<u>931,968</u>	<u>(974,987)</u>	<u>2,061,005</u>	<u>1,886,765</u>	<u>4,155,344</u>	<u>562,376</u>
<u>\$ (29,127,327)</u>	<u>\$ (39,144,464)</u>	<u>\$ (39,717,693)</u>	<u>\$ (38,123,390)</u>	<u>\$ (41,285,327)</u>	<u>\$ (46,690,997)</u>
\$ 16,517,935	\$ 17,599,037	\$ 18,600,500	\$ 19,953,779	\$ 20,628,009	\$ 21,021,227
3,462,576	3,557,576	3,521,919	3,606,319	3,472,827	3,620,987
2,288,128	2,162,326	2,253,094	2,254,246	1,939,209	1,883,191
4,759,925	4,818,284	4,963,800	5,091,125	5,150,422	5,228,864
-	4,685,596	4,362,375	4,547,232	4,308,476	5,044,586
6,442,134	4,856,430	7,026,410	7,223,035	6,694,737	7,880,643
512,059	372,218	695,797	2,463,616	2,324,881	111,468
-	-	-	-	-	-
-	-	4,555,522	2,596,725	2,675,419	2,901,651
<u>609,004</u>	<u>437,403</u>	<u>1,466,898</u>	<u>2,961,994</u>	<u>206,353</u>	<u>966,296</u>
<u>34,591,761</u>	<u>38,488,870</u>	<u>47,446,315</u>	<u>50,698,071</u>	<u>47,400,333</u>	<u>48,658,913</u>
456,863	343,924	626,843	2,250,016	2,037,253	(28,479)
-	-	-	-	-	-
828,167	839,620	954,081	937,224	887,784	814,545
-	-	(4,555,522)	(2,596,725)	(2,675,419)	(2,901,651)
<u>1,285,030</u>	<u>1,183,544</u>	<u>(2,974,598)</u>	<u>590,515</u>	<u>249,618</u>	<u>(2,115,585)</u>
<u>\$ 35,876,791</u>	<u>\$ 39,672,414</u>	<u>\$ 44,471,717</u>	<u>\$ 51,288,586</u>	<u>\$ 47,649,951</u>	<u>\$ 46,543,328</u>
\$ 4,532,466	\$ 319,393	\$ 5,667,618	\$ 10,687,916	\$ 1,959,662	\$ 1,405,540
<u>2,216,998</u>	<u>208,557</u>	<u>(913,594)</u>	<u>2,477,280</u>	<u>4,404,962</u>	<u>(1,553,209)</u>
<u>\$ 6,749,464</u>	<u>\$ 527,950</u>	<u>\$ 4,754,024</u>	<u>\$ 13,165,196</u>	<u>\$ 6,364,624</u>	<u>\$ (147,669)</u>

## VILLAGE OF WELLINGTON, FLORIDA

### FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
General fund:				
Nonspendable:				
Prepaid expenditures	\$ 12,943	\$ 268,948	\$ 307,136	\$ 227,597
Inventory	255,960	13,880	13,200	14,828
Deposits	-	-	2,520	258,110
Long-term notes receivable	-	-	-	928,238
Advances to other funds	-	-	-	300,000
Restricted for:				
Coronavirus relief funds	-	-	-	-
Committed for:				
Rate stabilization	2,785,000	2,385,000	2,385,000	2,385,000
Insurance	540,000	540,000	440,000	821,000
Infrastructure	-	-	-	-
Disaster recovery	2,483,625	2,483,625	2,483,625	2,483,625
Subsequent year capital expenditures	5,200,000	9,200,000	-	-
Assigned for:				
Contracts	657,660	455,320	382,887	446,951
Capital projects	14,375	38,353	25,000	100,000
Subsequent year operating expenditures	-	-	1,138,900	3,267,779
Unassigned	<u>15,962,436</u>	<u>16,307,688</u>	<u>17,227,963</u>	<u>16,886,452</u>
Total general fund	<u>27,911,999</u>	<u>31,692,814</u>	<u>24,406,231</u>	<u>28,119,580</u>
All other governmental funds:				
Nonspendable:				
Prepaid expenditures	2,847	8,231	41,720	19,360
Assets held for resale	708,146	225,236	228,061	-
Restricted for:				
Capital projects	10,392,601	6,588,293	3,062,748	604,018
Building	4,246,883	5,064,384	4,560,745	4,272,256
Road capital and maintenance	963,922	1,216,210	3,483,801	1,939,600
Surface water management	-	-	-	-
Wellington community foundation	50,691	51,416	53,227	5,722
Debt service	75,357	75,544	75,642	50,063
Assigned for:				
Surface water management	2,951,487	3,183,185	3,294,115	2,379,178
Planning and zoning	4,403,958	4,098,509	-	-
Contracts	-	133,946	13,262,737	9,165,404
Capital projects	9,246,092	6,666,005	3,060,724	2,690,992
Subsequent year operating expenditures	1,975,655	4,500	773,452	2,754,663
Unassigned	-	-	(298,960)	(285,440)
Total all other governmental funds	<u>35,017,639</u>	<u>27,315,459</u>	<u>31,598,012</u>	<u>23,595,816</u>
Total governmental funds	<u>\$ 62,929,638</u>	<u>\$ 59,008,273</u>	<u>\$ 56,004,243</u>	<u>\$ 51,715,396</u>



		Fiscal Year									
		2016	2017	2018	2019	2020	2021				
\$	412,495	\$	408,886	\$	369,234	\$	528,219	\$	685,513	\$	621,704
	15,348		16,395		17,174		17,322		11,011		9,521
	214,752		136,140		124,008		88,222		211,399		51,989
	812,208		696,178		580,149		464,119		348,089		232,059
	-		-		-		-		-		-
	-		-		-		-		-		3,688,289
	2,785,000		2,785,000		2,785,000		2,785,000		2,785,000		2,785,000
	1,150,000		1,150,000		1,530,000		1,530,000		1,530,000		1,530,000
	-		1,000,000		1,546,000		2,646,000		4,556,000		5,596,000
	3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		3,000,000
	-		-		-		-		-		-
	683,463		509,803		2,469,527		2,991,215		3,746,546		3,546,141
	500,000		124,734		117,493		103,000		226,824		492,865
	-		5,637,362		3,359,268		1,462,782		1,213,686		5,789,378
	<u>21,238,612</u>		<u>16,632,532</u>		<u>19,161,838</u>		<u>23,738,364</u>		<u>19,473,356</u>		<u>16,533,247</u>
	<u>30,811,878</u>		<u>32,097,030</u>		<u>35,059,691</u>		<u>39,354,243</u>		<u>37,787,424</u>		<u>43,876,193</u>
	37,993		30,277		47,597		43,836		40,463		39,106
	-		-		-		-		-		-
	1,773,572		4,969,198		8,628,678		15,374,933		15,296,556		12,502,421
	4,769,737		5,523,326		7,863,830		7,169,435		7,443,723		8,986,932
	3,469,594		4,363,582		3,968,286		1,829,146		1,876,305		2,690,550
	-		2,526,534		2,113,501		2,042,095		2,273,138		2,770,371
	-		-		-		-		-		-
	50,063		284,190		288,806		292,341		295,862		300,539
	2,326,887		-		-		-		-		-
	-		-		-		-		-		-
	3,912,825		312,480		746,818		640,645		11,485,420		10,952,851
	1,370,353		4,898,212		5,556,402		8,375,734		406,899		-
	2,664,839		-		-		-		-		-
	-		-		-		-		-		-
	<u>20,375,863</u>		<u>22,907,799</u>		<u>29,213,918</u>		<u>35,768,165</u>		<u>39,118,366</u>		<u>38,242,770</u>
\$	<u>51,187,741</u>	\$	<u>55,004,829</u>	\$	<u>64,273,609</u>	\$	<u>75,122,408</u>	\$	<u>76,905,790</u>	\$	<u>82,118,963</u>

## VILLAGE OF WELLINGTON, FLORIDA

### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
<b>Revenues:</b>				
Ad valorem taxes	\$ 13,340,895	\$ 12,816,288	\$ 13,690,328	\$ 14,818,492
Local option taxes	1,472,050	1,477,300	1,499,265	1,594,480
Utility services taxes	3,859,536	4,070,001	4,525,286	4,599,503
Special assessments	5,242,755	5,009,149	4,939,815	5,675,878
Impact fees	841,752	786,353	879,450	303,411
Communication services taxes	2,775,696	2,734,276	2,582,291	2,490,280
Local business tax receipts	710,390	762,505	746,377	839,202
Permits and fees	3,944,384	3,729,082	3,846,980	3,852,678
Franchise fees	3,157,328	3,205,140	3,481,665	3,541,429
Grants	58,353	400,965	938,466	325,733
State revenue sharing	4,921,864	5,351,108	5,816,636	6,298,616
Charges for services	1,875,534	2,032,985	2,066,546	2,139,469
Fines and forfeitures	464,171	659,581	594,576	615,627
Investment income (net)	523,538	170,738	222,055	397,437
Miscellaneous	622,240	2,086,494	1,716,457	563,715
Total revenues	<u>43,810,486</u>	<u>45,291,964</u>	<u>47,546,191</u>	<u>48,055,948</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	10,013,562	10,859,650	11,176,906	11,049,014
Public safety	7,812,972	10,766,274	11,383,375	11,427,036
Physical environment	12,762,389	9,588,086	9,784,481	10,922,086
Economic environment	-	698,604	1,001,063	1,228,858
Transportation	1,529,301	1,528,289	1,647,185	2,708,505
Culture and recreation	3,137,982	3,319,296	4,256,828	4,425,433
Capital outlay	7,620,150	11,955,055	6,382,188	11,080,682
<b>Debt service:</b>				
Principal retirement	4,900,000	940,000	970,000	1,064,271
Bond issuance costs	-	-	-	15,000
Interest and other fiscal charges	579,153	273,595	238,622	95,064
Total expenditures	<u>48,355,509</u>	<u>49,928,849</u>	<u>46,840,648</u>	<u>54,015,949</u>
Excess (deficiency) of revenues over expenditures	<u>(4,545,023)</u>	<u>(4,636,885)</u>	<u>705,543</u>	<u>(5,960,001)</u>
<b>Other financing sources (uses):</b>				
Transfers in	15,075,310	11,893,035	26,262,483	8,163,625
Transfers out	(13,459,153)	(10,710,457)	(29,761,913)	(6,679,692)
Transfer of remaining balance	-	-	-	-
Bond proceeds	-	-	-	5,445,000
Payment to refunded bond escrow agent	(4,383,407)	-	-	(5,430,000)
Sale of capital assets	162,056	(485,058)	89,856	(127,777)
Contribution of properties	-	-	-	-
Total other financing sources (uses)	<u>(2,605,194)</u>	<u>697,520</u>	<u>(3,409,574)</u>	<u>1,371,156</u>
Net change in fund balances	<u>\$ (7,150,217)</u>	<u>\$ (3,939,365)</u>	<u>\$ (2,704,031)</u>	<u>\$ (4,588,845)</u>
Debt service as a percentage of non-capital expenditures	13.08%	2.96%	2.78%	2.74%

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 16,517,936	\$ 17,599,037	\$ 18,600,500	\$ 19,953,779	\$ 20,628,009	\$ 21,021,227
1,633,448	4,685,596	6,036,900	6,340,458	5,789,655	6,605,940
4,759,925	4,818,284	4,963,800	5,091,125	5,150,422	5,228,864
6,876,876	6,056,741	6,033,756	6,022,430	6,159,597	6,084,246
1,923,074	407,227	508,798	221,461	742,991	365,265
2,288,128	2,162,326	2,253,094	2,254,246	1,939,209	1,883,191
945,538	944,494	948,776	933,235	864,066	814,890
4,353,618	3,912,080	6,384,902	5,370,296	6,326,994	6,663,206
3,462,576	3,557,576	3,521,919	3,606,319	3,472,827	3,620,987
1,767,105	209,414	407,115	1,090,372	2,211,123	5,036,698
6,566,783	6,697,363	7,026,410	7,223,035	6,694,737	7,880,643
2,213,611	3,107,111	3,064,121	3,152,344	2,145,820	2,647,419
841,333	339,603	188,584	357,112	241,663	137,338
511,474	371,319	695,797	2,463,616	2,324,881	111,468
<u>772,473</u>	<u>769,099</u>	<u>1,182,783</u>	<u>866,865</u>	<u>522,483</u>	<u>661,643</u>
<u>55,433,898</u>	<u>55,637,269</u>	<u>61,817,253</u>	<u>64,946,693</u>	<u>65,214,477</u>	<u>68,763,025</u>
12,349,978	13,853,152	18,880,572	19,460,568	19,628,647	19,163,947
11,541,197	12,256,563	13,358,951	13,522,222	14,776,695	14,548,590
8,257,011	8,828,134	4,690,122	4,806,612	4,644,086	4,260,489
1,098,172	1,126,265	1,337,009	1,489,461	1,546,594	1,546,239
2,897,195	3,029,636	3,527,134	3,784,840	3,598,398	3,661,576
7,338,176	8,700,609	8,939,294	9,169,586	8,792,528	9,146,203
17,197,640	5,343,270	4,546,264	4,274,866	12,868,181	14,005,867
1,070,015	1,086,670	2,399,044	180,000	185,000	190,000
83,997	-	-	-	-	-
<u>63,741</u>	<u>139,288</u>	<u>119,158</u>	<u>87,318</u>	<u>81,952</u>	<u>76,440</u>
<u>61,897,122</u>	<u>54,363,587</u>	<u>57,797,548</u>	<u>56,775,473</u>	<u>66,122,081</u>	<u>66,599,351</u>
<u>(6,463,224)</u>	<u>1,273,682</u>	<u>4,019,705</u>	<u>8,171,220</u>	<u>(907,604)</u>	<u>2,163,674</u>
12,087,413	10,769,267	15,640,516	10,145,613	14,749,733	9,840,336
(9,485,718)	(8,417,923)	(11,084,994)	(7,548,888)	(12,074,314)	(6,938,685)
(5,983)	-	-	-	-	-
3,235,000	-	-	-	-	-
-	-	-	-	-	-
104,855	192,061	693,552	80,833	15,567	147,848
-	-	-	-	-	-
<u>5,935,567</u>	<u>2,543,405</u>	<u>5,249,074</u>	<u>2,677,558</u>	<u>2,690,986</u>	<u>3,049,499</u>
<u>\$ (527,657)</u>	<u>\$ 3,817,087</u>	<u>\$ 9,268,779</u>	<u>\$ 10,848,778</u>	<u>\$ 1,783,382</u>	<u>\$ 5,213,173</u>
2.72%	2.50%	4.73%	0.53%	0.49%	0.50%

## VILLAGE OF WELLINGTON, FLORIDA

### NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Real Property					Personal Property	Total	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property	Other Property	Total			
2012	4,282,833,446	515,350,446	103,612,563	316,804,906	206,140,179	5,424,741,540	2.50	
2013	4,217,895,919	488,694,893	97,198,984	399,055,830	197,097,940	5,399,943,566	2.47	
2014	4,482,004,183	519,295,069	103,285,207	424,043,156	209,439,448	5,738,067,063	2.47	
2015	4,882,016,251	573,823,256	64,381,454	533,993,011	219,032,397	6,273,246,369	2.45	
2016	5,215,829,223	715,026,267	67,061,804	685,894,075	238,955,239	6,922,766,608	2.45	
2017	5,540,943,649	794,310,872	73,172,941	799,509,683	252,460,806	7,460,397,951	2.44	
2018	5,873,938,822	824,685,403	81,079,131	919,404,092	224,714,343	7,923,821,791	2.43	
2019	6,177,481,532	821,349,050	86,355,908	1,015,389,954	222,840,264	8,323,416,708	2.48	
2020	6,386,437,533	797,333,434	95,609,678	1,148,360,302	211,723,394	8,639,464,341	2.48	
2021	6,497,816,837	764,488,336	103,208,397	1,249,447,857	213,933,467	8,828,894,894	2.47	

Source: Palm Beach County Property Appraiser's Office

Note 1: Assessed values are established by the Palm Beach County Property Appraiser's Office as of January 1, each year.

Note 2: Property in the Village is reassessed each year. Property is assessed at actual value, therefore,

## VILLAGE OF WELLINGTON, FLORIDA

### PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

Fiscal Year	Tax Roll Year	Village Direct Rates		Overlapping Rates (1)							Total Direct and Overlapping Rates
		General Operations	Total Direct	Palm Beach County School Board	Palm Beach County	Palm Beach County Health Care District	Palm Beach County Library System	South Florida Water Management District	Children's Services Council	Florida Inland Navigation District	
2012	2011	2.50	2.50	8.18	8.45	1.13	0.61	0.44	0.75	0.03	22.08
2013	2012	2.47	2.47	7.78	8.45	1.12	0.61	0.43	0.73	0.03	21.62
2014	2013	2.47	2.47	7.78	8.45	1.12	0.61	0.43	0.73	0.03	21.62
2015	2014	2.45	2.45	7.59	8.43	1.08	0.60	0.38	0.67	0.03	21.23
2016	2015	2.45	2.45	7.51	8.39	1.04	0.60	0.36	0.67	0.03	21.04
2017	2016	2.44	2.44	7.07	8.37	0.90	0.59	0.33	0.68	0.03	20.42
2018	2017	2.43	2.43	6.77	8.36	0.78	0.59	0.31	0.66	0.03	19.93
2019	2018	2.48	2.48	6.57	8.25	0.73	0.59	0.29	0.64	0.03	19.58
2020	2019	2.47	2.47	7.16	8.32	0.73	0.59	0.28	0.65	0.03	20.22
2021	2020	2.47	2.47	7.01	8.27	0.73	0.58	0.27	0.65	0.03	20.01

Source: Wellington's Office of Financial Management and Budget and Palm Beach County Property Appraiser's Office

Note: Millage rates are based on \$1 for every \$1,000 of assessed value. Wellington has a 5 mill limit as specified in its Charter.

- (1) Overlapping rates are those of local and county governments that apply to property owners within Wellington. Not all overlapping rates apply to all Wellington property owners (i.e. the rates for special districts apply only to the proportion of the government's property owners)

## VILLAGE OF WELLINGTON, FLORIDA

### PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2021			2012		
	Net Assessed Value	Rank	Percent of Total Village Net Assessed Value	Net Assessed Value	Rank	Percent of Total Village Net Assessed Value
Florida Power & Light Corp	\$ 103,387,618	1	1.17%			
TM Wellington Green Mall, LP	93,629,560	2	1.06%			
Quaye at Wellington Inc.	96,676,286	3	1.09%			
SGC Atlas Wellington Holdings, LLC	79,367,056	4	0.90%			
Polo Lakes Apartments LLC	67,984,921	5	0.77%	\$ 40,751,420	3	0.75%
Universal Health Realty Income	65,065,740	6	0.74%	26,645,353	6	0.49%
Camden Court, LLC	55,729,669	7	0.63%			
Wellington Residential LLC	55,100,823	8	0.62%			
MCP Wellington LLC	49,328,136	9	0.56%			
RAR2 2141 Vinings Circle FL LLC	41,171,836	10	0.47%	26,367,467	7	0.49%
TJ Palm Beach Assoc Ltd Partnership				124,950,121	1	2.30%
City National Bank of Florida TR				42,159,655	2	0.78%
Wellington Preserve Corp.				28,615,482	4	0.53%
Autc Polo Chase FL LLC				28,130,130	5	0.52%
Shoppes at Isla Verde Ltd.				23,849,442	8	0.44%
Centre at Wellington Green Ltd.				22,751,724	9	0.42%
Wellington Land Dev				20,129,333	10	0.37%
	<u>\$ 707,441,645</u>		<u>8.01%</u>	<u>\$ 384,350,127</u>		<u>7.09%</u>

Source: Tax roll provided by Palm Beach County Property Appraiser's Office

**VILLAGE OF WELLINGTON, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Original Taxes Levied for Fiscal Year	Levy Adjustments (1)	Adjusted Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections	
				Amount	Percent of Original Levy		Amount	Percent of Adjusted Levy
2012	13,435,068	(132,376)	13,302,692	12,393,023	92.24%	304,929	12,697,952	95.45%
2013	13,399,112	(61,251)	13,337,861	12,511,359	93.37%	53,574	12,808,488	96.03%
2014	14,212,850	(39,824)	14,173,026	13,634,069	95.93%	28,330	13,662,399	96.40%
2015	15,459,908	(90,454)	15,369,454	14,780,601	95.61%	124,204	14,904,805	96.98%
2016	17,011,047	(50,269)	16,960,778	16,385,496	96.32%	47,800	16,433,296	96.89%
2017	18,287,501	(84,130)	18,203,371	17,541,705	95.92%	57,332	17,599,037	96.68%
2018	19,524,188	(269,301)	19,254,887	18,565,023	95.09%	25,944	18,590,967	96.55%
2019	20,680,913	(38,839)	20,642,073	19,872,486	96.09%	55,349	19,927,835	96.54%
2020	21,540,824	(114,952)	21,425,872	20,548,000	95.39%	24,660	20,572,660	96.02%
2021	21,962,400	(155,029)	21,807,370	20,996,567	95.60%	-	20,996,567	96.28%

Sources: Wellington's Office of Financial Management and Budget and Palm Beach County Tax Collector's Office

<sup>1</sup>/<sub>2</sub> The change in total amount levied due to property value adjustments from the Value Adjustment Board

Represents delinquent taxes for all prior years collected in the subsequent year, including proceeds from tax sales

## VILLAGE OF WELLINGTON, FLORIDA

### RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities <u>Special Assessments</u>	Business-Type Activities <u>Notes &amp; Bonds</u>	<u>Total</u>	Percent of Personal Income (1)	Per Capita (1)
2012	7,050,614	4,000,191	11,050,805	n/a	200
2013	6,400,000	1,500,000	7,900,000	n/a	136
2014	5,430,000	-	5,430,000	n/a	92
2015	4,380,729	-	4,380,729	n/a	72
2016	6,545,714	-	6,545,714	n/a	108
2017	5,459,044	-	5,459,044	n/a	90
2018	3,060,000	-	3,060,000	n/a	50
2019	2,880,000	19,248,833	22,128,833	n/a	352
2020	2,695,000	18,160,130	20,855,130	n/a	328
2021	2,505,000	17,037,360	19,542,360	n/a	316

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

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

n/a Information not available



## VILLAGE OF WELLINGTON, FLORIDA

### DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2021

	Net Debt Outstanding	Percentage Applicable to the Village of Wellington (1)	Amount Applicable to the Village of Wellington
Overlapping:			
Debt repaid with property taxes:			
Palm Beach County	\$ 35,700,000	4.21%	1,501,549
Other debt:			
Palm Beach County	809,642,739	4.21%	34,053,741
Palm Beach County School Board	1,360,808,503	3.98%	54,227,899
Subtotal, Overlapping Debt	2,206,151,242		89,783,189
Village of Wellington Direct Debt	2,505,000	100.00%	2,505,000
Total Direct and Overlapping Debt			\$ 92,288,189

Sources: Data provided by the Palm Beach County Finance Department, Palm Beach County Property Appraiser and the Palm Beach County School Board

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

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values by taking the value that is within the Village's boundaries and dividing it by the County's and School Board's total taxable assessed value.

## VILLAGE OF WELLINGTON, FLORIDA

### PLEGGED REVENUE COVERAGE

#### LAST TEN FISCAL YEARS

Fiscal Year Ended Sept. 30	Utility System Revenue Bond				Utility System Note			
	Net Available Revenue (1)	Debt Service		Coverage	Available Revenue (2)	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2012	9,805,956	2,535,000	341,713	3.41	-	-	-	-
2013	9,882,442	2,635,000	110,066	3.60	-	-	-	-
2014	10,312,989	1,500,000	58,862	6.62	-	-	-	-
2015	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2019	-	-	-	-	20,238,919	751,167	479,246	16.45
2020	-	-	-	-	19,103,412	1,088,703	575,722	11.48
2021	-	-	-	-	19,186,856	1,122,770	541,569	11.53

Fiscal Year Ended Sept. 30	Special Assessment Bond				Public Service Tax Bond (4)			
	Special Assessment Collections	Debt Service		Coverage	Public Service Taxes (3)	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2012	-	-	-	-	-	905,000	339,990	0.00
2013	-	-	-	-	7,275,141	940,000	273,782	5.99
2014	-	-	-	-	8,006,951	970,000	238,622	6.62
2015	-	-	-	-	8,140,932	1,064,271	95,064	7.02
2016	-	-	-	-	8,222,500	1,070,015	63,741	7.25
2017	281,700	-	92,203	3.06	7,611,334	1,086,670	47,085	6.71
2018	272,113	175,000	92,537	1.02	8,485,721	2,224,044	26,622	3.77
2019	271,386	180,000	87,318	1.02	-	-	-	-
2020	271,041	185,000	81,953	1.02	-	-	-	-
2021	273,505	190,000	76,440	1.03	-	-	-	-

Source: Wellington's Office of Financial Management and Budget

(1) Net available revenue after deducting operating expenses

(2) Net available revenue includes all revenues which are lawfully available to be used to pay obligations, other than special assessments & non ad valorem

(3) Public service taxes include utility service taxes and franchise fees

(4) Public service tax bond was paid in full in 2018

**VILLAGE OF WELLINGTON, FLORIDA**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Village Population (1)</u>	<u>Village School Enrollment (2)</u>	<u>Palm Beach County Per Capita Income (3)</u>	<u>Village Unemployment Rate (4)</u>	<u>Palm Beach County Unemployment Rate (4)</u>
2012	57,514	13,004	63,276	n/a	8.9%
2013	58,108	13,222	61,637	n/a	7.3%
2014	59,136	13,221	66,495	n/a	5.9%
2015	59,860	13,223	70,718	n/a	5.2%
2016	60,308	13,624	71,682	n/a	5.2%
2017	61,775	13,859	77,543	n/a	4.4%
2018	62,304	14,456	82,076	n/a	3.1%
2019	62,373	14,765	85,213	n/a	3.2%
2020	61,637	14,876	87,478	6.0%	7.7%
2021	61,768	14,351	n/a	3.7%	4.7%

Sources: (1) University of Florida, Bureau of Economic Research; (2) Palm Beach County School Board Budget Office; (3) US DOC Bureau of Economic Development and (4) the U.S. Department of Labor, Bureau of Labor Statistics

Note 1: Per Capita Income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Note 2: Where indicated, Palm Beach County data was used as a more relevant source.

n/a Information not available

**VILLAGE OF WELLINGTON, FLORIDA**  
**PRINCIPAL EMPLOYERS - PALM BEACH COUNTY**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Palm Beach County School District	22,600	1	3.17%	21,495	1	3.88%
Tenet Healthcare Corp	6,505	2	0.91%	6,100	3	1.10%
Palm Beach County BOCC	5,686	3	0.80%	11,381	2	2.06%
Next Era Energy (FP&L)	5,119	4	0.72%	3,635	4	0.66%
Florida Atlantic University	3,133	5	0.44%	2,706	7	0.49%
Boca Raton Regional Hospital	3,052	6	0.43%	2,250	10	0.41%
Veterans Health Administration	3,000	7	0.42%			
HCA Healthcare	2,806	8	0.39%	2,714	6	0.49%
The Breakers	2,300	9	0.32%			
Bethesda Hospital East/West	2,282	10	0.32%	2,391	8	0.43%
Office Depot				2,250	9	0.41%
Wackenhut Corporation				3,000	5	0.54%
	<u>56,483</u>		<u>7.92%</u>	<u>57,922</u>		<u>10.47%</u>

Source: Business Development Board of Palm Beach County- Service Industry

Note: Wellington is not a significant area for employment but rather a residential community. Therefore, Palm Beach County statistics were used.

**VILLAGE OF WELLINGTON, FLORIDA**  
**FULL-TIME VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Number of Employees:										
General government	58.0	63.0	68.0	68.0	73.0	80.0	79.0	72.0	71.0	66.0
Public safety	14.0	14.0	14.0	14.0	14.0	14.0	15.0	15.0	15.0	15.0
Physical environment	54.0	63.0	64.0	64.0	63.0	65.0	63.0	59.0	59.0	59.0
Transportation	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Economic environment	33.0	34.0	34.0	34.0	35.0	36.0	34.0	34.0	34.0	32.0
Culture and recreation	48.0	47.0	49.0	49.0	48.0	49.0	49.0	49.0	49.0	51.0
Professional Centre	-	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Utility system	44.0	44.0	51.0	51.0	51.0	52.0	55.0	56.0	57.0	60.0
Solid waste	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Total Number of Employees	<u>264.0</u>	<u>278.0</u>	<u>296.0</u>	<u>296.0</u>	<u>302.0</u>	<u>314.0</u>	<u>313.0</u>	<u>303.0</u>	<u>303.0</u>	<u>300.0</u>

Source: Wellington's Office of Financial Management and Budget

**VILLAGE OF WELLINGTON, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government:										
Bids, contracts awarded & administered	41	38	36	23	29	20	25	25	39	24
Purchase orders processed	1,352	1,011	1,008	1,115	1,229	973	1,018	1,141	1,302	1,126
Payroll transactions	7,801	9,143	9,721	9,668	10,046	10,634	10,157	10,364	9,792	10,024
Public safety:										
Police personnel and officers	117	134	132	141	141	144	145	147	148	147
Fire personnel	71	71	71	71	71	71	71	71	76	76
Calls for service	34,874	34,662	34,764	34,222	45,482	42,628	45,008	43,537	42,519	32,174
Physical environment - Surface water:										
Canal right-of-way miles maintained	265	700	850	900	300	300	300	300	300	300
Physical environment - Engineering & public works:										
Work orders performed	1,359	1,454	1,649	1,305	1,200	795	770	865	526	656
Inspections performed	1,331	1,289	1,624	1,108	1,045	755	720	780	683	720
Planning and development:										
Building inspections	28,146	35,384	26,023	30,609	31,348	28,384	29,189	28,309	40,265	43,848
New residential building permits issued	226	232	147	342	134	118	170	85	42	50
Transportation:										
Miles of roads resurfaced	14	16	11	9	10	2	25	17	20	20
Miles of streets cleaned/swept	2,581	3,369	1,950	1,185	3,493	4,855	4,310	4,570	10,259	10,397
Signs repaired	1,121	1,427	1,164	1,974	1,145	2,225	1,715	1,958	1,514	1,912
Culture and recreation:										
Participants registered:										
Athletics	12,962	10,282	8,166	10,077	8,856	8,183	7,940	8,110	5,335	4,395
Community programs	2,683	2,353	887	706	648	1,667	2,160	2,181	1,764	1,321
Pool	73,809	78,285	80,469	70,830	72,660	57,511	53,427	58,170	38,859	41,932
Number of program sessions	1,091	1,140	1,634	1,099	1,070	1,433	1,467	1,400	1,247	965
Utility system:										
Active accounts - water	19,929	20,052	20,169	20,397	20,375	20,398	20,458	20,557	20,675	20,696
Water production (millions of gallons)	2,052	2,065	2,174	2,163	2,070	2,107	2,129	1,909	2,090	1,885
Solid waste:										
Residential accounts	22,468	22,673	23,018	21,349	20,902	20,931	20,961	21,017	20,694	22,466

Source: Various Village Departments

(1) Aquatic weed control increased in FY16 due to a bloom in aquatic vegetation that required additional treating

**VILLAGE OF WELLINGTON, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government:										
Number of general government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Sheriff substations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	4	4	4	4	4	4	4	4	4	4
Suppression units	9	9	9	9	9	9	9	9	9	7
Early response stabilization units	4	4	4	4	4	4	4	4	4	4
Physical environment:										
Acreage of lakes (1)	166	166	166	166	553	553	553	553	523	523
Canal miles	91	89	89	89	89	89	89	89	89	89
Transportation:										
Miles of streets (asphalted)	152	152	152	152	152	152	151	150	151	151
Number of street lights	2,465	2,465	2,465	2,465	2,465	2,465	2,493	2,493	2,481	2,481
Miles of bike paths	40	40	40	40	45	45	39	39	43	44
Miles of sidewalks	153	153	153	155	198	198	198	198	206	207
Culture and recreation:										
Parks acreage	348	350	350	350	271	285	271	271	282	238
Open space preserves/passive recreation	452	452	452	452	436	422	437	437	437	468
Community center	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	16	16	16	21	21	21	21	21	21	21
Baseball/softball fields	18	18	18	18	18	17	17	17	17	21
Utility system:										
Fire hydrants	1,941	1,941	1,941	1,941	2,115	2,338	2,329	2344	2317	2331
Potable water mains (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	312	312	311
Raw water mains (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	17	17	17
Sewer force mains (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	60	60	59
Sewer gravity mains (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	197	194	194
Lift stations	n/a	n/a	n/a	n/a	n/a	n/a	n/a	105	105	106

Source: Various Wellington Departments

Note: Indicators are not available for the solid waste function

(1) Acreage of lakes prior to FY2016 were for public acres. FY16 and beyond will include total acres, public and private.



# Compliance Section





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

Honorable Mayor and Village Council  
Village of Wellington, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wellington, Florida, (the "Village") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated February 9, 2022.

**Internal Control Over Financial Reporting**

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

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

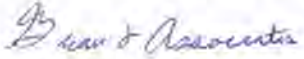
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



February 9, 2022





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Village Council  
Village of Wellington, Florida

**Report on Compliance for The Major Federal Program**

We have audited the Village of Wellington, Florida's (the "Village") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Village's major federal program for the fiscal year ended September 30, 2021. The Village's major federal program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Village's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about the Village'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 the major federal program. However, our audit does not provide a legal determination of the Village's compliance.

**Opinion on The Major Federal Program**

In our opinion, the Village complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended September 30, 2021.

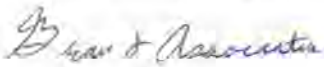
## Report on Internal Control Over Compliance

Management of the Village is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Village'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 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 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. Accordingly, this report is not suitable for any other purpose.



February 9, 2022

## Village of Wellington, Florida

Schedule of Federal Awards  
Fiscal Year Ended September 30, 2021

Federal/State Agency Pass-through Entity Federal Programs/State Projects	ALN/CSFA Number	Contract/ Grant Number	Total Expenditures
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**Federal Agency Name:**

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

*Direct Awards*

Community Development Block Grants/Entitlement Grants	14.218	<a href="#">B-20-MC-12-0061</a>	286,168
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<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b><u>286,168</u></b>
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U.S. DEPARTMENT OF AGRICULTURE

*Passed-Through Awards*

Florida Department of Agriculture & Consumer Services Cooperative Forestry Assistance	10.664	<a href="#">26865</a>	9,991
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<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b><u>9,991</u></b>
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U.S. DEPARTMENT OF INTERIOR

*Passed-Through Awards*

National Park Service Land and Water Conservation Fund	15.916	<a href="#">LW689</a>	200,000
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<b>TOTAL U.S. DEPARTMENT OF INTERIOR</b>			<b><u>200,000</u></b>
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U.S. DEPARTMENT OF TRANSPORTATION

*Passed-Through Awards*

Florida Department of Transportation Highway Planning and Construction Program	20.205	<a href="#">G1K27</a>	365,277
Highway Planning and Construction Program	20.205	<a href="#">G1P46</a>	482,598

<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b><u>847,874</u></b>
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<b>Total Expenditures of Federal Awards</b>			<b><u><u>1,344,033</u></u></b>
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See Note to Schedule of Federal Awards

**VILLAGE OF WELLINGTON, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Village of Wellington, Florida and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained within *2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements of the Village of Wellington, Florida.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Village of Wellington, Florida were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award program are reported in the independent auditor's report on compliance for the major program and on internal control over compliance required by the Uniform Guidance.
5. The independent auditor's report on compliance for the major federal award program of the Village of Wellington, Florida expresses an unmodified opinion.
6. There were no audit findings relative to the major federal awards tested for the Village of Wellington, Florida.
7. Dollar threshold for Type A programs was \$750,000. The programs tested as major programs include:

Federal Program	CFDA No.
Highway Planning and Construction Cluster	20.205/20.219

8. The Village of Wellington, Florida was not determined to be a low-risk auditee pursuant to the Uniform Guidance.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS**

None

**D. OTHER ISSUES**

No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal awards programs.

No corrective action plan is required because there were no findings required to be reported under the Federal Single Audit Act.





**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

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Boca Raton, Florida 33431  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY  
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and Village Council  
Village of Wellington, Florida

We have examined the Village of Wellington, Florida's (the "Village") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village'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 Village complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the Village complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with specified requirements.

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of the Village of Wellington, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

February 9, 2022





**MANAGEMENT LETTER PURSUANT TO THE RULES OF  
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and Village Council  
Village of Wellington, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of the Village of Wellington, Florida (the "Village") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated February 9, 2022.

**Auditor's Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 9, 2022, should be considered in conjunction with this management letter.

**Purpose of this Letter**

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

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

Our management letter is intended solely for the information and use of the Mayor, Village Council, management, the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and Federal and other granting agencies, as applicable, and is not intended to be and should not be used by anyone other than these specified parties.

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

*Grau & Associates*

February 9, 2022

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

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

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

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

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

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

4. The name or official title and legal authority of the Village are disclosed in the notes to the financial statements.
5. The Village has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c ) in the Other Information section of the financial statements on page 78.

**Council**  
Anne Gerwig, Mayor  
John T. McGovern, Vice Mayor  
Michael Drahos, Councilman  
Michael J. Napoleone, Councilman  
Tanya Siskind, Councilwoman

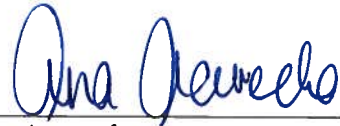
Manager  
Jim Barne

IMPACT FEE AFFIDAVIT

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

1. I am the Chief Financial Officer of the Village of Wellington which is a local governmental entity of the State of Florida;
2. The governing body of the Village of Wellington adopted Ordinance No. 98-31 and Resolution No. 2018-35 implementing impact fees; and
3. The Village of Wellington has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.



Ana Acevedo

STATE OF FLORIDA COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 24 day of February, 2022.

  
NOTARY PUBLIC

Print Name Lynette P. Levy

Personally known  or produced identification

Type of identification produced:                     

My Commission Expires: 9/29/2025



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ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDING SEPTEMBER 30, 2021  
VILLAGE OF WELLINGTON, FLORIDA



*W*ELLINGTON THE VILLAGE OF  
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