



# Annual Comprehensive Financial Report

For the Fiscal Year  
Ended September 30, 2022



*Looking forward to the next 100 years!*





**TOWN OF LANTANA, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**Prepared by: Finance Department**



## **TOWN OF LANTANA, FLORIDA**

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## **INTRODUCTORY SECTION**



## Town of Lantana

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**COUNCILMEMBERS**

Karen Lythgoe  
Kem Mason  
Lynn J Moorhouse, D. D. S.  
Mark Zeitler

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

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VACANT  
MAYOR

March 20, 2023

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

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Town of Lantana, Florida (Town) for the fiscal year ended September 30, 2022. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with Town management. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds. All disclosures necessary to enable the reader to gain an adequate understanding of the Town's financial activities have been included.

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

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

In accordance with Section 218.32 Florida Statutes, the Town engaged the firm of Grau & Associates to perform an independent audit of the Town's accounts and records. They have issued an unmodified (clean) opinion on the Town's financial statements for the year ended September 30, 2022. The Independent Auditors' Report is included in the Financial Section of this report.

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

## PROFILE OF THE TOWN OF LANTANA

The Town is less than three (3) square miles and is located in Palm Beach County on the southeast Florida coast between West Palm Beach and Fort Lauderdale – 20 minutes south of West Palm Beach and 40 minutes north of Fort Lauderdale. The Town derived its governmental authority from a charter granted by the State of Florida Legislature in 1921. The Town developed primarily as a residential community and maintains a strong commitment to its over 12,000 residents, focusing on neighborhood programs, services, improving roadway infrastructure and redevelopment.

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

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

The Town's water and wastewater utility incorporates one (1) water treatment plant with a 3.84 million gallon per day permit. The customer base is 100% within the Town's limits servicing over 3,600 accounts. Wastewater treatment is processed by the East Central Regional Wastewater Treatment Facility through an agreement and connection with the City of Lake Worth Beach.

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

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

## LOCAL ECONOMY & FINANCIAL PLANNING

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

Over the past 10 years, the Town's population has slightly increased to over 12,000. Taxable property values have consistently increased since fiscal year 2013 and exceeded \$1 billion beginning in fiscal year 2019. However, we strive to manage Town finances using a very conservative approach. Listed below is how the current fund balance of \$19,493,474 within the General Fund is allocated.

|                                |                      |
|--------------------------------|----------------------|
| Non-spendable:                 |                      |
| Inventory & prepaid costs      | \$ 1,272             |
| Restricted:                    |                      |
| Building permitting activities | 1,869,546            |
| Committed:                     |                      |
| Council directed projects      | 3,300,000            |
| Assigned:                      |                      |
| Council directed projects      | 365,963              |
| Carry-forward expenditures     | 398,574              |
| Subsequent year's expenditures | 315,620              |
| Unassigned:                    | <u>13,242,499</u>    |
| Total Fund Balance             | <u>\$ 19,493,474</u> |

The unassigned fund balance is equal to 87% of the adopted fiscal year 2023 General Fund budget. As a coastal community, we are prone to hurricanes and storm events which may require funds to be immediately available for recovery and mitigation purposes.

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

## MAJOR INITIATIVES

- The Town's special events program, "Enjoy Lantana!" continued to be successful with events such as: Movies at the Park (Jan/Feb), 1<sup>st</sup> Annual Barefoot Mailman Family Beach Day, Egg Hunt July 4<sup>th</sup> Celebration, Haunted Nature Preserve Veterans Day Recognition, and the Winterfest.
- Upgraded landscape townwide with additional plants and ground cover.
- Initiated a sign replacement program on Hypoluxo Island.
- Installed electrical outlets on the grounds of the Chamber of Commerce and Recreation Center.

- Upgraded rope lighting at Sportsman's Park.
- Painted all decorative light poles on East Ocean Ave.
- Updated paint scheme for Town facilities.
- Replaced the canopy at Town Hall.
- Completed renovation of Marine Safety Building.
- Replaced beach railing at the south end of the beach entrance.
- Eliminated sidewalk trip hazards townwide.
- Completed Centennial tree installation initiative.
- Completed the installation of concrete walking paths at the Lantana Nature Preserve.
- Installed electrical outlets and upgraded holiday celebration lighting along Greynolds Circle.
- Marine unit participated in the Manatee Grant educating boaters on vessel safety.
- The Town was designated as a Tree City USA for the 31<sup>st</sup> consecutive year by the Arbor Day Foundation.
- Flow tested and lubricated 347 fire hydrants.
- Partnered with Brightline for a federal grant to upgrade railroad crossings at Lantana Road and West Ocean Avenue.
- Hosted International Coastal Cleanup event.
- Migrated our on-premise Microsoft Exchange email server to Exchange in the cloud.
- The Police Department continued mentoring 15 participants in the Explorer/Cadet program.
- The Police Department coordinated with the Drug Enforcement Agency for the drug disposal program.
- Installation and upgrades to the Police Department communications center.
- The Code Enforcement Division personnel provided approximately 700 hours of parking enforcement.
- Actively participated in the Palm Beach County Coastal Resilience Partnership with the goal of proactively planning and implementing adoptive measures to withstand today's extreme weather events and prepare for future effects of sea level rise and climate change.
- Improvements to the Library building continued of the interior to design and plan a 21<sup>st</sup> century library.
- Assisted the Public Services Director with reorganization of the Operations' Department; now Public Services Department.
- Participated in competitive bid process for new health insurance provider.
- Completed the FY 2020/21 Annual Comprehensive Financial Report with an unmodified (clean) opinion from the Town's auditors.
- Continue process to implement GASB pronouncement #87 – Leases so that we will be prepared for the FY 2021/22 financial reporting of leases. This involved finding a third-party vendor to assist with the tracking and recording of lease information so the proper journal entries and financial disclosures can be made in the Annual Comprehensive Financial Report.
- Conversion of the SunTrust website to Truist's website with minimal issues.
- Migration of the Town's on-premise Exchange email server to an Exchange in the cloud email server.
- Implementation of multifactor authentication on all Town email accounts.

- Migration of the Lantana Police Department's data service to Palm Beach County's fiber data service.
- Upgrade and migration of the Development Services TRAKiT server.
- Upgrade and migration of SysAid trouble ticketing server.
- Setup of the Information Technology infrastructure for temporary Library location.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lantana, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. This was the 24<sup>th</sup> consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one (1) year. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

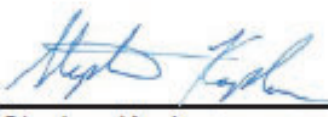
## **ACKNOWLEDGMENTS**

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

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

Respectfully submitted,

  
 Brian K. Raducci  
 Town Manager

  
 Stephen Kaplan  
 Finance Director

# **TOWN OF LANTANA, FLORIDA**

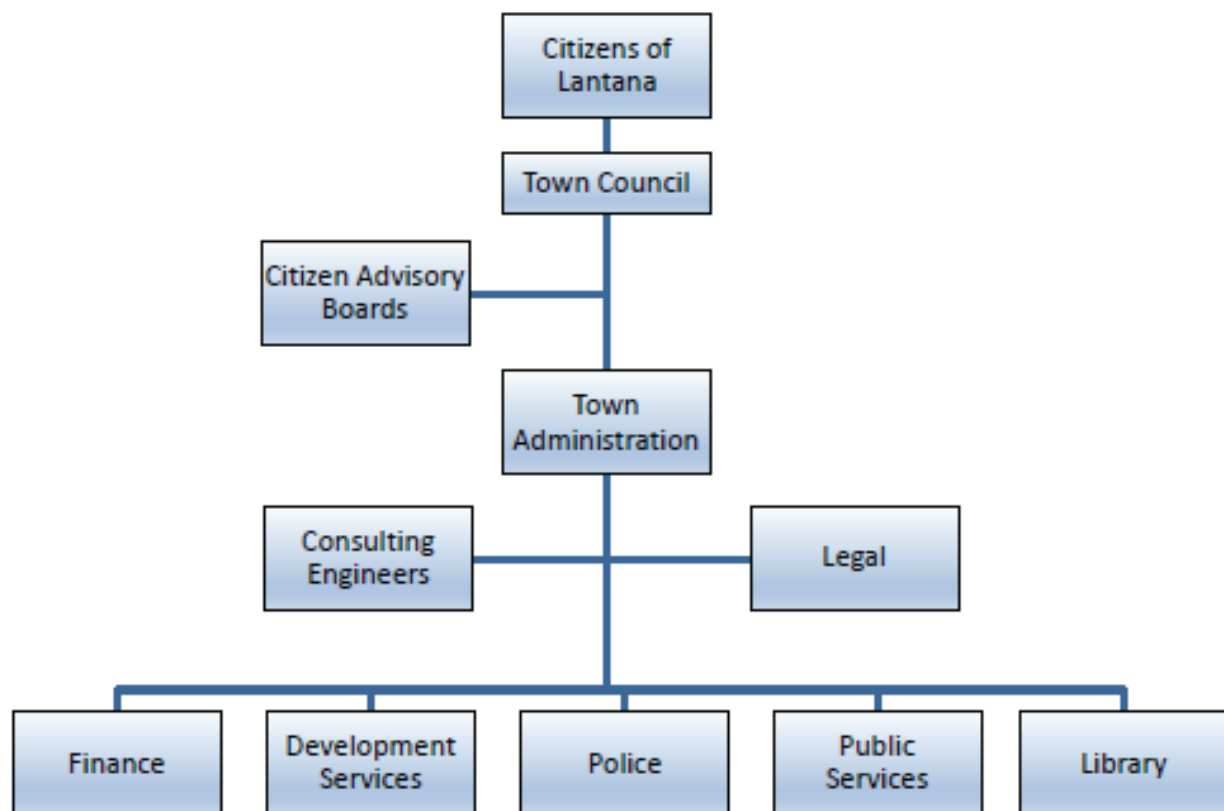
## **LIST OF PRINCIPAL OFFICIALS**

**SEPTEMBER 30, 2022**

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

**TOWN OF LANTANA**  
**FISCAL YEAR 2021/22**

**ORGANIZATION CHART**



Note: Fire/Rescue Services (Fire Station #37) are provided through a 10-year interlocal agreement with Palm Beach County that expires on 12/31/2027.

**MISSION STATEMENT**

To preserve Lantana's small town atmosphere through responsible government and quality service.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Lantana  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**





# Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
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## Independent Auditor's Report

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

### Report on Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lantana, Florida, (the "Town") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of September 30, 2022, 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.

We did not audit the financial statements of the Town of Lantana Police Relief and Pension Fund ("Pension Fund"), which represent 91% and 0% respectively of the total assets and total additions of the aggregate remaining fund information. Those financial statements were audited by other auditors. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Fund, is based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

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

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual non-major fund financial statements and non-major budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

#### ***Other Information Included in the Financial Report***

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

B. H. & Associates

March 20, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions and draw conclusions about an entity. As management of the Town of Lantana (Town), Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with information that we have furnished in our accompanying transmittal letter beginning on Page i, and the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The Town's net position at September 30, 2022 was \$64.1 million. Of this amount, \$29.0 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- Governmental activities net position was \$40.0 million, an increase of \$4,667,599.
- Business-type activities net position was \$24.2 million, an increase of \$1,085,363.
- Total revenues from all sources were \$26.1 million, an increase of \$1,842,360.
- Total costs of all Town programs were \$20.3 million, an increase of \$1,201,144.
- Total revenues and other financing sources in the General Fund exceeded total expenditures and other financing uses by \$1,461,559.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$13.2 million, or 103.3% of total General Fund expenditures.
- The Town's total recorded liability for the implicit rate subsidy of other postemployment benefits (OPEB) was \$464,853, a decrease of \$233,143. Governmental and business-type activities decreased \$228,077 and \$5,066, respectively.

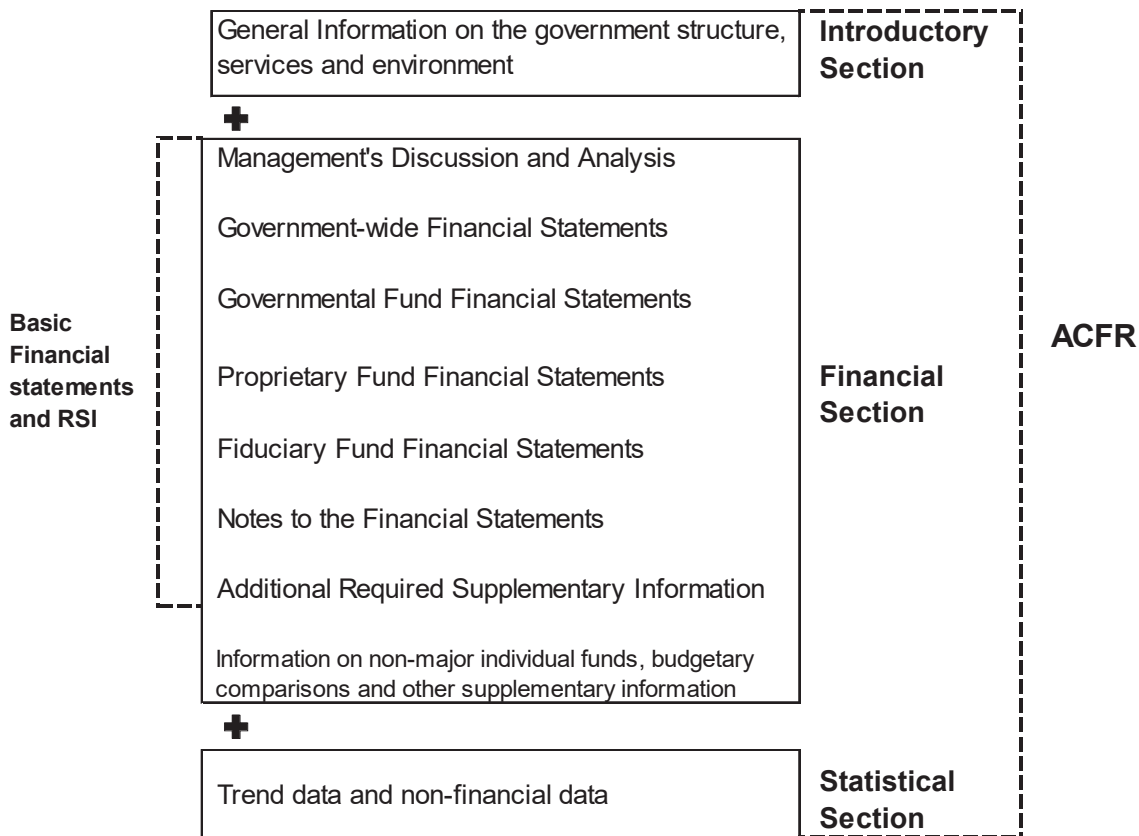
### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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



## GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

## FUND FINANCIAL STATEMENTS

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

- *Governmental funds* – Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the *modified accrual* accounting method, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the Town's general governmental operations and the basic services it provides. Governmental fund information shows whether there are more or less financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found on pages 17-20 of this report.
- *Proprietary funds* – These fund financial statements consist of a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and Statement of Cash Flows. These statements are prepared on the accrual basis which is the accounting basis used to prepare the government-wide financial statements.

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

The basic proprietary fund financial statements can be found on pages 21-25 of this report.

- *Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting basis used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets plus deferred outflow of resources exceeded liabilities by \$64.1 million, which increased \$5,752,962 from the previous fiscal year.

The largest portion of the Town's net position (37.8%) reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment), used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

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**Town of Lantana  
Net Position Summary**

|   | Governmental<br>Activities |                      | Business-type<br>Activities |                      | Total<br>Activities  |                      |
|---|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
|   | 2022                       | 2021                 | 2022                        | 2021                 | 2022                 | 2021                 |
| <b>Assets:</b>                              |                            |                      |                             |                      |                      |                      |
| Current and other assets                    | \$ 29,814,989              | \$ 24,244,219        | \$ 16,906,286               | \$ 15,776,309        | \$ 46,721,275        | \$ 40,020,528        |
| Capital assets                              | 18,874,760                 | 15,830,386           | 8,752,669                   | 8,225,578            | 27,627,429           | 24,055,964           |
| <b>Total Assets</b>                         | <b>48,689,749</b>          | <b>40,074,605</b>    | <b>25,658,955</b>           | <b>24,001,887</b>    | <b>74,348,704</b>    | <b>64,076,492</b>    |
| <b>Deferred Outflow of Resources:</b>       |                            |                      |                             |                      |                      |                      |
| Police Pension                              | 3,421,645                  | 629,327              | -                           | -                    | 3,421,645            | 629,327              |
| OPEB  | -                          | 186,035              | 3,870                       | 3,870                | 3,870                | 189,905              |
| <b>Total Deferred Outflows of Resources</b> | <b>3,421,645</b>           | <b>815,362</b>       | <b>3,870</b>                | <b>3,870</b>         | <b>3,425,515</b>     | <b>819,232</b>       |
| <b>Liabilities:</b>                         |                            |                      |                             |                      |                      |                      |
| Long term debt outstanding                  | 6,791,762                  | 1,678,160            | 192,488                     | 266,145              | 6,984,250            | 1,944,305            |
| Other liabilities                           | 1,557,670                  | 1,200,154            | 1,281,312                   | 634,338              | 2,838,982            | 1,834,492            |
| <b>Total Liabilities</b>                    | <b>8,349,432</b>           | <b>2,878,314</b>     | <b>1,473,800</b>            | <b>900,483</b>       | <b>9,823,232</b>     | <b>3,778,797</b>     |
| <b>Deferred Inflows of Resources:</b>       |                            |                      |                             |                      |                      |                      |
| Police Pension                              | 82,322                     | 2,456,815            | -                           | -                    | 82,322               | 2,456,815            |
| Lease related                               | 3,720,766                  | -                    | -                           | -                    | 3,720,766            | -                    |
| OPEB  | -                          | 263,563              | 5,482                       | 5,482                | 5,482                | 269,045              |
| <b>Total Deferred Inflows of Resources</b>  | <b>3,803,088</b>           | <b>2,720,378</b>     | <b>5,482</b>                | <b>5,482</b>         | <b>3,808,570</b>     | <b>2,725,860</b>     |
| <b>Net Position</b>                         |                            |                      |                             |                      |                      |                      |
| Net investment in capital assets            | 15,581,993                 | 15,830,386           | 8,689,049                   | 8,178,064            | 24,271,042           | 24,008,450           |
| Restricted                                  | 9,806,960                  | 6,102,441            | 1,019,259                   | 2,076,791            | 10,826,219           | 8,179,232            |
| Unrestricted                                | 14,569,921                 | 13,358,448           | 14,476,847                  | 12,844,937           | 29,046,768           | 26,203,385           |
| <b>Total net position</b>                   | <b>\$ 39,958,874</b>       | <b>\$ 35,291,275</b> | <b>\$ 24,185,155</b>        | <b>\$ 23,099,792</b> | <b>\$ 64,144,029</b> | <b>\$ 58,391,067</b> |

The increase in the government's net position for the fiscal year ended September 30, 2022, was \$5,752,962 compared to an increase of \$5,111,746 for the previous fiscal year. Governmental and Business-type activities accounted for an increase of \$4,667,599 and \$1,085,363, respectively. Details of these changes are explained later in the analysis.

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

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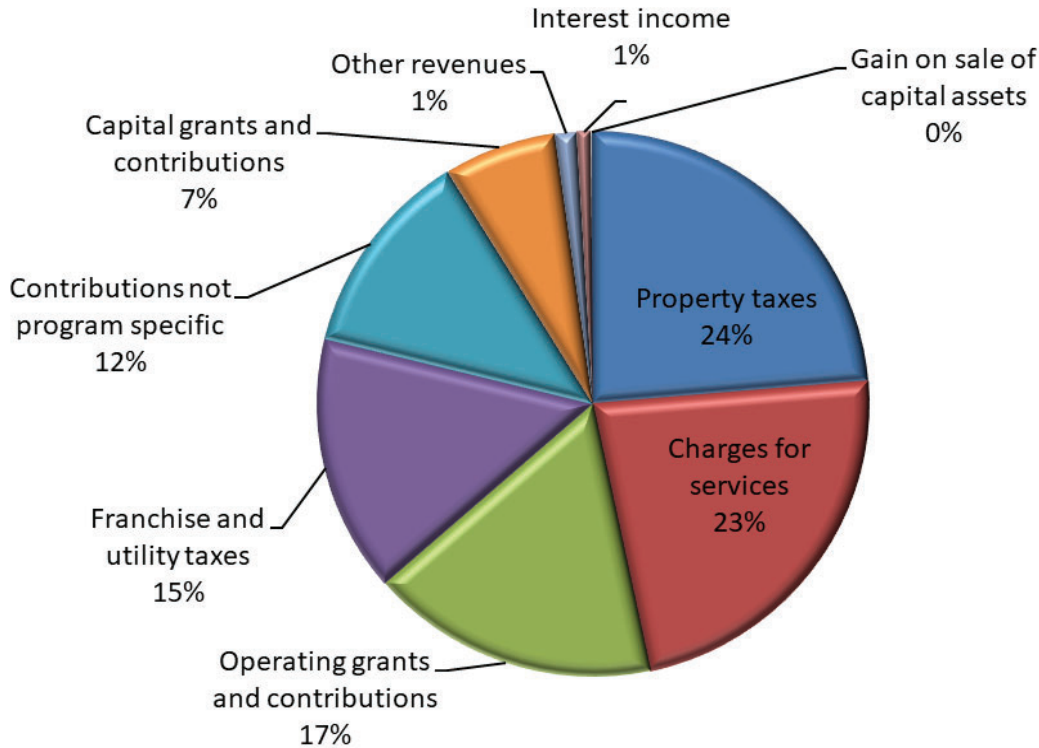
## GOVERNMENTAL ACTIVITIES

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

| Town of Lantana<br>Changes in Net Position      |                            |                      |                             |                      |                      |                      |
|---|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
|   | Governmental<br>Activities |                      | Business-type<br>Activities |                      | Total<br>Activities  |                      |
|   | 2022                       | 2021                 | 2022                        | 2021                 | 2022                 | 2021                 |
| <b>Revenues:</b>                                |                            |                      |                             |                      |                      |                      |
| <u>Program revenues:</u>                        |                            |                      |                             |                      |                      |                      |
| Charges for services                            | \$ 4,355,399               | \$ 4,041,906         | \$ 6,854,563                | \$ 6,330,933         | \$ 11,209,962        | \$ 10,372,839        |
| Operating grants and contributions              | 3,217,429                  | 3,301,722            | -                           | -                    | 3,217,429            | 3,301,722            |
| Capital grants and contributions                | 1,253,824                  | 1,148,961            | -                           | -                    | 1,253,824            | 1,148,961            |
| <u>General revenues and transfers:</u>          |                            |                      |                             |                      |                      |                      |
| Property taxes                                  | 4,488,634                  | 4,101,276            | -                           | -                    | 4,488,634            | 4,101,276            |
| Franchise and utility taxes                     | 2,887,705                  | 2,635,639            | -                           | -                    | 2,887,705            | 2,635,639            |
| Contributions not program specific              | 2,339,690                  | 1,979,497            |                             |                      | 2,339,690            | 1,979,497            |
| Interest income                                 | 155,793                    | 72,655               | 64,107                      | 42,622               | 219,900              | 115,277              |
| Other revenues                                  | 241,839                    | 457,635              | 160,588                     | 36,290               | 402,427              | 493,925              |
| Gain on sale of capital assets                  | 23,390                     | 54,681               | 9,575                       | 6,359                | 32,965               | 61,040               |
| <b>Total revenues</b>                           | <b>18,963,703</b>          | <b>17,793,972</b>    | <b>7,088,833</b>            | <b>6,416,204</b>     | <b>26,052,536</b>    | <b>24,210,176</b>    |
| <b>Expenses:</b>                                |                            |                      |                             |                      |                      |                      |
| <u>Program expenses:</u>                        |                            |                      |                             |                      |                      |                      |
| General government                              | 1,378,182                  | 1,235,562            | -                           | -                    | 1,378,182            | 1,235,562            |
| Physical environment                            | 3,694,716                  | 4,096,331            | -                           | -                    | 3,694,716            | 4,096,331            |
| Public safety                                   | 8,177,278                  | 6,604,469            | -                           | -                    | 8,177,278            | 6,604,469            |
| Culture and recreation                          | 1,045,888                  | 1,012,756            | -                           | -                    | 1,045,888            | 1,012,756            |
| Interest  | 40                         | -                    | -                           | -                    | 40                   | -                    |
| Utility - Water & Sewer                         | -                          | -                    | 6,003,470                   | 6,149,312            | 6,003,470            | 6,149,312            |
| <b>Total expenses</b>                           | <b>14,296,104</b>          | <b>12,949,118</b>    | <b>6,003,470</b>            | <b>6,149,312</b>     | <b>20,299,574</b>    | <b>19,098,430</b>    |
| <b>Changes in net position before transfers</b> | <b>4,667,599</b>           | <b>4,844,854</b>     | <b>1,085,363</b>            | <b>266,892</b>       | <b>5,752,962</b>     | <b>5,111,746</b>     |
| Transfers in, (out), net                        | -                          | -                    | -                           | -                    | -                    | -                    |
| Increase (decrease) in net position             | 4,667,599                  | 4,844,854            | 1,085,363                   | 266,892              | 5,752,962            | 5,111,746            |
| Net position - October 1,                       | 35,291,275                 | 30,446,421           | 23,099,792                  | 22,832,900           | 58,391,067           | 53,279,321           |
| <b>Net position - September 30</b>              | <b>\$ 39,958,874</b>       | <b>\$ 35,291,275</b> | <b>\$ 24,185,155</b>        | <b>\$ 23,099,792</b> | <b>\$ 64,144,029</b> | <b>\$ 58,391,067</b> |

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## Governmental Activities Revenues by Source



The net position for the Town's governmental activities increased \$4,667,599 compared to an increase of \$4,844,854 in the prior year. Significant variances from the prior year are as follows:

- Charges for Services increased \$313,493, partially due to implementing GASB 87 where lease revenue for a restaurant, cell towers, and a fire station were recognized.
- Operating Grants and Contributions recognized the second and final tranche from the American Rescue Plan Act in the amount of \$3,150,620.
- Property taxes increased by \$387,358, or 9.4% which was a direct result of the total taxable value increasing while the millage rate remained at \$3.5 per \$1,000 of taxable value.
- Capital Grants and Contributions increased by \$104,863 partially due to the one-time grants for the Library for technology improvements occurring in the current fiscal year.
- As interest rates began to rise, an increase of \$83,138 in interest income was recognized.
- Total Cost of Services increased \$1,346,986 primarily due to Public Safety's personnel costs increasing \$483,339 as the Police Department reduced the number of vacant positions. Hiring qualified personnel proved to be challenging during the pandemic. Additionally, the Development Services Department increased the work previously outsourced to an engineering firm which recognized an increase of \$64,507.

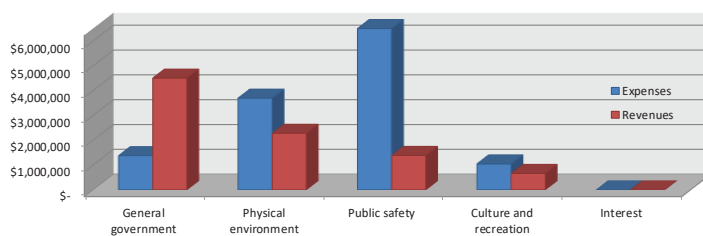
Town programs include general government, physical environment, public safety, and culture and recreational services. General government contains the following departments: legislative, executive, and finance. Physical environment contains public works, utilities, road and street maintenance. Public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

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

### Town of Lantana Governmental Activities

|                        | Total Cost of Services |                     | Program Revenues      |                       | Net Cost of Services |                     |
|------------------------|------------------------|---------------------|-----------------------|-----------------------|----------------------|---------------------|
|                        | 2022                   | 2021                | 2022                  | 2021                  | 2022                 | 2021                |
| General government     | \$ 1,378,182           | \$ 1,235,562        | \$ (4,501,143)        | \$ (4,431,365)        | \$ (3,122,961)       | \$ (3,195,803)      |
| Physical environment   | 3,694,716              | 4,096,331           | (2,276,988)           | (2,024,604)           | 1,417,728            | 2,071,727           |
| Public safety          | 8,177,278              | 6,604,469           | (1,387,716)           | (1,466,566)           | 6,789,562            | 5,137,903           |
| Culture and recreation | 1,045,888              | 1,012,756           | (660,805)             | (570,054)             | 385,083              | 442,702             |
| Interest               | 40                     | -                   | -                     | -                     | 40                   | -                   |
| <b>Total</b>           | <b>\$14,296,104</b>    | <b>\$12,949,118</b> | <b>\$ (8,826,652)</b> | <b>\$ (8,492,589)</b> | <b>\$ 5,469,452</b>  | <b>\$ 4,456,529</b> |

**Expenses & Program Revenues for Governmental Activities**



The cost of all governmental activities this year was \$14.3 million. As shown in the Statement of Activities, those who directly benefited from the programs paid \$8.8 million of the cost, and \$5.5 million was financed through general revenues. Ad valorem taxes contributed 23.7% of total governmental activities revenues this fiscal year and 23.0% in the previous fiscal year. In fiscal year 2022, the Town adopted the same millage rate which combined with higher property values provided additional revenue. Details are discussed later in the budget-to-actual analysis.

### BUSINESS-TYPE ACTIVITIES

Business-type activities (Water and Sewer fund) increased the Town's net position by \$1,085,363 for fiscal year 2022. The net position of the proprietary fund at September 30, 2022, was \$24.2 million. The cost of providing all proprietary (business-type) activities this year decreased \$145,842 compared to last year's total cost of \$6.1 million. As shown in the Statement of Activities, amounts paid through user fees were \$6,854,563 which increased \$523,630 due to a 5% rate increase effective the beginning of the fiscal year and increased water consumption from the partially-completed Water Tower Commons residential project. This also partially contributed to the increase in net position.

Expenses remained relatively flat with a decrease \$145,842, or 2.4%. Costs for repairs and maintaining the water treatment and wastewater distribution system increased by approximately \$100,000 while other expenses decreased. For example, costs relating to distributing wastewater and the participation in Lake Worth Beach's subregional system incurred a reduction of almost \$300,000.

### FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$27,374,863, compared to \$22,212,859 in the prior fiscal year, an increase of \$5,162,004.

Approximately 48% or \$13,217,831 of the \$27.4 million combined ending fund balances (Governmental Funds) constitutes unassigned fund balance, which is available for spending at the government's discretion. Of the total fund balance, \$1,272 is non-spendable, \$309 will be used towards education and training within the Police Department, \$1,869,546 will be used towards the building permitting process, \$1,484,135 will be used for infrastructure projects, and \$119,975 for police forfeiture programs. Approximately \$764,537 is assigned for planned and committed projects not completed by the fiscal year end, and \$315,620 will cover the fiscal year 2022/23's budget deficit. Further, \$3.3 million is committed towards Council-directed projects.

The General Fund is the chief operating fund for the Town. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 103% of total General Fund expenditures, while total fund balance represents 152% of that same amount.

The General Fund's total fund balance increased \$1,461,559 with the unassigned balance increasing from \$11,362,386 to \$13,242,499. While many variables affect the increase, a significant factor were revenues exceeded initial expectations. As the economy performed better than expected, we recognized increases in property taxes, sales tax, state revenue sharing and parking meters. Even though some one-time grants discontinued causing a decrease for those projects, the other revenues exceeded the decrease. For personnel costs, we still find it challenging to hire for vacant positions but have seen improvements. These vacancies resulted in less than expected costs even though overtime costs were incurred.

General Fund revenues increased \$1,367,282 from the previous fiscal year. We encountered some revenues that increased and some that decreased. However, property taxes recognized an additional \$387,358 through increased property values while levying the same millage rate. Tax related revenues such as sales tax and state revenue sharing increased \$323,431. These increases far exceeded declines in the other revenues.

Expenditures within the General Fund remained relatively flat with an increase of \$579,026 on a \$12.8 million fund. The increase is mostly due to personnel costs which increased by \$691,060 compared to the previous year's cost of \$7,929,507. We continued to increase work outsourced to a building permit and inspections firm which increased costs by \$64,500 and invested in capital projects with an increase of \$50,237 compared to the previous fiscal year. Further details in a later section.

A Special Revenue Fund was created to account for funds received from the American Rescue Plan Act which resulted in the second and final of two tranche payments of \$3,150,620 each. The first payment was received late September 2021 and the second and final payment was received late July 2022. The Town continues to work through developing a plan for its use. Some projects are already identified and funding will be allocated in FY 2023.

The Infrastructure Surtax fund was created as a Special Revenue Fund to account for the voter-approved "Penny Tax" earmarked for infrastructure projects. Beginning January 1, 2017, the tax sunsets December 31, 2026 or in the event that the total countywide aggregate distribution of surtax proceeds equal or exceed \$2.7 billion on or before September 1<sup>st</sup> of any year. The projects are monitored and reported to a committee coordinated by the Palm Beach County League of Cities. This year's fund revenue included \$1,149,327 of sales tax. The Town incurred \$873,177 in project costs resulting in a fund balance after its sixth year of \$1,484,135.

The Police Forfeiture Fund, also known as the Law Enforcement Trust Fund, remained relatively flat with fund balance decreasing \$4,404 to \$119,975.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund budget was amended as follows: increase in revenues of \$59,792, increase in carryforward of \$850,055, increase in appropriations of \$606,847 and increase in transfers out of \$303,000.

Variations between adopted and revised budgets include:

- Increased budget for insurance proceeds of \$24,725
- Donations and contributions of \$2,605
- Meter parking of \$15,000
- Carry-forward of capital outlay programs from the previous fiscal year of \$658,905

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

- Actual revenues for the 2022 fiscal year were greater as compared to the budget by \$1,026,028. The greatest variances include the following:
  - Surplus property taxes of \$59,308
  - Surplus electricity franchise fees and utility taxes of \$204,518
  - Surplus metered parking of \$86,047
  - Surplus state revenue sharing of \$124,010
  - Surplus sales tax of \$303,385
  - Surplus code fines of \$162,093
  - Surplus of sale of equipment of \$21,390
  - Surplus interest income of \$78,049
  - Deficit of \$18,738 in reimbursable Policy-detail assignments
  - Deficit of \$35,828 for Police services to the Town of Hypoluxo
  - Deficit of building permits of \$223,771
- Expenditures were \$2,066,569 less than the final budget for the 2022 fiscal year. About \$765,000 or 37% of the difference is designated for contracts where the full cost has not been recognized and for funded projects yet to begin. Approximately \$512,600 in personnel costs were unspent due to more-than-expected staff vacancies.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **CAPITAL ASSETS**

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

- The Town's net investment in capital assets for its governmental and business-type activities as of September 30, 2022, amounts to \$24.3 million.

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

- Reconstruction of the restrooms at Bicentennial Park - \$205,000
- Renovation to the Marine Safety building - \$125,500
- Computers - \$39,000
- Police radio equipment – \$224,000
- Six vehicles - \$179,000

Additional information on the Town's capital assets can be found in Note 5 beginning on page 40 of this report.

**Town of Lantana  
Capital Assets**

|                                 | Governmental<br>Activities |                      | Business-type<br>Activities |                      | Total<br>Activities  |                      |
|---------------------------------|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
|                                 | 2022                       | 2021                 | 2022                        | 2021                 | 2022                 | 2021                 |
| Land                            | \$ 2,267,878               | \$ 2,267,878         | \$ 4,300                    | \$ 4,300             | \$ 2,272,178         | \$ 2,272,178         |
| Construction in progress        | 1,229,625                  | 715,438              | 1,607,193                   | 365,125              | 2,836,818            | 1,080,563            |
| Roads and streets               | 24,701,294                 | 24,664,214           | -                           | -                    | 24,701,294           | 24,664,214           |
| Buildings and improvements      | 11,674,671                 | 11,382,545           | 10,184,793                  | 10,188,829           | 21,859,464           | 21,571,374           |
| Infrastructure                  | -                          | -                    | 13,526,839                  | 13,526,839           | 13,526,839           | 13,526,839           |
| Furniture, equipment & vehicles | 4,849,787                  | 4,530,289            | 1,919,243                   | 1,874,681            | 6,769,030            | 6,404,970            |
| Right-to-use leased equipment   | 12,135                     | -                    | 12,135                      | -                    | 24,270               | -                    |
| Intangible assets               | 244,908                    | 244,908              | 3,246,342                   | 3,246,342            | 3,491,250            | 3,491,250            |
| <b>Total assets</b>             | <b>\$ 44,980,298</b>       | <b>\$ 43,805,272</b> | <b>\$ 30,500,845</b>        | <b>\$ 29,206,116</b> | <b>\$ 75,481,143</b> | <b>\$ 73,011,388</b> |
| Less accumulated depreciation   | (29,358,010)               | (27,974,886)         | (21,748,176)                | (20,980,538)         | (51,106,186)         | (48,955,424)         |
| <b>Total</b>                    | <b>\$ 15,622,288</b>       | <b>\$ 15,830,386</b> | <b>\$ 8,752,669</b>         | <b>\$ 8,225,578</b>  | <b>\$ 24,374,957</b> | <b>\$ 24,055,964</b> |

### LONG-TERM DEBT

Currently, the Town uses debt financing on an as-needed basis. At the end of the current fiscal year, the Town's total debt was \$17,875, a reduction of \$29,639, or 62% as compared to the previous fiscal year.

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

**Town of Lantana  
Outstanding Debt**

|                          | Governmental<br>Activities |             | Business-type<br>Activities |                  | Total<br>Activities |                  |
|--------------------------|----------------------------|-------------|-----------------------------|------------------|---------------------|------------------|
|                          | 2022                       | 2021        | 2022                        | 2021             | 2022                | 2021             |
| Bonds and leases payable | \$ 8,938                   | \$ -        | \$ 8,937                    | \$ 47,514        | \$ 17,875           | \$ 47,514        |
| <b>Total</b>             | <b>\$ 8,938</b>            | <b>\$ -</b> | <b>\$ 8,937</b>             | <b>\$ 47,514</b> | <b>\$ 17,875</b>    | <b>\$ 47,514</b> |

In addition, the Town has a liability for compensated absence of \$1,150,507 and an OPEB liability of \$464,853. Additional information on the Town's debt can be found in Note 7 beginning on page 42 of this report.

### NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

When developing next year's budget, the primary economic factor affecting the budget continued to be the uncertainty of the continued effects from the pandemic such as inflation. We used a conservative approach when developing the General Fund revenue budget. Property taxes are anticipated to increase by \$992,000 as a budget-to-budget comparison. Overall, the total fund's revenue is anticipated to increase approximately \$358,000 or 2.4% compared to FY 2022's actual revenues. The two significant increases include the solid waste assessment and property taxes. Other one-time revenues, such as grants for pandemic-related purchases are not anticipated to reoccur; however, expenses will reduce, as well. Inflation is expected to lessen its negative impact on the economy which directly affects expenditures.

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

The taxable value of property is anticipated to continue increasing in the coming year. Increased taxable value can translate into additional revenue when maintaining or raising the millage rate. Property tax is the single largest revenue source within the General Fund accounting for 37% of the fund. The budget was crafted using a 15% increase in taxable property values. Additionally, the budget was adopted with an increased millage rate from \$3.5 per \$1,000 to \$3.75 which is 22.2% above the roll-back rate of \$3.0699. This translates into over \$992,000 of additional tax revenue to be recognized compared to the previous fiscal year.

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

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

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

The Town continues to retain a healthy fund balance within the General Fund. The fiscal year 2022 unassigned fund balance is over \$13.2 million. When comparing this as a percentage to fiscal year 2023 budgeted expenditures, it can be used as a decent indicator of the Town's fiscal health. The unassigned balance accounts for 90% of fiscal year 2023's General Fund originally adopted operating budget (not including debt or capital); however, even when including the total adopted budget, it still accounts for 87%. A portion of the assigned fund balance (\$365,963) is earmarked for projects currently in progress but anticipated to conclude in the following year. Approximately \$398,574 of the assigned balances will be used for projects approved, but yet to begin. Finally, approximately \$315,000 of the assigned fund balance will be used to fund the excess expenditures over revenues in fiscal year 2023.

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

In considering the Town's budget for fiscal year 2022/23, the Town Council and management were conservative as to the growth of revenues and expenditures.

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

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

## **BASIC FINANCIAL STATEMENTS**



**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

|  | Primary Government   |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | Governmental         | Business-Type        | Total                |
|  | Activities           | Activities           |                      |
| <b>Assets</b>  |                      |                      |                      |
| Current assets:  |                      |                      |                      |
| Cash and cash equivalents  | \$ 12,098,119        | \$ 10,818,011        | \$ 22,916,130        |
| Investments  | 6,706,039            | 4,097,746            | 10,803,785           |
| Restricted cash and cash equivalents                               | 9,882,447            | 178,158              | 10,060,605           |
| Restricted investments   | -                    | 1,019,259            | 1,019,259            |
| Intergovernmental receivables                                      | 527,224              | -                    | 527,224              |
| Accounts receivable, net   | 348,462              | 793,112              | 1,141,574            |
| Prepaid costs and inventories                                      | 1,272                | -                    | 1,272                |
| Lease receivable   | 251,426              | -                    | 251,426              |
| <b>Total current assets</b>  | <b>29,814,989</b>    | <b>16,906,286</b>    | <b>46,721,275</b>    |
| Noncurrent assets:   |                      |                      |                      |
| Nondepreciable capital assets                                      | 3,497,503            | 1,774,996            | 5,272,499            |
| Depreciable capital assets, net                                    | 12,124,785           | 6,977,673            | 19,102,458           |
| Lease receivable   | 3,252,472            | -                    | 3,252,472            |
| <b>Total noncurrent assets</b>                                     | <b>18,874,760</b>    | <b>8,752,669</b>     | <b>27,627,429</b>    |
| <b>Total assets</b>  | <b>48,689,749</b>    | <b>25,658,955</b>    | <b>74,348,704</b>    |
| <b>Deferred outflows of resources</b>                              |                      |                      |                      |
| Police Pension related   | 3,421,645            | -                    | 3,421,645            |
| <b>Total deferred outflows of resources</b>                        | <b>3,421,645</b>     | <b>-</b>             | <b>3,421,645</b>     |
| <b>Liabilities, Deferred Inflows of Resources and Net Position</b> |                      |                      |                      |
| <b>Liabilities:</b>  |                      |                      |                      |
| Current liabilities:   |                      |                      |                      |
| Accounts payable and accrued liabilities                           | 1,037,377            | 908,927              | 1,946,304            |
| Unearned revenues  | 123,917              | -                    | 123,917              |
| Retainage payable  | 31,357               | 54,682               | 86,039               |
| Customer deposits payable from restricted assets                   | -                    | 178,158              | 178,158              |
| Leases and compensated absences                                    | 365,019              | 139,545              | 504,564              |
| <b>Total current liabilities</b>                                   | <b>1,557,670</b>     | <b>1,281,312</b>     | <b>2,838,982</b>     |
| Noncurrent liabilities:  |                      |                      |                      |
| Net pension liability  | 5,855,578            | -                    | 5,855,578            |
| Net OPEB liability   | 455,696              | 9,157                | 464,853              |
| Leases and compensated absences                                    | 480,488              | 183,331              | 663,819              |
| <b>Total noncurrent liabilities</b>                                | <b>6,791,762</b>     | <b>192,488</b>       | <b>6,984,250</b>     |
| <b>Total liabilities</b>   | <b>8,349,432</b>     | <b>1,473,800</b>     | <b>9,823,232</b>     |
| <b>Deferred inflows of resources:</b>                              |                      |                      |                      |
| Police Pension related   | 82,322               | -                    | 82,322               |
| Lease related  | 3,720,766            | -                    | 3,720,766            |
| <b>Total deferred inflows of resources</b>                         | <b>3,803,088</b>     | <b>-</b>             | <b>3,803,088</b>     |
| <b>Net position:</b>   |                      |                      |                      |
| Net investment in capital assets                                   | 15,581,993           | 8,689,049            | 24,271,042           |
| Restricted for:  |                      |                      |                      |
| Building permitting activities                                     | 1,869,546            | -                    | 1,869,546            |
| American Rescue Plan Act ("ARPA")                                  | 6,301,638            | -                    | 6,301,638            |
| Law enforcement  | 120,284              | -                    | 120,284              |
| Infrastructure surtax fund   | 1,515,492            | -                    | 1,515,492            |
| Impact fee capital costs   | -                    | 1,019,259            | 1,019,259            |
| Unrestricted   | 14,569,921           | 14,476,847           | 29,046,768           |
| <b>Total net position</b>  | <b>\$ 39,958,874</b> | <b>\$ 24,185,155</b> | <b>\$ 64,144,029</b> |

See notes to the financial statement

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

| Function/Program                                  | Program Revenues |                      |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |               |
|---|------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|---------------|
|   | Expenses         | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                                |                          |               |
|   |                  |                      |                                    |                                  | Governmental Activities                           | Business-Type Activities | Total         |
| Primary government:                               |                  |                      |                                    |                                  |   |                          |               |
| Governmental activities:                          |                  |                      |                                    |                                  |   |                          |               |
| General government                                | \$ 1,378,182     | \$ 1,343,996         | \$ 3,157,147                       | \$ -                             | \$ 3,122,961                                      | \$ -                     | \$ 3,122,961  |
| Public safety                                     | 8,177,278        | 1,312,576            | 56,360                             | 18,780                           | (6,789,562)                                       | -                        | (6,789,562)   |
| Physical environment                              | 3,694,716        | 1,127,661            | -                                  | 1,149,327                        | (1,417,728)                                       | -                        | (1,417,728)   |
| Culture and recreation                            | 1,045,888        | 571,166              | 3,922                              | 85,717                           | (385,083)   | -                        | (385,083)     |
| Interest  | 40               | -                    | -                                  | -                                | (40)  | -                        | (40)          |
| Total governmental activities                     | 14,296,104       | 4,355,399            | 3,217,429                          | 1,253,824                        | (5,469,452)                                       | -                        | (5,469,452)   |
| Business-type activities:                         |                  |                      |                                    |                                  |   |                          |               |
| Water and sewer                                   | 6,003,470        | 6,854,563            | -                                  | -                                | -   | 851,093                  | 851,093       |
| Total business-type activities                    | 6,003,470        | 6,854,563            | -                                  | -                                | -   | 851,093                  | 851,093       |
| Total primary government                          | 20,299,574       | 11,209,962           | 3,217,429                          | 1,253,824                        | (5,469,452)                                       | 851,093                  | (4,618,359)   |
| General revenues:                                 |                  |                      |                                    |                                  |   |                          |               |
| Property taxes                                    |                  |                      |                                    |                                  | 4,488,634   | -                        | 4,488,634     |
| Franchise taxes and utility taxes                 |                  |                      |                                    |                                  | 2,887,705   | -                        | 2,887,705     |
| Contributions not restricted to specific programs |                  |                      |                                    |                                  | 2,339,690   | -                        | 2,339,690     |
| Interest income                                   |                  |                      |                                    |                                  | 155,793   | 64,107                   | 219,900       |
| Other revenues                                    |                  |                      |                                    |                                  | 241,839   | 160,588                  | 402,427       |
| Gain on sale of capital assets                    |                  |                      |                                    |                                  | 23,390  | 9,575                    | 32,965        |
| Total general revenues and transfers              |                  |                      |                                    |                                  | 10,137,051  | 234,270                  | 10,371,321    |
| Change in net position                            |                  |                      |                                    |                                  | 4,667,599   | 1,085,363                | 5,752,962     |
| Net position - beginning                          |                  |                      |                                    |                                  | 35,291,275  | 23,099,792               | 58,391,067    |
| Net position, ending                              |                  |                      |                                    |                                  | \$ 39,958,874                                     | \$ 24,185,155            | \$ 64,144,029 |

See notes to the financial statement

**TOWN OF LANTANA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

|   | <b>Major Funds</b>   |                     | <b>Nonmajor</b>     | <b>Total</b>         |
|---|----------------------|---------------------|---------------------|----------------------|
|   | <b>General</b>       | <b>Special</b>      | <b>Governmental</b> | <b>Governmental</b>  |
|   | <b>Fund</b>          | <b>Revenue</b>      | <b>Funds</b>        | <b>Funds</b>         |
|   |                      | <b>Fund - ARPA</b>  |                     |                      |
| <b>Assets</b>   |                      |                     |                     |                      |
| Cash and cash equivalents   | \$ 11,347,953        | \$ -                | \$ -                | \$ 11,347,953        |
| Investments   | 6,706,039            | -                   | -                   | 6,706,039            |
| Restricted cash and cash equivalents                                | 1,869,546            | 6,301,638           | 1,711,263           | 9,882,447            |
| Receivables:  |                      |                     |                     |                      |
| Intergovernmental   | 318,369              | -                   | 208,855             | 527,224              |
| Accounts receivable, net  | 348,462              | -                   | -                   | 348,462              |
| Prepaid costs and inventories                                       | 1,272                | -                   | -                   | 1,272                |
| Lease receivable  | 3,503,898            | -                   | -                   | 3,503,898            |
| Total assets  | <u>\$ 24,095,539</u> | <u>\$ 6,301,638</u> | <u>\$ 1,920,118</u> | <u>\$ 32,317,295</u> |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b> |                      |                     |                     |                      |
| Liabilities:  |                      |                     |                     |                      |
| Accounts payable and accrued liabilities                            | \$ 753,035           | \$ -                | \$ 284,342          | \$ 1,037,377         |
| Unearned revenues   | 123,917              | -                   | -                   | 123,917              |
| Retainage payable   | -                    | -                   | 31,357              | 31,357               |
| Total liabilities   | <u>876,952</u>       | <u>-</u>            | <u>315,699</u>      | <u>1,192,651</u>     |
| Deferred Inflows of Resources:                                      |                      |                     |                     |                      |
| Unavailable revenue   | 4,347                | -                   | 24,668              | 29,015               |
| Lease related   | 3,720,766            | -                   | -                   | 3,720,766            |
| Total deferred inflows of resources                                 | <u>3,725,113</u>     | <u>-</u>            | <u>24,668</u>       | <u>3,749,781</u>     |
| Fund balances:  |                      |                     |                     |                      |
| Non-spendable for prepaid costs and inventories                     | 1,272                | -                   | -                   | 1,272                |
| Restricted for:   |                      |                     |                     |                      |
| Building permitting activities                                      | 1,869,546            | -                   | -                   | 1,869,546            |
| American Rescue Plan Act ("ARPA")                                   | -                    | 6,301,638           | -                   | 6,301,638            |
| Infrastructure  | -                    | -                   | 1,484,135           | 1,484,135            |
| Law enforcement   | -                    | -                   | 120,284             | 120,284              |
| Committed for Council directed projects                             | 3,300,000            | -                   | -                   | 3,300,000            |
| Assigned for:   |                      |                     |                     |                      |
| Contracts   | 365,963              | -                   | -                   | 365,963              |
| Carry-forward expenditures  | 398,574              | -                   | -                   | 398,574              |
| Subsequent year's expenditures                                      | 315,620              | -                   | -                   | 315,620              |
| Unassigned  | 13,242,499           | -                   | (24,668)            | 13,217,831           |
| Total fund balances   | <u>19,493,474</u>    | <u>6,301,638</u>    | <u>1,579,751</u>    | <u>27,374,863</u>    |
| Total liabilities, deferred inflows of resources and fund balances  | <u>\$ 24,095,539</u> | <u>\$ 6,301,638</u> | <u>\$ 1,920,118</u> | <u>\$ 32,317,295</u> |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

Fund balance - governmental funds \$ 27,374,863

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

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

|                          |                     |            |
|--------------------------|---------------------|------------|
| Cost of capital assets   | 44,980,298          |            |
| Accumulated depreciation | <u>(29,358,010)</u> | 15,622,288 |

|   |  |        |
|---|--|--------|
| Assets that are not available to pay for current-period expenditures are<br>unavailable in the fund statements. |  | 29,015 |
|---|--|--------|

|  |  |             |
|--|--|-------------|
| The net pension liability is not reported as a liability in the fund financial<br>statements, but is reported as a liability in the government-wide<br>financial statements. |  | (5,855,578) |
|--|--|-------------|

|   |  |           |
|---|--|-----------|
| The net OPEB liability is not reported as a liability in the fund financial<br>statements, but is reported as a liability in the government-wide<br>financial statements. |  | (455,696) |
|---|--|-----------|

|   |  |           |
|---|--|-----------|
| Deferred outflows of resources related to the pension are recorded in<br>the statement of net position. |  | 3,421,645 |
|---|--|-----------|

|  |  |          |
|--|--|----------|
| Deferred inflows of resources related to the pension are recorded in<br>the statement of net position. |  | (82,322) |
|--|--|----------|

|   |  |         |
|---|--|---------|
| Internal service funds are used by management to charge the<br>insurance to individual funds. The assets and liabilities of the internal<br>service fund are included in governmental activities in the statement of<br>net position. |  | 750,166 |
|---|--|---------|

Liabilities not due and payable from current available resources are not  
reported as liabilities in the governmental fund statements. All  
liabilities, both current and long-term, are reported in the government-  
wide financial statements.

|   |  |                             |
|---|--|-----------------------------|
| Leases                                  |  | (8,938)                     |
| Compensated absences                    |  | <u>(836,569)</u>            |
| Net position of governmental activities |  | <u><u>\$ 39,958,874</u></u> |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Major Funds</b> |                    | <b>Nonmajor</b>     | <b>Total</b>        |
|--|--------------------|--------------------|---------------------|---------------------|
|  | <b>General</b>     | <b>Special</b>     | <b>Governmental</b> | <b>Governmental</b> |
|  | <b>Fund</b>        | <b>Revenue</b>     | <b>Funds</b>        | <b>Funds</b>        |
|  |                    | <b>Fund - ARPA</b> |                     |                     |
| Revenues:  |                    |                    |                     |                     |
| Property taxes                                       | \$ 4,488,634       | \$ -               | \$ -                | \$ 4,488,634        |
| Franchise fees and utility taxes                     | 2,887,705          | -                  | -                   | 2,887,705           |
| Other taxes  | 240,311            | -                  | -                   | 240,311             |
| Permits and fees                                     | 764,834            | -                  | -                   | 764,834             |
| Intergovernmental                                    | 2,363,786          | -                  | 1,149,327           | 3,513,113           |
| Charges for services                                 | 658,447            | -                  | -                   | 658,447             |
| Fines and forfeitures                                | 384,904            | -                  | 3,944               | 388,848             |
| Interest income                                      | 155,674            | 388                | 119                 | 156,181             |
| Grant revenue  | 10,889             | 3,150,620          | 141,249             | 3,302,758           |
| Interlocal agreements                                | 902,482            | -                  | -                   | 902,482             |
| Special assessments                                  | 1,195,625          | -                  | -                   | 1,195,625           |
| Other revenues                                       | 516,790            | -                  | -                   | 516,790             |
| Total revenues                                       | 14,570,081         | 3,151,008          | 1,294,639           | 19,015,728          |
| Expenditures:  |                    |                    |                     |                     |
| Current:   |                    |                    |                     |                     |
| General government                                   | 1,161,551          | -                  | -                   | 1,161,551           |
| Public safety  | 7,598,821          | -                  | 25,557              | 7,624,378           |
| Physical environment                                 | 2,770,834          | -                  | 39,000              | 2,809,834           |
| Culture and recreation                               | 676,337            | -                  | 39,655              | 715,992             |
| Debt service:  |                    |                    |                     |                     |
| Principal  | 2,961              | -                  | -                   | 2,961               |
| Interest   | 40                 | -                  | -                   | 40                  |
| Capital outlay                                       | 606,877            | -                  | 943,990             | 1,550,867           |
| Total expenditures                                   | 12,817,421         | -                  | 1,048,202           | 13,865,623          |
| Excess (deficiency) of revenues<br>over expenditures | 1,752,660          | 3,151,008          | 246,437             | 5,150,105           |
| Other financing sources (uses):                      |                    |                    |                     |                     |
| Transfers in   | -                  | -                  | 309,860             | 309,860             |
| Transfers out  | (303,000)          | -                  | (6,860)             | (309,860)           |
| Leases (as lessee)                                   | 11,899             | -                  | -                   | 11,899              |
| Total other financing sources (uses)                 | (291,101)          | -                  | 303,000             | 11,899              |
| Net change in fund balances                          | 1,461,559          | 3,151,008          | 549,437             | 5,162,004           |
| Fund balances, beginning                             | 18,031,915         | 3,150,630          | 1,030,314           | 22,212,859          |
| Fund balances, ending                                | \$ 19,493,474      | \$ 6,301,638       | \$ 1,579,751        | \$ 27,374,863       |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  |                     |
|--|---------------------|
| Net change in fund balances - total governmental funds   | \$ 5,162,004        |
| Amounts reported for governmental activities in the statement of activities are different because:   |                     |
| Capital assets are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of certain of these assets are eliminated and capitalized as capital assets.   | 1,568,666           |
| Depreciation of capital assets is not recognized in the governmental fund statement but is reported as an expense on the statement of activities.  | (1,776,764)         |
| Current changes in unavailable revenue. Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements. Also, current revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements. | (52,025)            |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund, but such repayments reduce liabilities in the statement of net position and are eliminated from the statement of activities.   | 2,961               |
| Governmental funds report leases as financial resources when at the inception of the lease, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.  | (11,899)            |
| Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:  |                     |
| Current change in compensated absence  | (165,521)           |
| Current change in net OPEB liability and related deferred inflows and outflows of resources  | 305,604             |
| Current change in net pension liability and related deferred inflows and outflows of resources   | (365,427)           |
| Change in net position of governmental activities  | <u>\$ 4,667,599</u> |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2022**

|  | <b>Business-Type<br/>Activities</b> | <b>Governmental<br/>Activities</b> |
|--|-------------------------------------|------------------------------------|
|  | <b>Water and Sewer<br/>Fund</b>     | <b>Internal Service<br/>Fund</b>   |
| <b>Assets</b>                            |                                     |                                    |
| Current Assets                           |                                     |                                    |
| Cash and cash equivalents                | \$ 10,818,011                       | \$ 750,166                         |
| Investments                              | 4,097,746                           | -                                  |
| Restricted cash and cash equivalents     | 178,158                             | -                                  |
| Restricted investments                   | 1,019,259                           | -                                  |
| Accounts receivable, net                 | 793,112                             | -                                  |
| <b>Total current assets</b>              | <b>16,906,286</b>                   | <b>750,166</b>                     |
| Capital Assets                           |                                     |                                    |
| Land                                     | 4,300                               | -                                  |
| Construction in progress                 | 1,607,193                           | -                                  |
| Buildings and plant                      | 10,184,793                          | -                                  |
| Infrastructure                           | 13,526,839                          | -                                  |
| Property and equipment                   | 1,919,243                           | -                                  |
| Intangible assets                        | 3,246,342                           | -                                  |
| Right-to-use leased equipment            | 12,135                              | -                                  |
| <b>Total capital assets</b>              | <b>30,500,845</b>                   | <b>-</b>                           |
| Less accumulated depreciation            | (21,748,176)                        | -                                  |
| <b>Net capital assets</b>                | <b>8,752,669</b>                    | <b>-</b>                           |
| <b>Total noncurrent assets</b>           | <b>8,752,669</b>                    | <b>-</b>                           |
| <b>Total assets</b>                      | <b>25,658,955</b>                   | <b>750,166</b>                     |
| <b>Liabilities</b>                       |                                     |                                    |
| Current Liabilities                      |                                     |                                    |
| Accounts payable and accrued liabilities | 908,927                             | -                                  |
| Contracts and retainage payable          | 54,682                              | -                                  |
| Customer deposits payable                |                                     |                                    |
| from restricted assets                   | 178,158                             | -                                  |
| Leases                                   | 4,105                               | -                                  |
| Compensated absences                     | 135,440                             | -                                  |
| <b>Total current liabilities</b>         | <b>1,281,312</b>                    | <b>-</b>                           |
| Long-Term Liabilities                    |                                     |                                    |
| Leases                                   | 4,833                               |                                    |
| Compensated absences                     | 178,498                             | -                                  |
| Net OPEB liability                       | 9,157                               | -                                  |
| <b>Total long-term liabilities</b>       | <b>192,488</b>                      | <b>-</b>                           |
| <b>Total liabilities</b>                 | <b>1,473,800</b>                    | <b>-</b>                           |
| <b>Net Position</b>                      |                                     |                                    |
| Net investment in capital assets         | 8,689,049                           | -                                  |
| Restricted for impact fee capital costs  | 1,019,259                           | -                                  |
| Unrestricted                             | 14,476,847                          | 750,166                            |
| <b>Total net position</b>                | <b>\$ 24,185,155</b>                | <b>\$ 750,166</b>                  |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Business-Type<br/>Activities</b> | <b>Governmental<br/>Activities</b> |
|--|-------------------------------------|------------------------------------|
|  | <b>Water and Sewer<br/>Fund</b>     | <b>Internal Service<br/>Fund</b>   |
| Operating revenues:                    |                                     |                                    |
| Charges for services                   | \$ 6,854,563                        | \$ 661,473                         |
| Miscellaneous revenue                  | 159,630                             | -                                  |
| Total operating revenues               | <u>7,014,193</u>                    | <u>661,473</u>                     |
| Operating expenses:                    |                                     |                                    |
| Salaries and fringe benefits           | 1,983,913                           | -                                  |
| Cost of sales and services             | 3,181,367                           | -                                  |
| General and administrative             | -                                   | 661,473                            |
| Depreciation and amortization          | 838,080                             | -                                  |
| Total operating expenses               | <u>6,003,360</u>                    | <u>661,473</u>                     |
| Operating income (loss)                | <u>1,010,833</u>                    | <u>-</u>                           |
| Nonoperating revenues (expenses):      |                                     |                                    |
| Interest income                        | 64,107                              | -                                  |
| Interest expense and fiscal charges    | (110)                               | -                                  |
| Impact fees                            | 10,533                              | -                                  |
| Total nonoperating revenues (expenses) | <u>74,530</u>                       | <u>-</u>                           |
| Change in net position                 | 1,085,363                           | -                                  |
| Net position - beginning               | <u>23,099,792</u>                   | <u>750,166</u>                     |
| Net position - ending                  | <u><u>\$ 24,185,155</u></u>         | <u><u>\$ 750,166</u></u>           |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Business-Type<br/>Activities</b> | <b>Governmental<br/>Activities</b> |
|--|-------------------------------------|------------------------------------|
|  | <b>Water and Sewer<br/>Fund</b>     | <b>Internal Service<br/>Fund</b>   |
| Cash Flows From Operating Activities   |                                     |                                    |
| Receipts from customers and users  | \$ 6,724,487                        | \$ -                               |
| Receipts from interfund services   | -                                   | 661,473                            |
| Payments to suppliers  | (2,737,601)                         | (661,473)                          |
| Payments to employees  | (1,881,061)                         | -                                  |
| Other receipts   | 159,630                             | -                                  |
| <b>Net cash provided by (used in) operating activities</b>                                 | <b>2,265,455</b>                    | <b>-</b>                           |
| Cash Flows From Capital and Related<br>Financing Activities                                |                                     |                                    |
| Purchase of capital assets   | (1,312,757)                         | -                                  |
| Interest paid on long-term debt  | (110)                               | -                                  |
| Proceeds from issuance of debt   | 11,898                              | -                                  |
| Principal paid on debt   | (50,475)                            | -                                  |
| Impact fee receipts  | 10,533                              | -                                  |
| <b>Net cash provided by (used in) capital<br/>        and related financing activities</b> | <b>(1,340,911)</b>                  | <b>-</b>                           |
| Cash Flows From Investing Activities   |                                     |                                    |
| Purchase of investments  | (43,198)                            | -                                  |
| Interest received  | 64,107                              | -                                  |
| <b>Net cash provided by (used in)<br/>        investing activities</b>                     | <b>20,909</b>                       | <b>-</b>                           |
| Net increase (decrease) in cash and<br>cash equivalents                                    | 945,453                             | -                                  |
| Cash and cash equivalents, beginning   | 10,050,716                          | 750,166                            |
| Cash and cash equivalents, ending  | <b>\$ 10,996,169</b>                | <b>\$ 750,166</b>                  |
| Reconciliation to the statement of net position:   |                                     |                                    |
| Cash and cash equivalents  | \$ 10,818,011                       | \$ 750,166                         |
| Restricted assets, cash  | 178,158                             | -                                  |
|  | <b>\$ 10,996,169</b>                | <b>\$ 750,166</b>                  |

**(Continued)**

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**  
**(Continued)**

|   | <b>Business-Type<br/>Activities</b> | <b>Governmental<br/>Activities</b> |
|---|-------------------------------------|------------------------------------|
|   | <b>Water and Sewer<br/>Fund</b>     | <b>Internal Service<br/>Fund</b>   |
| Reconciliation of Operating Income (loss) to Net Cash   |                                     |                                    |
| Provided By (Used In) Operating Activities              |                                     |                                    |
| Operating income (loss)                                 | \$ 1,010,833                        | \$ -                               |
| Adjustments to reconcile operating income (loss)        |                                     |                                    |
| to net cash provided by (used in) operating activities: |                                     |                                    |
| Depreciation and amortization                           | 838,080                             | -                                  |
| Changes in assets and liabilities:                      |                                     |                                    |
| (Increase) decrease in accounts receivable              | (141,926)                           | -                                  |
| (Increase) decrease in other assets                     | 600                                 | -                                  |
| (Increase) decrease in OPEB deferred outflow            | 3,870                               | -                                  |
| Increase (decrease) in accounts payable                 | 443,166                             | -                                  |
| Increase (decrease) in other liabilities                | 11,850                              | -                                  |
| Increase (decrease) in compensated absences             | 109,530                             | -                                  |
| Increase (decrease) in net OPEB liability               | (5,066)                             | -                                  |
| Increase (decrease) in OPEB deferred inflow             | (5,482)                             | -                                  |
| Total adjustments                                       | 1,254,622                           | -                                  |
| Net cash provided by (used in) operating activities     | \$ 2,265,455                        | \$ -                               |

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION – PENSION TRUST FUND**  
**SEPTEMBER 30, 2022**

**Assets**

|                                       |                   |
|---------------------------------------|-------------------|
| Cash                                  | \$ 9,502          |
| Investments, at fair value:           |                   |
| U.S. government obligations           | 2,382,535         |
| U.S. government agency obligations    | 434,544           |
| Corporate bonds                       | 983,697           |
| Domestic fixed income investment fund | 887,667           |
| Domestic equity investment fund       | 10,088,385        |
| International equity investment fund  | 2,465,822         |
| Real estate investment funds          | 2,036,129         |
| Temporary investment funds            | 140,403           |
| Receivables                           |                   |
| Plan members receivable               | -                 |
| State excise tax                      | 153,631           |
| Due from broker-dealers               | 357,449           |
| Interest receivable                   | 24,284            |
| Prepaid costs                         | 2,665             |
| <b>Total assets</b>                   | <u>19,966,713</u> |

**Liabilities**

|                          |                |
|--------------------------|----------------|
| Accounts payable         | 11,986         |
| Due to broker-dealers    | 247,478        |
| <b>Total liabilities</b> | <u>259,464</u> |

|   |                             |
|---|-----------------------------|
| <b>Net position restricted for pensions</b> | <u><u>\$ 19,707,249</u></u> |
|---|-----------------------------|

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Additions

Contributions:

|                            |                         |
|----------------------------|-------------------------|
| Town                       | \$ 943,987              |
| Members                    | 183,718                 |
| State/Other                | <u>153,631</u>          |
| <b>Total contributions</b> | <u><u>1,281,336</u></u> |

Investment earnings:

|  |                           |
|--|---------------------------|
| Net increase/(decrease) in fair value of investments | (4,847,535)               |
| Interest and dividend income                         | 1,088,502                 |
| Investment expense                                   | <u>(59,362)</u>           |
| <b>Net investment earnings</b>                       | <u>(3,818,395)</u>        |
| <b>Total additions</b>                               | <u><u>(2,537,059)</u></u> |

Deductions:

|                         |                       |
|-------------------------|-----------------------|
| Benefits                | 697,378               |
| Refunds of contribution | 9,406                 |
| Administrative expense  | <u>78,564</u>         |
| <b>Total deductions</b> | <u><u>785,348</u></u> |

|                     |             |
|---------------------|-------------|
| <b>Net increase</b> | (3,322,407) |
|---------------------|-------------|

Net position held in trust for pension benefits

|           |                             |
|-----------|-----------------------------|
| Beginning | <u>23,029,656</u>           |
| Ending    | <u><u>\$ 19,707,249</u></u> |

See notes to the financial statements

## **NOTES TO FINANCIAL STATEMENTS**



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

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

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

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

**a. Reporting Entity**

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

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

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

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

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

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

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

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

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

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

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

The Town reports the following major governmental funds:

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

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

The Town reports the following major enterprise fund:

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

Additionally, the Town reports the following fund types:

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

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

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

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

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

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

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

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

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

**d. New Accounting Standards Adopted**

During fiscal year 2022, the Town adopted three new accounting standards as follows:

**GASB Statement No. 87 – *Leases***

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

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

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

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

***1. Deposits and Investments***

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

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

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

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

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

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

***3. Receivables***

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

***4. Inventories and Prepaid Costs***

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

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

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

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

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

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of \$1,000 or more and an estimated useful life in excess of one year. For right-to-use leased assets the same estimated minimum useful life is used (in excess of one year), but only those right-to-use leased assets that have an initial individual value of more than \$15,000 are reported as capital assets. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable (except for intangible right-to-use leased assets, the measurement of which is discussed in Note 1.d.6 below). Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

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

| Asset                               | Years |
|-------------------------------------|-------|
| Computer software                   | 2-5   |
| Wastewater facilities rights of use | 10-40 |
| Right-to-use leased equipment       | 3     |

**6. Leases**

Lessee: The Town is a lessee for a noncancellable lease of a vehicle. The Town recognizes a lease liability and an intangible right-to-use leased asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$15,000 or more.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

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

**6. Leases (Continued)**

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

Lessor: The Town is a lessor for noncancellable leases of a restaurant, a portion of a building operating as a fire rescue station, and land for communication towers. The Town recognizes lease receivables and a deferred inflows of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**7. Unearned Revenue**

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

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

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

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

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

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

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

**9. *Compensated Absences***

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

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

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

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

**11. *Net Position***

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

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

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

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

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

**12. Fund Equity**

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

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

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

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

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

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

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

**13. Minimum Level of Unassigned Policy**

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

**14. Use of Estimates**

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

# TOWN OF LANTANA, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – DEPOSITS AND INVESTMENTS

#### DEPOSITS

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

#### INVESTMENTS - TOWN

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

The Town had the following investments at September 30, 2022:

|   | Amortized Cost       | Credit Risk | Maturities                                      |
|---|----------------------|-------------|---|
| Investment in Local Government Surplus Funds Trust Fund (Florida PRIME) | \$ 11,823,044        | S&P AAAm    | Weighted average of the fund portfolio: 21 days |
| Total Investments   | <u>\$ 11,823,044</u> |             |   |

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

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

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

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

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

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

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

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

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

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

As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

***Interest Rate Risk***

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

***Credit Risk***

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

***Concentration of Credit Risk***

The Town's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. As of September 30, 2022, the Town did not invest in securities.

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

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

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

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

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

The Plan had the following investments at September 30, 2022:

|                                       | September 30,<br>2022 | Credit Risk | Effective<br>Duration |
|---------------------------------------|-----------------------|-------------|-----------------------|
| U.S. government obligations           | \$ 2,382,535          | S&P AA+     | 8.85 years            |
| U.S. government agency obligations    | 434,544               | S&P AA+     | 3.78 years            |
| Corporate bonds                       | 983,697               | S&P BBB-A   | 5.22 years            |
| Domestic fixed income investment fund | 887,667               | S&P BBB+    | 4.95 years            |
| Domestic equity investment fund       | 10,088,385            | N/A         | N/A                   |
| International equity investment fund  | 2,465,822             | N/A         | N/A                   |
| Real estate investment funds          | 2,036,129             | N/A         | N/A                   |
| Temporary investment funds            | 140,403               | Not Rated   | Daily                 |
|                                       | <u>\$ 19,419,182</u>  |             |                       |

***Interest Rate Risk***

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

***Credit Risk***

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan's investment policy addresses credit risk by limiting investments in bonds and preferred stocks to securities rated investment grade or above by a Nationally Recognized Statistical Rating Organization, unless specifically approved by the Board of Trustees. Securities which are unrated may be purchased, if in the judgment of the investment manager, they would carry an investment grade rating. Consistent with State law, the Plan's investment guidelines limit its fixed income investments to a quality rating of "A" or equivalent as rated by Moody's or by Standard & Poor's bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity. The Plan's investments were in compliance with the above at September 30, 2022.

***Custodial Credit Risk***

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

***Investment in Foreign Markets***

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

***Foreign Tax Withholdings and Reclaims***

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

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

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

***Concentration of Credit Risk***

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

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

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

***Risks and Uncertainties***

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

***Investment Measurement at Fair Value***

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2022:

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

Investments were measured as follows as of September 30, 2022:

| Investments by fair value level                    | September 30<br>2022 | Fair Value Measurements Using |            |
|--|----------------------|-------------------------------|------------|
|  |                      | Level 1                       | Level 2    |
| U.S. government obligations                        | \$ 2,382,535         | \$ 2,382,535                  | \$ -       |
| U.S. government agency obligations                 | 434,544              | 434,544                       | -          |
| Corporate bonds                                    | 983,697              | -                             | 983,697    |
| Domestic fixed income investment fund              | 887,667              | 887,667                       | -          |
| Domestic equity investment fund                    | 10,088,385           | 10,088,385                    | -          |
| International equity investment fund               | 2,465,822            | 2,465,822                     | -          |
| Temporary investment funds                         | 140,403              | 140,403                       | -          |
| Total investments by fair value level              | \$ 17,383,053        | \$ 16,399,356                 | \$ 983,697 |
| Investments measured at the net asset value (NAV): |                      |                               |            |
| Real estate investment funds                       | 2,036,129            |                               |            |
| Total Investments                                  | \$ 19,419,182        |                               |            |

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

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

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

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

**NOTE 3 – PROPERTY TAXES**

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

**NOTE 4 – RECEIVABLES**

Receivables for the Town's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts as of September 30, 2022, were as follows:

| Receivables                       | General           | Nonmajor<br>Governmental | Water and<br>Sewer |
|-----------------------------------|-------------------|--------------------------|--------------------|
| Accounts                          | \$ 349,404        | \$ -                     | \$ 804,812         |
| Intergovernmental                 | 318,369           | 208,855                  | -                  |
| Gross receivables                 | 667,773           | 208,855                  | 804,812            |
| Less allowance for uncollectibles | (942)             | -                        | (11,700)           |
| Net total receivables             | <u>\$ 666,831</u> | <u>\$ 208,855</u>        | <u>\$ 793,112</u>  |

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

**NOTE 5 – CAPITAL ASSETS**

A summary of changes in the governmental activities capital assets for the fiscal year ended September 30, 2022 is presented as follows:

|  | Beginning<br>Balance | Additions   | Deletions    | Ending<br>Balance |
|--|----------------------|-------------|--------------|-------------------|
| Capital assets, not being depreciated:       |                      |             |              |                   |
| Land   | \$ 2,267,878         | \$ -        | \$ -         | \$ 2,267,878      |
| Construction in progress                     | 715,438              | 934,988     | (420,801)    | 1,229,625         |
| Total capital assets, not being depreciated  | 2,983,316            | 934,988     | (420,801)    | 3,497,503         |
| Capital assets, being depreciated:           |                      |             |              |                   |
| Roads and streets                            | 24,664,214           | 37,080      | -            | 24,701,294        |
| Buildings and improvements                   | 11,382,545           | 420,801     | (128,675)    | 11,674,671        |
| Machinery and equipment                      | 4,530,289            | 584,463     | (264,965)    | 4,849,787         |
| Intangible assets - computer software        | 244,908              | -           | -            | 244,908           |
| Right-to-use leased equipment                | -                    | 12,135      | -            | 12,135            |
| Total capital assets, being depreciated      | 40,821,956           | 1,054,479   | (393,640)    | 41,482,795        |
| Less accumulated depreciation:               |                      |             |              |                   |
| Roads and streets                            | (20,208,277)         | (880,066)   | -            | (21,088,343)      |
| Buildings and improvements                   | (4,133,956)          | (465,960)   | 128,675      | (4,471,241)       |
| Machinery and equipment                      | (3,387,745)          | (427,759)   | 264,965      | (3,550,539)       |
| Intangible assets - computer software        | (244,908)            | -           | -            | (244,908)         |
| Right-to-use leased equipment                | -                    | (2,979)     | -            | (2,979)           |
| Total accumulated depreciation               | (27,974,886)         | (1,776,764) | 393,640      | (29,358,010)      |
| Total capital assets, being depreciated, net | 12,847,070           | (722,285)   | -            | 12,124,785        |
| Governmental activities capital assets, net  | \$ 15,830,386        | \$ 212,703  | \$ (420,801) | \$ 15,622,288     |

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

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

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2022 is presented as follows:

|  | Beginning<br>Balance | Additions         | Deletions   | Ending<br>Balance   |
|--|----------------------|-------------------|-------------|---------------------|
| Capital assets, not being depreciated:       |                      |                   |             |                     |
| Land   | \$ 4,300             | \$ -              | \$ -        | \$ 4,300            |
| Intangible assets - easements                | 163,503              | -                 | -           | 163,503             |
| Construction in progress                     | 365,125              | 1,242,068         | -           | 1,607,193           |
| Total capital assets, not being depreciated  | 532,928              | 1,242,068         | -           | 1,774,996           |
| Capital assets, being depreciated:           |                      |                   |             |                     |
| Buildings and plant                          | 10,188,829           | -                 | (4,036)     | 10,184,793          |
| Infrastructure                               | 13,526,839           | -                 | -           | 13,526,839          |
| Machinery and equipment                      | 1,874,681            | 110,967           | (66,405)    | 1,919,243           |
| Intangible assets - computer software        | 2,682                | -                 | -           | 2,682               |
| Intangible assets - wastewater facilities    | 3,080,157            | -                 | -           | 3,080,157           |
| Right-to-use leased equipment                | -                    | 12,135            | -           | 12,135              |
| Total capital assets, being depreciated      | 28,673,188           | 123,102           | (70,441)    | 28,725,849          |
| Less accumulated depreciation:               |                      |                   |             |                     |
| Buildings and plant                          | (7,541,893)          | (336,371)         | 4,036       | (7,874,228)         |
| Infrastructure                               | (8,924,336)          | (358,461)         | -           | (9,282,797)         |
| Machinery and equipment                      | (1,431,470)          | (140,268)         | 66,405      | (1,505,333)         |
| Intangible assets - computer software        | (2,682)              | -                 | -           | (2,682)             |
| Intangible assets - wastewater facilities    | (3,080,157)          | -                 | -           | (3,080,157)         |
| Right-to-use leased equipment                | -                    | (2,979)           | -           | (2,979)             |
| Total accumulated depreciation               | (20,980,538)         | (838,079)         | 70,441      | (21,748,176)        |
| Total capital assets, being depreciated, net | 7,692,650            | (714,977)         | -           | 6,977,673           |
| Business-type activities capital assets, net | <u>\$ 8,225,578</u>  | <u>\$ 527,091</u> | <u>\$ -</u> | <u>\$ 8,752,669</u> |

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

|   |                     |
|---|---------------------|
| Governmental activities:                            |                     |
| General government                                  | \$ 51,110           |
| Public safety                                       | 493,077             |
| Physical environment                                | 902,681             |
| Culture and recreation                              | 329,896             |
| Total depreciation expense, governmental activities | <u>\$ 1,776,764</u> |
| Business-type activities:                           |                     |
| Water and sewer                                     | <u>\$ 838,079</u>   |

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

**NOTE 6 – LEASES**

**Lease receivables**

On May 1, 1997 the Town began leasing a restaurant it owns to a third party. The lease has been amended several times. On February 14, 2011, October 31, 2017 and on June 13, 2022 the lease was amended and currently the lease is set to expire on December 31, 2025, with an automatic two (2) year extension of the lease term unless the Town revokes said option. On May 17, 2011 the Town entered into an agreement to lease a portion of an approximately 8,250 square foot building it owns to the Palm Beach County Fire Department for the operation of Fire Station 37. The lease was amended effective on October 1, 2020 for five (5) years, with one (1) automatic renewal for an additional five (5) year term, unless either party provides one (1) year advance notice of non-renewal. The Town also has three leases of land it owns for communication towers. Two of the leases have terms including option periods set to expire on January 26, 2042. The remaining communication tower lease has a term including option periods set to expire on August 25, 2054. The Town recognized \$251,426 in lease revenue and \$57,809 in interest revenue during the fiscal year ended September 30, 2022 related to these leases. As of September 30, 2022, the Town's receivable related to these leases was \$3,503,898. Also, the Town has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of September 30, 2022, the balance of the deferred inflow of resources was \$3,720,766.

**Lease payable**

During the current fiscal year, the Town entered into a three-year lease agreement as lessee for the use of a vehicle. An initial lease liability was recorded in the amount of \$23,797 during the current fiscal year. As of September 30, 2022, the value of the lease liability was \$17,875. The Town is required to make monthly principal and interest payments of \$690. The value of the right-to-use asset as of the end of the current fiscal year was \$24,269 and had accumulated amortization of \$5,959.

**NOTE 7 – LONG-TERM DEBT**

The following is a summary of the changes in general long-term liabilities for the year ended September 30, 2022 for governmental activities:

|                       | Beginning<br>Balances | Additions           | Reductions          | Total               | Amount Due<br>Within One Year |
|-----------------------|-----------------------|---------------------|---------------------|---------------------|-------------------------------|
| Net Pension Liability | 323,340               | 5,532,238           | -                   | 5,855,578           | -                             |
| Net OPEB Liability    | 683,772               | -                   | (228,076)           | 455,696             | -                             |
| Leases                | -                     | 11,899              | (2,961)             | 8,938               | 4,105                         |
| Compensated Absences  | \$ 671,048            | \$ 599,276          | \$ (433,755)        | \$ 836,569          | \$ 360,914                    |
|                       | <u>\$ 1,678,160</u>   | <u>\$ 6,143,413</u> | <u>\$ (664,792)</u> | <u>\$ 7,156,781</u> | <u>\$ 365,019</u>             |

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

The following is a summary of the changes in general long-term liabilities for the year ended September 30, 2022 for business-type activities

|                      | Beginning<br>Balances | Additions         | Reductions          | Total             | Amount Due<br>Within One Year |
|----------------------|-----------------------|-------------------|---------------------|-------------------|-------------------------------|
| Net OPEB Liability   | 14,223                | -                 | (5,066)             | 9,157             | -                             |
| 2012 Revenue Bonds   | \$ 47,514             | \$ -              | \$ (47,514)         | \$ -              | \$ -                          |
| Leases               | -                     | 11,898            | (2,961)             | 8,937             | 4,105                         |
| Compensated Absences | 204,408               | 224,889           | (115,359)           | 313,938           | 135,440                       |
|                      | <u>\$ 266,145</u>     | <u>\$ 236,787</u> | <u>\$ (170,900)</u> | <u>\$ 332,032</u> | <u>\$ 139,545</u>             |

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

**NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS**

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

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

***PLAN DESCRIPTION***

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

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

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

***BASIS OF ACCOUNTING***

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

***METHOD USED TO VALUE INVESTMENTS***

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

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

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

**NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**FUNDING POLICY**

Contribution requirements are established and may be amended by the Town Council. The contribution requirements are determined on the benefit structure established by the Town. For the year ended September 30, 2022 the required member contributions were 8% of their annual covered earnings. Pursuant to Chapter 185 of the Florida Statutes, a premium tax on certain casualty insurance contracts written on Lantana properties is collected by the State and is remitted to the Plan. This amount totaled \$153,631 for the year ended September 30, 2022 and is included in the general fund as a revenue and expenditure. The Town is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts. For the year ended September 30, 2022, the Town's contribution was \$943,987. Administrative costs are financed through investment earnings.

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

The Town's net pension liability for the LPRPF is measured as the total pension liability less the pension plans' fiduciary net position. At September 30, 2022, the Town reported a net pension liability of \$5,855,578 related to the LPRPF. The net pension liability was measured as of September 30, 2022, using an annual actuarial valuation as of October 1, 2021 rolled forward to September 30, 2022 using standard update procedures. For the fiscal year ended September 30, 2022, the Town recognized pension expense of \$1,463,045. The changes in the Net Pension Liability follow:

|  | Increases (Decreases)      |                                |                          |
|--|----------------------------|--------------------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Fiduciary Net<br>Position | Net Pension<br>Liability |
| <b>Balance at September 30, 2021</b>   | <b>\$ 23,352,996</b>       | <b>\$ 23,029,656</b>           | <b>\$ 323,340</b>        |
| <b>Changes in the year:</b>  |                            |                                |                          |
| Service cost   | 633,973                    | -                              | 633,973                  |
| Interest on the total pension liability  | 1,654,350                  | -                              | 1,654,350                |
| Differences between actual and expected experience in the measurement of the TPL | (116,623)                  | -                              | (116,623)                |
| Changes of assumptions   | 744,915                    | -                              | 744,915                  |
| Contributions - Employer (from Town)   | -                          | 943,987                        | (943,987)                |
| Contributions - Employer (from State)  | -                          | 153,631                        | (153,631)                |
| Contributions - Employees  | -                          | 183,718                        | (183,718)                |
| Net investment income  | -                          | (3,818,395)                    | 3,818,395                |
| Benefit payments   | (697,378)                  | (697,378)                      | -                        |
| Refunds  | (9,406)                    | (9,406)                        | -                        |
| Pension plan administrative expense  | -                          | (78,564)                       | 78,564                   |
| <b>Net changes</b>   | <b>2,209,831</b>           | <b>(3,322,407)</b>             | <b>5,532,238</b>         |
| <b>Balance at September 30, 2022</b>   | <b>\$ 25,562,827</b>       | <b>\$ 19,707,249</b>           | <b>\$ 5,855,578</b>      |

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

**NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

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

At September 30, 2022 the Town reported deferred outflows of resources and deferred inflows of resources related to the LPRPF from the following sources:

| Description   | Deferred Outflows of<br>Resources | Deferred Inflows<br>of Resources | Net Deferred Outflows<br>and Inflows of<br>Resources |
|---|-----------------------------------|----------------------------------|--|
| Differences between expected and actual<br>experience                               | \$ 164,276                        | \$ 82,322                        | \$ 81,954  |
| Change in assumptions   | 583,657                           | -                                | 583,657  |
| Net difference between projected and actual<br>earnings on pension plan investments | 2,673,712                         | -                                | 2,673,712  |
| Total   | <u>\$ 3,421,645</u>               | <u>\$ 82,322</u>                 | <u>\$ 3,339,323</u>                                  |

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

| Year ending<br>September 30 | Net Deferred Outflows of<br>Resources |
|-----------------------------|---------------------------------------|
| 2023                        | 908,894                               |
| 2024                        | 695,338                               |
| 2025                        | 645,526                               |
| 2026                        | 1,089,565                             |
| 2027                        | -                                     |
| Thereafter                  | -                                     |
| Total                       | <u>\$ 3,339,323</u>                   |

**PLAN MEMBERSHIP**

Membership of the plan consisted of the following at September 30, 2022:

|   | Police<br>Officers |
|---|--------------------|
| Inactive employees (or their beneficiaries)<br>currently receiving benefits | 26                 |
| Inactive employees entitled to but not yet<br>receiving benefits            | 3                  |
| Active employees  | 26                 |
| Total   | <u>55</u>          |

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

**NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**ACTUARIAL METHODS AND SIGNIFICANT ASSUMPTIONS**

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

|                           |                                 |
|---------------------------|---------------------------------|
| Valuation date            | October 1, 2021                 |
| Measurement date          | September 30, 2022              |
| Actuarial cost method     | Entry Age Normal                |
| Actuarial Assumptions:    |                                 |
| Discount rate             | 6.75%                           |
| Inflation                 | 2.50%                           |
| Salary increases          | 6.0%, including inflation       |
| Investment Rate of Return | 6.75%                           |
| Retirement age            | Experience-based table of rates |
| Mortality                 |                                 |

The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2020 Actuarial Valuation of the Florida Retirement System (FRS).

**Development of Single Discount Rate**

|   |       |
|---|-------|
| Single Discount Rate  | 6.75% |
| Long-Term Expected Rate of Return   | 6.75% |
| Long-Term Municipal Bond Rate*  | 4.40% |
| Last year ending September 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded | 2121  |

\*Source: Fidelity General Obligation AA rate as of September 30, 2022. This is the rate for Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." In describing this index, Fidelity notes that the municipal curves are constructed using option adjusted analytics of a diverse population of over 10,000 tax exempt securities.

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

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

**NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

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

A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Town's net pension liability, calculated using a single discount rate of 6.75%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

|                       | Current Single<br>Discount Rate |             |             |
|-----------------------|---------------------------------|-------------|-------------|
|                       | 1% Decrease                     | Assumption  | 1% Increase |
|                       | 5.75%                           | 6.75%       | 7.75%       |
| Net Pension Liability | \$9,242,707                     | \$5,855,578 | \$3,081,300 |

***DEFINED CONTRIBUTION PLAN***

The Town of Lantana General Employees' Defined Contribution Plan (401a Plan) was established by the Town and is administered by Florida Municipal Pension Trust Fund ("FMPTF") to provide benefits at retirement for all of its full-time employees except police officers. Contributions equal 7% of each general employee's salary and 15% for the Town Manager's salary and up to a 2% match of any employee's contribution. The Plan permits participant nondeductible voluntary contributions in the amount of 1% to 10% of the participant's salary. Participants are fully vested after five years of service. Plan revisions and contribution requirements are established and may be amended by the Town Council. The covered payroll for the plan was \$3,448,466. The Town's total payroll for the same period was \$7,365,674. Town contributions for the year ended September 30, 2022, were \$307,551. The contributions included forfeited amounts of \$58,702. The amount of employee contributions made for the year ended September 30, 2022 were \$0.

The Town of Lantana General Employees' Deferred Compensation Plan (457 Plan) was established by the Town and is administered by FMPTF to provide benefits at retirement for all of its full-time personnel. Director level employees may receive a 4% Town contribution, as the Town budget allows. The Town Manager position will receive Town contributions equal to the maximum annual amounts permitted by the IRS. Employee contributions are voluntary. The Town contributions for the year ended September 30, 2022, were \$25,730. Participants are fully vested immediately. Plan revisions and contribution requirements are established and may be amended by the Town Council. The amounts of employee contributions for the year ended September 30, 2022 were \$209,141.

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

**NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”)**

***PLAN DESCRIPTION***

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

***FUNDING POLICY***

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

At September 30, 2022, the following employees were covered by benefit terms:

|  |           |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefits | -         |
| Inactive employees entitled to, but not yet receiving benefits   | -         |
| Active employees   | 92        |
|  | <u>92</u> |

For the fiscal year ended September 30, 2022, the Town recognized OPEB expense of \$(312,281)

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

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

|   | <b>Total OPEB<br/>Liability</b> | <b>Fiduciary Net<br/>Position</b> | <b>Net OPEB<br/>Liability</b> |
|---|---------------------------------|-----------------------------------|-------------------------------|
| Balance as of September 30, 2020        | \$ 697,995                      | \$ -                              | \$ 697,995                    |
| Changes due to:                         |                                 |                                   |                               |
| Service cost                            | 53,114                          | -                                 | 53,114                        |
| Interest on Total OPEB liability        | 18,207                          | -                                 | 18,207                        |
| Changes of assumptions and other inputs | (300,783)                       | -                                 | (300,783)                     |
| Benefit payments                        | (3,680)                         | -                                 | (3,680)                       |
| Balance as of September 30, 2021        | <u>\$ 464,853</u>               | <u>\$ -</u>                       | <u>\$ 464,853</u>             |

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

**NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”) (Continued)**

**ACTUARIAL METHODS AND ASSUMPTIONS**

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

|                             |   |
|-----------------------------|---|
| Measurement date            | September 30, 2022  |
| Actuarial valuation date    | September 30, 2021  |
| Actuarial cost method       | Entry Age Normal (AMM)  |
| Inflation rate              | 2.25%   |
| Discount rate               | 4.40%   |
| Salary rate increase        | 4.00%   |
| Retirement age              | Age 55 for Police Officers and Age 65 for General Employees   |
| Mortality                   | Mortality tables used in the July 1, 2021 actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class members. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018.  |
| Healthcare cost trend rates | 6.00% for FY beginning 2022, 5.75% for FY beginning 2023 and then gradually decreasing to an ultimate trend rate of 4.00%.  |
| Other Information:          | <p>Changes in assumptions and other inputs include:</p> <ul style="list-style-type: none"> <li>-Discount rate changed to 4.40% (from 2.43%).</li> <li>-Premiums were updated based on information provided.</li> <li>-Updated healthcare cost trend rates as described above.</li> <li>-Updated mortality and withdrawal rates to those used for non-K-12 Instructional Regular Class members in the July 1, 2021 Florida Retirement System (FRS) valuation.</li> </ul> <p>There were no benefit changes during the year.</p> |

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.40%) or 1-percentage-point higher (5.40%) than the current discount rate:

| <b>1%<br/>Decrease<br/>3.40%</b> | <b>Current<br/>Discount Rate<br/>4.40%</b> | <b>1%<br/>Increase<br/>5.40%</b> |
|----------------------------------|--|----------------------------------|
| \$507,114                        | \$464,853                                  | \$425,742                        |

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

**NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”) (Continued)**

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

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

| 1% Decrease | Current Healthcare Cost<br>Trend Rate Assumption | 1% Increase |
|-------------|--|-------------|
| \$414,127   | \$464,853  | \$523,662   |

**NOTE 10 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund transfers for the fiscal year ended September 30, 2022 were as follows:

|                            | Transfers<br>In   | Transfers<br>Out  |
|----------------------------|-------------------|-------------------|
| General Fund               | \$ -              | \$ 303,000        |
| Infrastructure Surtax Fund | 303,000           | 6,860             |
| Grants Fund                | 6,860             | -                 |
|                            | <u>\$ 309,860</u> | <u>\$ 309,860</u> |

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

**NOTE 11 - INTERLOCAL AGREEMENTS**

***POLICE SERVICES***

The Town has entered into an interlocal agreement for the provision of police services by the Town of Lantana within the Town limits of Hypoluxo. The term of the agreement is for five years, expiring on September 30, 2024. The Town received \$748,850 from Hypoluxo for the year ended September 30, 2022.

**NOTE 12 – ENCUMBRANCES AND CARRY FOWARDS**

The following fiscal year 2022 appropriations did not lapse at September 30, 2022 because they were encumbered or specifically designated to be carried forward to fiscal year 2023.

|                            |                     |
|----------------------------|---------------------|
| Fund:                      |                     |
| General Fund               | \$ 764,537          |
| Infrastructure Surtax Fund | 435,652             |
| Grants Fund                | 153,000             |
| Water and Sewer Fund       | <u>6,808,949</u>    |
| Total Encumbrances         | <u>\$ 8,162,138</u> |

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

**NOTE 13 - COMMITMENTS AND CONTINGENCIES**

**GRANTS**

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

**NOTE 14 - RISK MANAGEMENT**

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

**NOTE 15 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED**

*GASB 91 - Conduit Debt Obligations*

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

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

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

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

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

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

**NOTE 15 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)**

*GASB 96 – Subscription-Based Information Technology Arrangements*

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

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

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

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|                                  | <b>Budgeted Amounts</b> |                   | <b>Actual</b>     | <b>Variance with</b>                             |
|----------------------------------|-------------------------|-------------------|-------------------|--|
|                                  | <b>Original</b>         | <b>Final</b>      | <b>Amounts</b>    | <b>Final Budget-<br/>Positive<br/>(Negative)</b> |
| Revenues:                        |                         |                   |                   |  |
| Property taxes                   | \$ 4,424,048            | \$ 4,424,048      | \$ 4,488,634      | \$ 64,586  |
| Franchise fees and utility taxes | 2,642,330               | 2,642,330         | 2,887,705         | 245,375  |
| Other taxes                      | 246,406                 | 246,406           | 240,311           | (6,095)  |
| Permits and fees                 | 983,615                 | 983,615           | 764,834           | (218,781)  |
| Intergovernmental                | 1,881,208               | 1,881,208         | 2,363,786         | 482,578  |
| Charges for services             | 556,530                 | 571,530           | 658,447           | 86,917   |
| Fines and forfeitures            | 229,256                 | 229,256           | 384,904           | 155,648  |
| Interest income                  | 77,624                  | 77,624            | 155,674           | 78,050   |
| Grant revenue                    | 4,900                   | 4,900             | 10,889            | 5,989  |
| Interlocal agreements            | 920,848                 | 938,310           | 902,482           | (35,828)   |
| Special assessments              | 1,186,560               | 1,186,560         | 1,195,625         | 9,065  |
| Other revenues                   | 330,936                 | 358,266           | 516,790           | 158,524  |
| <b>Total revenues</b>            | <b>13,484,261</b>       | <b>13,544,053</b> | <b>14,570,081</b> | <b>1,026,028</b>                                 |
| Expenditures:                    |                         |                   |                   |  |
| Current:                         |                         |                   |                   |  |
| General Government:              |                         |                   |                   |  |
| Town Council                     | 120,152                 | 219,152           | 159,494           | 59,658   |
| Administrative                   | 380,606                 | 462,556           | 437,126           | 25,430   |
| Finance                          | 563,499                 | 561,699           | 498,018           | 63,681   |
| Nondepartmental                  | 58,503                  | 185,134           | 66,913            | 118,221  |
| <b>Total general government</b>  | <b>1,122,760</b>        | <b>1,428,541</b>  | <b>1,161,551</b>  | <b>266,990</b>                                   |
| Public safety:                   |                         |                   |                   |  |
| Police                           | 6,898,105               | 6,945,997         | 6,459,677         | 486,320  |
| Development services             | 1,405,410               | 1,379,609         | 1,139,144         | 240,465  |
| <b>Total public safety</b>       | <b>8,303,515</b>        | <b>8,325,606</b>  | <b>7,598,821</b>  | <b>726,785</b>                                   |

See notes to required supplementary information

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Budgeted Amounts</b> |                    | <b>Actual</b>        | <b>Variance with</b>                             |
|--|-------------------------|--------------------|----------------------|--|
|  | <b>Original</b>         | <b>Final</b>       | <b>Amounts</b>       | <b>Final Budget-<br/>Positive<br/>(Negative)</b> |
| Physical environment:  |                         |                    |                      |  |
| Public Works   | 2,958,825               | 2,980,116          | 2,770,834            | 209,282  |
| <b>Total physical environment</b>                                | <b>2,958,825</b>        | <b>2,980,116</b>   | <b>2,770,834</b>     | <b>209,282</b>                                   |
| Culture/recreation, parks and recreation:                        |                         |                    |                      |  |
| Library  | 217,286                 | 228,856            | 218,695              | 10,161   |
| Sports park  | 431,721                 | 456,621            | 457,642              | (1,021)  |
| <b>Total culture and recreation</b>                              | <b>649,007</b>          | <b>685,477</b>     | <b>676,337</b>       | <b>9,140</b>                                     |
| Capital outlay   | 1,202,651               | 1,423,865          | 606,877              | 816,988  |
| Debt service:  |                         |                    |                      |  |
| Principal retirement   | 40,385                  | 40,385             | 2,961                | 37,424   |
| Interest   | -                       | -                  | 40                   | (40)   |
| <b>Total debt service</b>  | <b>40,385</b>           | <b>40,385</b>      | <b>3,001</b>         | <b>37,384</b>                                    |
| <b>Total expenditures</b>  | <b>14,277,143</b>       | <b>14,883,990</b>  | <b>12,817,421</b>    | <b>2,066,569</b>                                 |
| <b>Excess (deficiency) of revenues<br/>    over expenditures</b> | <b>(792,882)</b>        | <b>(1,339,937)</b> | <b>1,752,660</b>     | <b>3,092,597</b>                                 |
| Other financing sources (uses):                                  |                         |                    |                      |  |
| Carryforward   | 792,882                 | 1,642,937          | -                    | (1,642,937)                                      |
| Transfers out  | -                       | (303,000)          | (303,000)            | -  |
| Leases (as lessee)   | -                       | -                  | 11,899               | 11,899   |
| <b>Total other financing sources (uses)</b>                      | <b>792,882</b>          | <b>1,339,937</b>   | <b>(291,101)</b>     | <b>(1,631,038)</b>                               |
| Net change in fund balance                                       | <u>\$ -</u>             | <u>\$ -</u>        | 1,461,559            | <u>\$ 1,461,559</u>                              |
| Fund balance, beginning  |                         |                    | <u>18,031,915</u>    |  |
| Fund balance, ending   |                         |                    | <u>\$ 19,493,474</u> |  |

See notes to required supplementary information

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

**NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING**

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

The procedures for establishing budgetary data are as follows:

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

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

Budgets are adopted on the modified accrual basis of accounting, consistent with accounting principles generally accepted in the United States. All appropriations lapse at fiscal year end unless encumbered or specifically designated to be carried forward to the subsequent year. Changes or amendments to the total budgeted expenditures, except as noted above for encumbrances and carry forwards, of the Town must be approved by the Council. The legal level of control is at the departmental level. The general fund budget was amended as follows: increase in revenues of \$59,792, increase in carryforward of \$850,055, increase in appropriations of \$606,847 and increase in transfers out of \$303,000.

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

Measurement Year Ended September 30,

|  | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total Pension Liability (TPL)</b>   |              |              |              |              |              |              |              |              |              |
| Service cost   | \$ 633,973   | \$ 640,452   | \$ 625,849   | \$ 545,724   | \$ 505,944   | \$ 362,009   | \$ 343,544   | \$ 357,506   | \$ 390,463   |
| Interest on the total pension liability  | 1,654,350    | 1,585,956    | 1,455,520    | 1,414,270    | 1,376,374    | 1,024,448    | 989,489      | 928,071      | 853,826      |
| Changes of benefit terms   | -            | -            | -            | (20,334)     | -            | 3,021,409    | -            | -            | -            |
| Differences between actual and expected experience in the measurement of the TPL | (116,623)    | 114,444      | 476,957      | (63,829)     | (700,332)    | 512,020      | (298,613)    | (113,373)    | (847)        |
| Changes of assumption  | 744,915      | 122,095      | -            | 214,552      | -            | 5,673        | (221,282)    | -            | -            |
| Benefit payments   | (697,378)    | (654,567)    | (833,212)    | (1,026,779)  | (377,772)    | (364,808)    | (388,273)    | (270,957)    | (247,244)    |
| Refunds  | (9,406)      | (34,927)     | (24,942)     | (17,668)     | (10,762)     | (930)        | (31,262)     | (6,834)      | (716)        |
| Other changes  | -            | -            | -            | -            | -            | -            | 27,147       | 9,333        | 2,279        |
| <b>Net change in total pension liability</b>                                     | 2,209,831    | 1,773,453    | 1,700,172    | 1,045,936    | 793,452      | 4,559,821    | 420,750      | 903,746      | 997,761      |
| <b>Total pension liability - beginning</b>                                       | 23,352,996   | 21,579,543   | 19,879,371   | 18,833,435   | 18,039,983   | 13,480,162   | 13,059,412   | 12,155,666   | 11,157,905   |
| <b>Total pension liability - ending (a)</b>                                      | 25,562,827   | 23,352,996   | 21,579,543   | 19,879,371   | 18,833,435   | 18,039,983   | 13,480,162   | 13,059,412   | 12,155,666   |
| <b>Plan fiduciary net position</b>   |              |              |              |              |              |              |              |              |              |
| Contributions - Employer (from Town)   | \$ 943,987   | \$ 933,367   | \$ 991,819   | \$ 833,774   | \$ 701,427   | \$ 302,908   | \$ 429,970   | \$ 408,040   | \$ 377,272   |
| Contributions - Employer (from State)  | 153,631      | 143,591      | 136,170      | 133,628      | 116,796      | 112,686      | 119,700      | 101,886      | 95,532       |
| Contributions - Employees  | 183,718      | 179,196      | 180,660      | 145,099      | 124,905      | 120,005      | 120,049      | 105,492      | 111,001      |
| Net investment income  | (3,818,395)  | 3,956,453    | 1,759,889    | 723,759      | 1,268,013    | 1,510,543    | 987,257      | (63,982)     | 992,243      |
| Benefit payments   | (697,378)    | (654,567)    | (833,212)    | (1,026,779)  | (377,772)    | (364,808)    | (388,273)    | (270,957)    | (247,244)    |
| Refunds  | (9,406)      | (34,927)     | (24,942)     | (17,668)     | (10,762)     | (930)        | (31,262)     | (6,834)      | (716)        |
| Pension plan administrative expense  | (78,564)     | (67,988)     | (78,287)     | (69,643)     | (86,349)     | (57,996)     | (65,361)     | (51,501)     | (42,022)     |
| <b>Net change in fiduciary net position</b>                                      | (3,322,407)  | 4,455,125    | 2,132,097    | 722,170      | 1,736,258    | 1,622,408    | 1,172,080    | 222,144      | 1,286,066    |
| <b>Plan fiduciary net position - beginning</b>                                   | 23,029,656   | 18,574,531   | 16,442,434   | 15,720,264   | 13,984,006   | 12,361,598   | 11,189,518   | 10,967,374   | 9,681,308    |
| <b>Plan fiduciary net position - ending (b)</b>                                  | 19,707,249   | 23,029,656   | 18,574,531   | 16,442,434   | 15,720,264   | 13,984,006   | 12,361,598   | 11,189,518   | 10,967,374   |
| <b>Net pension liability - ending (a) - (b)</b>                                  | \$ 5,855,578 | \$ 323,340   | \$ 3,005,012 | \$ 3,436,937 | \$ 3,113,171 | \$ 4,055,977 | \$ 1,118,564 | \$ 1,869,894 | \$ 1,188,292 |
| Plan fiduciary net position as a percentage of the total pension liability       | 77.09%       | 98.62%       | 86.07%       | 82.71%       | 83.47%       | 77.52%       | 91.70%       | 85.68%       | 90.22%       |
| Covered payroll  | \$ 2,296,475 | \$ 2,239,950 | \$ 2,258,250 | \$ 2,072,843 | \$ 1,784,354 | \$ 1,714,357 | \$ 1,704,833 | \$ 1,507,029 | \$ 1,585,229 |
| Net Pension liability as a percentage of covered payroll                         | 254.98%      | 14.44%       | 133.07%      | 165.81%      | 174.47%      | 236.59%      | 65.61%       | 124.08%      | 74.96%       |

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

| Fiscal Year Ending<br>September 30, | Actuarially<br>Determined<br>Contribution | Actual<br>Contribution | Contribution<br>Deficiency<br>(Excess) | Covered<br>Payroll | Actual Contribution<br>as % of Covered<br>Employee Payroll |
|-------------------------------------|---|------------------------|--|--------------------|--|
| 2014                                | \$ 465,226                                | \$ 469,825             | \$ (4,599)                             | \$ 1,585,729       | 29.63 %  |
| 2015                                | 500,593                                   | 500,593                | -                                      | 1,507,029          | 33.22 %  |
| 2016                                | 466,726                                   | 522,523                | (55,797)                               | 1,704,833          | 30.65 %  |
| 2017                                | 415,594                                   | 415,594                | -                                      | 1,714,357          | 24.24 %  |
| 2018                                | 904,992                                   | 818,223                | 86,769                                 | 1,784,354          | 45.86 %  |
| 2019                                | 894,650                                   | 967,402                | (72,752)                               | 2,072,843          | 46.67 %  |
| 2020                                | 929,330                                   | 1,127,989              | (198,659)                              | 2,258,250          | 49.95 %  |
| 2021                                | 1,033,924                                 | 1,076,958              | (43,034)                               | 2,239,950          | 48.08 %  |
| 2022                                | 1,068,833                                 | 1,097,618              | (28,785)                               | 2,296,475          | 47.80 %  |

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

|                               |                                 |
|-------------------------------|---------------------------------|
| Valuation date                | October 1, 2020                 |
| Actuarial cost method         | Entry Age Normal                |
| Amortization method           | Level Dollar, Closed            |
| Remaining amortization period | 20 years                        |
| Asset valuation method        | 5-year smoothed market          |
| Actuarial Assumptions:        |                                 |
| Inflation                     | 2.50%                           |
| Salary increases              | 6.0%, including inflation       |
| Investment Rate of Return     | 7.00%                           |
| Retirement age                | Experience-based table of rates |
| Mortality                     |                                 |

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

|   | 2022              | 2021              | 2020              | 2019              | 2018              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total OPEB Liability</b>   |                   |                   |                   |                   |                   |
| Service cost  | \$ 53,114         | \$ 51,567         | \$ 38,757         | \$ 47,152         | \$ 44,465         |
| Interest  | 18,207            | 14,053            | 23,923            | 22,139            | 19,510            |
| Difference between expected and actual experience                   | -                 | -                 | (51,181)          | -                 | (55,240)          |
| Changes of assumptions and other inputs                             | (300,783)         | (18,107)          | 16,013            | 3,646             | 98,112            |
| Benefit payments  | (3,680)           | (12,359)          | (13,032)          | (12,578)          | (6,889)           |
| Other changes   | -                 | -                 | (27,006)          | 500               | (71,289)          |
| <b>Net change in total OPEB liability</b>                           | <b>(233,142)</b>  | <b>35,154</b>     | <b>(12,526)</b>   | <b>60,859</b>     | <b>28,669</b>     |
| <b>Total OPEB liability - beginning</b>                             | <b>697,995</b>    | <b>662,841</b>    | <b>675,367</b>    | <b>614,508</b>    | <b>585,839</b>    |
| <b>Total OPEB liability - ending (a)</b>                            | <b>\$ 464,853</b> | <b>\$ 697,995</b> | <b>\$ 662,841</b> | <b>\$ 675,367</b> | <b>\$ 614,508</b> |
| <b>Plan Fiduciary Net Position</b>                                  |                   |                   |                   |                   |                   |
| <b>Net change in plan fiduciary net position</b>                    | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       |
| <b>Plan fiduciary net position - beginning</b>                      | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| <b>Plan fiduciary net position - ending (b)</b>                     | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       |
| <b>Town's net OPEB liability - ending (a) - (b)</b>                 | <b>\$ 464,853</b> | <b>\$ 697,995</b> | <b>\$ 662,841</b> | <b>\$ 675,367</b> | <b>\$ 614,508</b> |
| Plan fiduciary net position as a percentage of total OPEB liability | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             |
| Covered employee payroll  | \$ 7,246,371      | \$ 5,644,764      | \$ 5,644,764      | \$ 4,982,533      | \$ 4,982,533      |
| Net OPEB liability as a percentage of covered employee payroll      | 6.41%             | 12.37%            | 11.74%            | 13.55%            | 12.33%            |

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

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

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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

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

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

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

**TOWN OF LANTANA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

|   | Special Revenue Funds |                                 |                             |                              | Total<br>Governmental<br>Funds |
|---|-----------------------|---------------------------------|-----------------------------|------------------------------|--------------------------------|
|   | Grants<br>Fund        | Infrastrucure<br>Surtax<br>Fund | Police<br>Education<br>Fund | Police<br>Forfeiture<br>Fund |                                |
| <b>Assets</b>   |                       |                                 |                             |                              |                                |
| Restricted cash and cash equivalents                                    | \$ 38,892             | \$ 1,552,227                    | \$ 169                      | \$ 119,975                   | \$ 1,711,263                   |
| Intergovernmental receivables   | 24,714                | 184,001                         | 140                         | -                            | 208,855                        |
| Total assets  | <u>\$ 63,606</u>      | <u>\$ 1,736,228</u>             | <u>\$ 309</u>               | <u>\$ 119,975</u>            | <u>\$ 1,920,118</u>            |
| <b>Liabilities, Deferred Inflows of Resources and<br/>Fund Balances</b> |                       |                                 |                             |                              |                                |
| Liabilities:  |                       |                                 |                             |                              |                                |
| Accounts payable  | \$ 63,606             | \$ 220,736                      | \$ -                        | \$ -                         | \$ 284,342                     |
| Retainage payable   | -                     | 31,357                          | -                           | -                            | 31,357                         |
| Total liabilities   | <u>63,606</u>         | <u>252,093</u>                  | <u>-</u>                    | <u>-</u>                     | <u>315,699</u>                 |
| Deferred Inflows of Resources:  |                       |                                 |                             |                              |                                |
| Unavailable revenue   | 24,668                | -                               | -                           | -                            | 24,668                         |
| Total deferred inflows of resources                                     | <u>24,668</u>         | <u>-</u>                        | <u>-</u>                    | <u>-</u>                     | <u>24,668</u>                  |
| Fund balances:  |                       |                                 |                             |                              |                                |
| Restricted for:   |                       |                                 |                             |                              |                                |
| Infrastructure  | -                     | 1,484,135                       | -                           | -                            | 1,484,135                      |
| Police education  | -                     | -                               | 309                         | -                            | 309                            |
| Police forfeiture programs  | -                     | -                               | -                           | 119,975                      | 119,975                        |
| Unassigned  | (24,668)              | -                               | -                           | -                            | (24,668)                       |
| Total fund balances   | <u>(24,668)</u>       | <u>1,484,135</u>                | <u>309</u>                  | <u>119,975</u>               | <u>1,579,751</u>               |
| Total liabilities, deferred inflows of<br>resources and fund balances   | <u>\$ 63,606</u>      | <u>\$ 1,736,228</u>             | <u>\$ 309</u>               | <u>\$ 119,975</u>            | <u>\$ 1,920,118</u>            |

**TOWN OF LANTANA, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | Special Revenue Funds |                                  |                             |                              | Total                 |
|--|-----------------------|----------------------------------|-----------------------------|------------------------------|-----------------------|
|  | Grants<br>Fund        | Infrastructure<br>Surtax<br>Fund | Police<br>Education<br>Fund | Police<br>Forfeiture<br>Fund | Governmental<br>Funds |
| Revenues:  |                       |                                  |                             |                              |                       |
| Intergovernmental                                    | \$ -                  | \$ 1,149,327                     | \$ -                        | \$ -                         | \$ 1,149,327          |
| Fines and forfeitures                                | -                     | -                                | 3,378                       | 566                          | 3,944                 |
| Interest income                                      | -                     | 107                              | -                           | 12                           | 119                   |
| Grant revenue  | 141,249               | -                                | -                           | -                            | 141,249               |
| Total revenues                                       | 141,249               | 1,149,434                        | 3,378                       | 578                          | 1,294,639             |
| Expenditures:  |                       |                                  |                             |                              |                       |
| Current:   |                       |                                  |                             |                              |                       |
| Public safety  | 10,561                | -                                | 10,014                      | 4,982                        | 25,557                |
| Physical environment                                 | 39,000                | -                                | -                           | -                            | 39,000                |
| Culture and recreation                               | 39,655                | -                                | -                           | -                            | 39,655                |
| Capital outlay                                       | 77,673                | 866,317                          | -                           | -                            | 943,990               |
| Total expenditures                                   | 166,889               | 866,317                          | 10,014                      | 4,982                        | 1,048,202             |
| Excess (deficiency) of revenues<br>over expenditures | (25,640)              | 283,117                          | (6,636)                     | (4,404)                      | 246,437               |
| Other financing sources (uses):                      |                       |                                  |                             |                              |                       |
| Transfers in   | 6,860                 | 303,000                          | -                           | -                            | 309,860               |
| Transfers out  | -                     | (6,860)                          | -                           | -                            | (6,860)               |
| Total other financing sources (uses)                 | 6,860                 | 296,140                          | -                           | -                            | 303,000               |
| Net change in fund balances                          | (18,780)              | 579,257                          | (6,636)                     | (4,404)                      | 549,437               |
| Fund balances, beginning                             | (5,888)               | 904,878                          | 6,945                       | 124,379                      | 1,030,314             |
| Fund balances, ending                                | \$ (24,668)           | \$ 1,484,135                     | \$ 309                      | \$ 119,975                   | \$ 1,579,751          |

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GRANTS FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | Grants Fund      |           |                   |   |
|--|------------------|-----------|-------------------|---|
|  | Budgeted Amounts |           | Actual<br>Amounts | Variance With<br>Final Budget-<br>Positive (Negative) |
|  | Original         | Final     |                   |   |
| Revenues:  |                  |           |                   |   |
| Grant revenue  | \$ 115,774       | 681,401   | \$ 141,249        | \$ (540,152)  |
| Total revenues                                       | 115,774          | 681,401   | 141,249           | (540,152)   |
| Expenditures:  |                  |           |                   |   |
| Current:   |                  |           |                   |   |
| Public Safety  | -                | 10,561    | 10,561            | -   |
| Physical environment                                 | 48,000           | 48,000    | 39,000            | 9,000   |
| Culture and recreation                               | -                | 40,511    | 39,655            | 856   |
| Capital outlay                                       | 67,774           | 703,590   | 77,673            | 625,917   |
| Total expenditures                                   | 115,774          | 802,662   | 166,889           | 635,773   |
| Excess (deficiency) of revenues<br>over expenditures | -                | (121,261) | (25,640)          | 95,621  |
| Other financing sources (uses):                      |                  |           |                   |   |
| Transfers in   | -                | 156,126   | 6,860             | (149,266)   |
| Total other financing sources (uses)                 | -                | 156,126   | 6,860             | (149,266)   |
| Net change in fund balances                          | \$ -             | \$ 34,865 | (18,780)          | \$ (53,645)   |
| Fund balance, beginning                              |                  |           | (5,888)           |   |
| Fund balance, ending                                 |                  |           | \$ (24,668)       |   |

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –**  
**INFRASTRUCTURE SURTAX FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | Infrastructure Surtax Fund |             |                   |   |
|--|----------------------------|-------------|-------------------|---|
|  | Budgeted Amounts           |             | Actual<br>Amounts | Variance With<br>Final Budget-<br>Positive (Negative) |
|  | Original                   | Final       |                   |   |
| Revenues:  |                            |             |                   |   |
| Intergovernmental                                    | \$ 826,888                 | \$ 826,888  | \$ 1,149,327      | \$ 322,439  |
| Interest income                                      | 29                         | 29          | 107               | 78  |
| Other revenues                                       | 237,500                    | 237,500     | -                 | (237,500)   |
| Total revenues                                       | 1,064,417                  | 1,064,417   | 1,149,434         | 85,017  |
| Expenditures:  |                            |             |                   |   |
| Current:   |                            |             |                   |   |
| Physical environment                                 | 686,205                    | 686,205     | -                 | 686,205   |
| Capital outlay                                       | 370,000                    | 1,449,893   | 866,317           | 583,576   |
| Total expenditures                                   | 1,056,205                  | 2,136,098   | 866,317           | 1,269,781   |
| Excess (deficiency) of revenues<br>over expenditures | 8,212                      | (1,071,681) | 283,117           | 1,354,798   |
| Other financing sources (uses):                      |                            |             |                   |   |
| Carryforward   | -                          | 924,807     | -                 | (924,807)   |
| Transfers in   | -                          | 303,000     | 303,000           | -   |
| Transfers out  | -                          | (156,126)   | (6,860)           | 149,266   |
| Total other financing sources (uses)                 | -                          | 1,071,681   | 296,140           | (775,541)   |
| Net change in fund balances                          | \$ 8,212                   | \$ -        | 579,257           | \$ 579,257  |
| Fund balance, beginning                              |                            |             | 904,878           |   |
| Fund balance, ending                                 |                            |             | \$ 1,484,135      |   |

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –**  
**POLICE EDUCATION FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

|  | Police Education Fund |          |                   |   |
|--|-----------------------|----------|-------------------|---|
|  | Budgeted Amounts      |          | Actual<br>Amounts | Variance With<br>Final Budget-<br>Positive (Negative) |
|  | Original              | Final    |                   |   |
| Revenues:  |                       |          |                   |   |
| Fines and forfeitures                                | \$ 3,773              | \$ 3,773 | \$ 3,378          | \$ (395)  |
| Total revenues                                       | 3,773                 | 3,773    | 3,378             | (395)   |
| Expenditures:  |                       |          |                   |   |
| Current:   |                       |          |                   |   |
| Public Safety  | 3,773                 | 10,023   | 10,014            | 9   |
| Total expenditures                                   | 3,773                 | 10,023   | 10,014            | 9   |
| Excess (deficiency) of revenues<br>over expenditures | -                     | (6,250)  | (6,636)           | (386)   |
| Other financing sources (uses):                      |                       |          |                   |   |
| Carryforward   | -                     | 6,250    | -                 | (6,250)   |
| Total other financing sources (uses)                 | -                     | 6,250    | -                 | (6,250)   |
| Net change in fund balances                          | \$ -                  | \$ -     | (6,636)           | \$ (6,636)  |
| Fund balance, beginning                              |                       |          | 6,945             |   |
| Fund balance, ending                                 |                       |          | \$ 309            |   |



## STATISTICAL SECTION

## STATISTICAL SECTION

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

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#### **Financial Trends**

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

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#### **Revenue Capacity**

These schedules contain information to help readers assess the Town's most significant local revenue source, the property tax.

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#### **Debt Capacity**

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#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

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## **Operating Indicators**

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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

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

|  | 2013                 | 2014                 | 2015                 |
|--|----------------------|----------------------|----------------------|
| <b>Governmental Activities</b>                     |                      |                      |                      |
| Net Investment in capital assets                   | \$ 18,260,830        | \$ 17,329,014        | \$ 16,994,685        |
| Restricted   | 15,476               | 1,019,931            | 19,750               |
| Unrestricted                                       | <u>8,426,192</u>     | <u>9,271,736</u>     | <u>9,274,400</u>     |
| <b>Total Governmental Activities Net Position</b>  | <u>26,702,498</u>    | <u>27,620,681</u>    | <u>26,288,835</u>    |
| <b>Business-Type Activities</b>                    |                      |                      |                      |
| Net Investment in capital assets                   | 4,313,612            | 5,089,676            | 6,175,347            |
| Restricted   | --                   | 363,801              | 363,800              |
| Unrestricted                                       | <u>8,789,438</u>     | <u>8,244,021</u>     | <u>8,484,142</u>     |
| <b>Total Business-Type Activities Net Position</b> | <u>13,103,050</u>    | <u>13,697,498</u>    | <u>15,023,289</u>    |
| <b>Primary Government</b>                          |                      |                      |                      |
| Net Investment in capital assets                   | 22,574,442           | 22,418,690           | 23,170,032           |
| Restricted   | 15,476               | 1,383,732            | 383,550              |
| Unrestricted                                       | <u>17,215,630</u>    | <u>17,515,757</u>    | <u>17,758,542</u>    |
| <b>Total Primary Government Net Position</b>       | <u>\$ 39,805,548</u> | <u>\$ 41,318,179</u> | <u>\$ 41,312,124</u> |

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

|    | 2016              | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|----|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ | 17,694,224        | \$ 17,818,601        | \$ 17,228,421        | \$ 16,470,693        | \$ 16,067,402        | \$ 15,801,650        | \$ 15,581,993        |
|    | 685,155           | 1,425,190            | 2,177,200            | 3,207,420            | 2,968,299            | 6,125,299            | 9,806,960            |
|    | <u>9,517,683</u>  | <u>6,929,939</u>     | <u>7,771,022</u>     | <u>8,878,927</u>     | <u>11,410,720</u>    | <u>13,364,326</u>    | <u>14,569,921</u>    |
|    | <u>27,897,062</u> | <u>26,173,730</u>    | <u>27,176,643</u>    | <u>28,557,040</u>    | <u>30,446,421</u>    | <u>35,291,275</u>    | <u>39,958,874</u>    |
|    | 6,200,832         | 6,239,812            | 8,135,430            | 8,545,960            | 8,248,569            | 8,175,795            | 8,689,049            |
|    | 363,800           | 374,456              | -                    | -                    | 2,118,871            | 2,076,791            | 1,019,259            |
|    | <u>10,325,879</u> | <u>11,011,260</u>    | <u>10,626,017</u>    | <u>12,331,053</u>    | <u>12,465,460</u>    | <u>12,847,206</u>    | <u>14,476,847</u>    |
|    | <u>16,890,511</u> | <u>17,625,528</u>    | <u>18,761,447</u>    | <u>20,877,013</u>    | <u>22,832,900</u>    | <u>23,099,792</u>    | <u>24,185,155</u>    |
|    | 23,895,056        | 24,058,413           | 25,363,851           | 25,016,653           | 24,315,971           | 23,977,445           | 24,271,042           |
|    | 1,048,955         | 1,799,646            | 2,177,200            | 3,207,420            | 5,087,170            | 8,202,090            | 10,826,219           |
|    | <u>19,843,562</u> | <u>17,941,199</u>    | <u>18,397,039</u>    | <u>21,209,980</u>    | <u>23,876,180</u>    | <u>26,211,532</u>    | <u>29,046,768</u>    |
| \$ | <u>44,787,573</u> | <u>\$ 43,799,258</u> | <u>\$ 45,938,090</u> | <u>\$ 49,434,053</u> | <u>\$ 53,279,321</u> | <u>\$ 58,391,067</u> | <u>\$ 64,144,029</u> |

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

|  | 2013                 | 2014                 | 2015                 |
|--|----------------------|----------------------|----------------------|
| <b>Governmental Activities</b>                         |                      |                      |                      |
| General government                                     | \$ 930,263           | 1,447,888            | 741,324              |
| Public safety  | 4,502,022            | 4,938,269            | 5,239,141            |
| Physical environment                                   | 1,821,392            | 1,514,926            | 3,127,821            |
| Transportation   | 1,564,530            | 1,977,033            | -                    |
| Culture/recreation                                     | 369,831              | 417,408              | 2,253,383            |
| Interest on long-term debt                             | 65,694               | 50,694               | 36,584               |
| <b>Total Governmental Activities Expenses</b>          | <u>9,253,732</u>     | <u>10,346,218</u>    | <u>11,398,253</u>    |
| <b>Business-Type Activities</b>                        |                      |                      |                      |
| Utility - water and sewer                              | <u>4,914,189</u>     | <u>4,677,549</u>     | <u>4,563,238</u>     |
| <b>Total Business-Type Activities Expenses</b>         | <u>4,914,189</u>     | <u>4,677,549</u>     | <u>4,563,238</u>     |
| <b>Total Primary Government Expenses</b>               | <u>\$ 14,167,921</u> | <u>\$ 15,023,767</u> | <u>\$ 15,961,491</u> |
| <b>Program Revenues</b>                                |                      |                      |                      |
| Governmental activities:                               |                      |                      |                      |
| Charges for services:                                  |                      |                      |                      |
| General government                                     | \$ 778,961           | 860,235              | 899,171              |
| Public safety  | 828,503              | 1,132,256            | 1,292,909            |
| Physical environment                                   | 808,998              | 1,136,758            | 626,469              |
| Culture and recreation                                 | 157,878              | 202,245              | 289,802              |
| Operating grants and contributions                     | 70,751               | 38,835               | 38,370               |
| Capital grants and contributions                       | 1,279,089            | 291,113              | 900,051              |
| <b>Total Governmental Activities Program Revenues</b>  | <u>3,924,180</u>     | <u>3,661,442</u>     | <u>4,046,772</u>     |
| Business-type activities:                              |                      |                      |                      |
| Charges for services:                                  |                      |                      |                      |
| Utility - water and sewer                              | <u>4,972,344</u>     | <u>5,242,123</u>     | <u>5,607,712</u>     |
| <b>Total Business-Type Activities Program Revenues</b> | <u>4,972,344</u>     | <u>5,242,123</u>     | <u>5,607,712</u>     |
| <b>Total Primary Government Program Revenues</b>       | <u>\$ 8,896,524</u>  | <u>\$ 8,903,565</u>  | <u>\$ 9,654,484</u>  |

Notes:

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

| 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 818,909              | 1,007,186            | 950,779              | 993,924              | 1,056,190            | 1,235,562            | 1,378,182            |
| 5,375,887            | 8,580,598            | 6,062,440            | 6,801,336            | 6,719,154            | 6,604,469            | 8,177,278            |
| 3,233,635            | 3,273,391            | 3,867,004            | 3,727,044            | 3,941,376            | 4,096,331            | 3,694,716            |
| -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| 365,697              | 548,426              | 597,923              | 785,356              | 812,162              | 1,012,756            | 1,045,888            |
| 21,458               | 10,026               | 771                  | -                    | -                    | -                    | 40                   |
| <u>9,815,586</u>     | <u>13,419,627</u>    | <u>11,478,917</u>    | <u>12,307,660</u>    | <u>12,528,882</u>    | <u>12,949,118</u>    | <u>14,296,104</u>    |
| <u>4,572,755</u>     | <u>5,283,975</u>     | <u>5,161,735</u>     | <u>5,287,676</u>     | <u>5,511,293</u>     | <u>6,149,312</u>     | <u>6,003,470</u>     |
| <u>4,572,755</u>     | <u>5,283,975</u>     | <u>5,161,735</u>     | <u>5,287,676</u>     | <u>5,511,293</u>     | <u>6,149,312</u>     | <u>6,003,470</u>     |
| <u>\$ 14,388,341</u> | <u>\$ 18,703,602</u> | <u>\$ 16,640,652</u> | <u>\$ 17,595,336</u> | <u>\$ 18,040,175</u> | <u>\$ 19,098,430</u> | <u>\$ 20,299,574</u> |
| 1,386,273            | 1,132,786            | 1,268,772            | 1,480,528            | 1,447,317            | 1,221,878            | 1,343,996            |
| 1,179,654            | 1,214,316            | 1,173,143            | 1,296,316            | 1,216,954            | 1,240,606            | 1,312,576            |
| 626,772              | 639,995              | 656,849              | 898,299              | 1,061,017            | 1,094,198            | 1,127,661            |
| 256,590              | 331,061              | 426,276              | 493,645              | 392,895              | 485,224              | 571,166              |
| 37,615               | 67,762               | 38,499               | 235,750              | 140,813              | 3,301,722            | 3,217,429            |
| 321,840              | 1,083,883            | 1,195,547            | 820,642              | 1,542,076            | 1,148,961            | 1,253,824            |
| <u>3,808,744</u>     | <u>4,469,803</u>     | <u>4,759,086</u>     | <u>5,225,180</u>     | <u>5,801,072</u>     | <u>8,492,589</u>     | <u>8,826,652</u>     |
| 5,644,050            | 5,889,214            | 5,960,248            | 6,276,572            | 6,301,259            | 6,330,933            | 6,854,563            |
| <u>5,644,050</u>     | <u>5,889,214</u>     | <u>5,960,248</u>     | <u>6,276,572</u>     | <u>6,301,259</u>     | <u>6,330,933</u>     | <u>6,854,563</u>     |
| <u>\$ 9,452,794</u>  | <u>\$ 10,359,017</u> | <u>\$ 10,719,334</u> | <u>\$ 11,501,752</u> | <u>\$ 12,102,331</u> | <u>\$ 14,823,522</u> | <u>\$ 15,681,215</u> |

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

|   | 2013                  | 2014                  | 2015                  |
|---|-----------------------|-----------------------|-----------------------|
| <b>Net (Expense) Revenue</b>                              |                       |                       |                       |
| Governmental activities                                   | \$ (5,329,552)        | \$ (6,684,776)        | \$ (7,351,481)        |
| Business-type activities                                  | <u>58,155</u>         | <u>564,574</u>        | <u>1,044,474</u>      |
| <b>Total Primary Government Net Expense</b>               | <u>\$ (5,271,397)</u> | <u>\$ (6,120,202)</u> | <u>\$ (6,307,007)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                       |                       |                       |
| Governmental activities:                                  |                       |                       |                       |
| Taxes:  |                       |                       |                       |
| Property taxes  | \$ 2,105,853          | 2,153,180             | 2,266,736             |
| Franchise taxes and utility taxes                         | 1,743,034             | 2,258,115             | 2,292,471             |
| Unrestricted contributions                                | 1,595,343             | 1,675,742             | 1,769,613             |
| Investment income - unrestricted                          | 15,731                | 13,521                | 23,503                |
| Miscellaneous   | 448,206               | 1,502,401             | 910,439               |
| Gain from sale of capital assets                          | -                     | -                     | 41,030                |
| Transfers   | <u>-</u>              | <u>-</u>              | <u>-</u>              |
| <b>Total Governmental Activities</b>                      | <u>5,908,167</u>      | <u>7,602,959</u>      | <u>7,303,792</u>      |
| Business-type activities:                                 |                       |                       |                       |
| Miscellaneous   | 1,384,234             | 20,747                | 256,624               |
| Investment income (loss) - unrestricted                   | 12,459                | 9,127                 | 21,582                |
| Transfers   | -                     | -                     | -                     |
| Gain on sale of capital assets                            | <u>-</u>              | <u>-</u>              | <u>3,111</u>          |
| <b>Total Business-Type Activities</b>                     | <u>1,396,693</u>      | <u>29,874</u>         | <u>281,317</u>        |
| <b>Total Primary Government</b>                           | <u>\$ 7,304,860</u>   | <u>\$ 7,632,833</u>   | <u>\$ 7,585,109</u>   |
| Change in net position:                                   |                       |                       |                       |
| Governmental activities                                   | \$ 578,615            | \$ 918,183            | \$ (47,689)           |
| Business-type activities                                  | <u>1,454,848</u>      | <u>594,448</u>        | <u>1,325,791</u>      |
| <b>Total Primary Government</b>                           | <u>\$ 2,033,463</u>   | <u>\$ 1,512,631</u>   | <u>\$ 1,278,102</u>   |

Notes:

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

| 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ (6,006,842)        | \$ (8,949,824)        | \$ (6,719,831)        | \$ (7,082,480)        | \$ (6,727,810)        | \$ (4,456,529)        | \$ (5,469,452)        |
| <u>1,071,295</u>      | <u>605,239</u>        | <u>798,513</u>        | <u>988,896</u>        | <u>789,966</u>        | <u>181,621</u>        | <u>851,093</u>        |
| <u>\$ (4,935,547)</u> | <u>\$ (8,344,585)</u> | <u>\$ (5,921,318)</u> | <u>\$ (6,093,584)</u> | <u>\$ (5,937,844)</u> | <u>\$ (4,274,908)</u> | <u>\$ (4,618,359)</u> |
| 2,522,731             | 2,786,215             | 3,221,378             | 3,522,230             | 3,852,837             | 4,101,276             | 4,488,634             |
| 2,335,932             | 2,420,646             | 2,441,511             | 2,541,593             | 2,548,504             | 2,635,639             | 2,887,705             |
| 1,757,031             | 1,729,563             | 1,742,071             | 1,796,298             | 1,753,234             | 1,979,497             | 2,339,690             |
| 29,292                | 75,309                | 165,096               | 266,039               | 187,778               | 72,655                | 155,793               |
| 941,079               | 207,857               | 189,691               | 315,433               | 259,318               | 457,635               | 241,839               |
| 5,141                 | 6,902                 | 22,153                | 21,284                | 15,520                | 54,681                | 23,390                |
| <u>23,863</u>         | <u>-</u>              | <u>100,000</u>        | <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              |
| <u>7,615,069</u>      | <u>7,226,492</u>      | <u>7,881,900</u>      | <u>8,462,877</u>      | <u>8,617,191</u>      | <u>9,301,383</u>      | <u>10,137,051</u>     |
| 798,138               | 72,181                | 187,117               | 934,723               | 1,039,149             | 36,290                | 160,588               |
| 21,652                | 57,597                | 128,543               | 191,929               | 126,772               | 42,622                | 64,107                |
| (23,863)              | -                     | -                     | -                     | -                     | -                     | -                     |
| <u>-</u>              | <u>-</u>              | <u>20</u>             | <u>18</u>             | <u>-</u>              | <u>6,359</u>          | <u>9,575</u>          |
| <u>795,927</u>        | <u>129,778</u>        | <u>315,680</u>        | <u>1,126,670</u>      | <u>1,165,921</u>      | <u>85,271</u>         | <u>234,270</u>        |
| <u>\$ 8,410,996</u>   | <u>\$ 7,356,270</u>   | <u>\$ 8,197,580</u>   | <u>\$ 9,589,547</u>   | <u>\$ 9,783,112</u>   | <u>\$ 9,386,654</u>   | <u>\$ 10,371,321</u>  |
| \$ 1,608,227          | \$ (1,723,332)        | \$ 1,162,069          | \$ 1,380,397          | \$ 1,889,381          | \$ 4,844,854          | \$ 4,667,599          |
| <u>1,867,222</u>      | <u>735,017</u>        | <u>1,114,193</u>      | <u>2,115,566</u>      | <u>1,955,887</u>      | <u>266,892</u>        | <u>1,085,363</u>      |
| <u>\$ 3,475,449</u>   | <u>\$ (988,315)</u>   | <u>\$ 2,276,262</u>   | <u>\$ 3,495,963</u>   | <u>\$ 3,845,268</u>   | <u>\$ 5,111,746</u>   | <u>\$ 5,752,962</u>   |

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

|   | 2013                | 2014                | 2015                | 2016                 |
|---|---------------------|---------------------|---------------------|----------------------|
| <b>General Fund</b>                       |                     |                     |                     |                      |
| Nonspendable                              | \$ 12,778           | \$ 15,212           | \$ 12,873           | \$ 10,980            |
| Restricted                                | -                   | 1,000,000           | -                   | 666,166              |
| Committed                                 | 3,300,000           | -                   | -                   | -                    |
| Assigned                                  | 964,307             | 4,110,530           | 5,147,691           | 4,277,074            |
| Unassigned                                | <u>4,109,878</u>    | <u>4,536,305</u>    | <u>3,923,144</u>    | <u>5,768,132</u>     |
| <b>Total General Fund</b>                 | <u>8,386,963</u>    | <u>9,662,047</u>    | <u>9,083,708</u>    | <u>10,722,352</u>    |
| <b>All Other Governmental Funds</b>       |                     |                     |                     |                      |
| Reserved                                  |                     |                     |                     |                      |
| Unreserved, reported in:                  |                     |                     |                     |                      |
| Special revenue funds                     | -                   |                     |                     |                      |
| Restricted                                | 15,476              | 19,931              | 19,750              | 18,989               |
| Assigned                                  | 53,245              | 50,767              | 175,812             | 204,038              |
| Unassigned                                | <u>(103,353)</u>    | <u>(51,674)</u>     | <u>(51,888)</u>     | <u>(68,113)</u>      |
| <b>Total All Other Governmental Funds</b> | <u>(34,632)</u>     | <u>19,024</u>       | <u>143,674</u>      | <u>154,914</u>       |
| <b>Total Governmental Funds</b>           | <u>\$ 8,352,331</u> | <u>\$ 9,681,071</u> | <u>\$ 9,227,382</u> | <u>\$ 10,877,266</u> |

| 2017                     | 2018                     | 2019                     | 2020                     | 2021                     | 2022                     |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| \$ 13,914                | \$ 8,261                 | \$ 4,229                 | \$ 3,038                 | \$ 2,134                 | \$ 1,272                 |
| 1,075,481                | 1,562,930                | 1,631,250                | 2,011,099                | 1,915,608                | 1,869,546                |
| -                        | -                        | -                        | -                        | 3,300,000                | 3,300,000                |
| 4,075,990                | 3,787,079                | 3,740,320                | 4,441,041                | 1,451,787                | 1,080,157                |
| <u>6,794,650</u>         | <u>8,044,051</u>         | <u>9,915,410</u>         | <u>10,612,333</u>        | <u>11,362,386</u>        | <u>13,242,499</u>        |
| <br><u>11,960,035</u>    | <br><u>13,402,321</u>    | <br><u>15,291,209</u>    | <br><u>17,067,511</u>    | <br><u>18,031,915</u>    | <br><u>19,493,474</u>    |
| <br><br><br>             |                          |                          |                          |                          |                          |
| 349,709                  | 614,270                  | 788,085                  | 957,200                  | 4,186,833                | 7,906,057                |
| -                        | -                        | -                        | -                        | -                        | -                        |
| <u>-</u>                 | <u>-</u>                 | <u>-</u>                 | <u>(658,502)</u>         | <u>(5,889)</u>           | <u>(24,668)</u>          |
| <u>349,709</u>           | <u>614,270</u>           | <u>788,085</u>           | <u>298,698</u>           | <u>4,180,944</u>         | <u>7,881,389</u>         |
| <br><u>\$ 12,309,744</u> | <br><u>\$ 14,016,591</u> | <br><u>\$ 16,079,294</u> | <br><u>\$ 17,366,209</u> | <br><u>\$ 22,212,859</u> | <br><u>\$ 27,374,863</u> |

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

|   | 2013                | 2014                | 2015                |
|---|---------------------|---------------------|---------------------|
| <b>Revenues</b>                             |                     |                     |                     |
| Taxes                                       | \$ 2,105,853        | \$ 2,153,180        | \$ 2,266,736        |
| Franchise fees and utility taxes            | 1,743,034           | 2,258,115           | 2,292,471           |
| Other taxes                                 | 220,893             | 224,940             | 226,005             |
| Licenses and permits                        | 333,681             | 408,110             | 410,943             |
| Intergovernmental                           | 1,622,354           | 1,654,427           | 1,757,307           |
| Charges for services                        | 1,144,293           | 1,056,320           | 475,435             |
| Fines and forfeitures                       | 140,741             | 249,517             | 455,675             |
| Investment income                           | 15,731              | 13,521              | 23,503              |
| Grant revenue                               | 1,352,161           | 312,616             | 92,804              |
| Interlocal agreements                       | 574,015             | 696,606             | 712,352             |
| Special assessments                         | --                  | -                   | 681,409             |
| Miscellaneous                               | 601,851             | 1,659,211           | 1,167,007           |
| <b>Total Revenues</b>                       | <u>9,854,607</u>    | <u>10,686,563</u>   | <u>10,561,647</u>   |
| <b>Expenditures</b>                         |                     |                     |                     |
| Current:                                    |                     |                     |                     |
| General government                          | 866,813             | 1,391,794           | 729,286             |
| Public safety                               | 4,243,764           | 4,491,973           | 4,950,124           |
| Physical environment                        | 1,678,172           | 1,250,285           | 2,122,784           |
| Transportation                              | 681,965             | 1,023,958           | -                   |
| Culture and recreation                      | 170,052             | 208,020             | 179,167             |
| Capital outlay                              | 474,485             | 562,257             | 2,604,441           |
| Debt service:                               |                     |                     |                     |
| Principal                                   | 362,017             | 376,450             | 391,457             |
| Interest and fiscal charges                 | 67,517              | 53,086              | 38,077              |
| <b>Total Expenditures</b>                   | <u>8,544,785</u>    | <u>9,357,823</u>    | <u>11,015,336</u>   |
| <b>Excess (Deficiency) of Revenues</b>      |                     |                     |                     |
| <b>Over Expenditures</b>                    | <u>1,309,822</u>    | <u>1,328,740</u>    | <u>(453,689)</u>    |
| <b>Other Financing Sources (Uses)</b>       |                     |                     |                     |
| Transfers in                                | -                   | -                   | -                   |
| Transfers out                               | -                   | -                   | -                   |
| Leases (as lessee)                          | -                   | -                   | -                   |
| <b>Total Other Financing Sources (Uses)</b> | <u>--</u>           | <u>--</u>           | <u>--</u>           |
| <b>Net Change in Fund Balances</b>          | <u>\$ 1,309,822</u> | <u>\$ 1,328,740</u> | <u>\$ (453,689)</u> |
| <b>Debt Service as a Percentage</b>         |                     |                     |                     |
| <b>of Non-Capital Expenditures</b>          | 5.32%               | 4.88%               | 5.11%               |

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

|    | 2016              | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                |
|----|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ | 2,522,731         | \$ 2,786,215        | \$ 3,221,378        | \$ 3,522,230        | \$ 3,852,837        | \$ 4,101,276        | \$ 4,488,634        |
|    | 2,335,932         | 2,420,646           | 2,441,511           | 2,541,593           | 2,548,504           | 2,635,639           | 2,887,705           |
|    | 241,996           | 239,559             | 280,457             | 271,152             | 271,050             | 245,039             | 240,311             |
|    | 884,795           | 621,550             | 708,433             | 901,786             | 888,999             | 682,954             | 764,834             |
|    | 1,744,197         | 2,273,694           | 2,540,066           | 2,620,553           | 2,565,710           | 2,929,673           | 3,513,113           |
|    | 463,570           | 557,643             | 589,013             | 615,284             | 481,060             | 557,785             | 658,447             |
|    | 281,247           | 288,441             | 264,439             | 318,702             | 300,662             | 376,571             | 388,848             |
|    | 29,292            | 75,309              | 165,096             | 266,039             | 187,778             | 72,665              | 156,181             |
|    | 1,132,457         | 754,027             | 473,784             | 328,122             | 296,358             | 4,119,566           | 3,302,758           |
|    | 750,678           | 764,878             | 791,044             | 830,869             | 840,917             | 850,445             | 902,482             |
|    | 681,712           | 694,935             | 711,788             | 1,050,094           | 1,115,956           | 1,149,138           | 1,195,625           |
|    | <u>1,128,625</u>  | <u>399,786</u>      | <u>397,194</u>      | <u>569,366</u>      | <u>463,284</u>      | <u>722,364</u>      | <u>516,790</u>      |
|    | <u>12,197,232</u> | <u>11,876,683</u>   | <u>12,584,203</u>   | <u>13,835,790</u>   | <u>13,813,115</u>   | <u>18,443,115</u>   | <u>19,015,728</u>   |
|    | 819,152           | 934,999             | 915,874             | 967,372             | 1,005,291           | 1,213,972           | 1,161,551           |
|    | 5,219,001         | 5,302,133           | 5,974,086           | 6,719,385           | 6,743,212           | 7,037,347           | 7,624,378           |
|    | 2,188,156         | 2,204,535           | 2,749,796           | 2,764,041           | 3,013,138           | 3,325,761           | 2,809,834           |
|    | -                 | -                   | -                   | -                   | -                   | -                   | -                   |
|    | 197,626           | 358,960             | 411,693             | 563,657             | 554,231             | 722,010             | 715,992             |
|    | 1,778,909         | 1,336,000           | 827,027             | 758,632             | 1,210,328           | 1,297,375           | 1,550,867           |
|    | 345,891           | 297,552             | 98,109              | -                   | -                   | -                   | 2,961               |
|    | <u>22,476</u>     | <u>10,026</u>       | <u>771</u>          | <u>-</u>            | <u>-</u>            | <u>-</u>            | <u>40</u>           |
|    | <u>10,571,211</u> | <u>10,444,205</u>   | <u>10,977,356</u>   | <u>11,773,087</u>   | <u>12,526,200</u>   | <u>13,596,465</u>   | <u>13,865,623</u>   |
|    | <u>1,626,021</u>  | <u>1,432,478</u>    | <u>1,606,847</u>    | <u>2,062,703</u>    | <u>1,286,915</u>    | <u>4,846,650</u>    | <u>5,150,105</u>    |
|    | 41,024            | 109,735             | 104,069             | -                   | 246,642             | 28,352              | 309,860             |
|    | (17,161)          | (109,735)           | (4,069)             | -                   | (246,642)           | (28,352)            | (309,860)           |
|    | -                 | -                   | -                   | -                   | -                   | -                   | 11,899              |
|    | <u>23,863</u>     | <u>--</u>           | <u>100,000</u>      | <u>--</u>           | <u>--</u>           | <u>--</u>           | <u>11,899</u>       |
| \$ | <u>1,649,884</u>  | <u>\$ 1,432,478</u> | <u>\$ 1,706,847</u> | <u>\$ 2,062,703</u> | <u>\$ 1,286,915</u> | <u>\$ 4,846,650</u> | <u>\$ 5,162,004</u> |
|    | 4.19%             | 3.38%               | 0.97%               | 0.00%               | 0.00%               | 0.00%               | 0.02%               |

**TOWN OF LANTANA, FLORIDA**

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

**LAST TEN FISCAL YEARS**

| Fiscal Year<br>Ended<br>September 30, | Tax Roll<br>Year | Assessed Values  |                      | Total<br>Taxable<br>Assessed<br>Value | Total<br>Direct<br>Tax<br>Rate |
|---------------------------------------|------------------|------------------|----------------------|---------------------------------------|--------------------------------|
|                                       |                  | Real<br>Property | Personal<br>Property |                                       |                                |
| 2013                                  | 2012             | 632,656,708      | 45,488,892           | 678,145,600                           | 3.2395                         |
| 2014                                  | 2013             | 647,132,006      | 38,872,232           | 686,004,238                           | 3.2395                         |
| 2015                                  | 2014             | 683,142,716      | 42,129,528           | 725,272,244                           | 3.2395                         |
| 2016                                  | 2015             | 757,505,897      | 43,362,825           | 800,868,722                           | 3.2395                         |
| 2017                                  | 2016             | 846,039,655      | 43,826,976           | 889,866,631                           | 3.2395                         |
| 2018                                  | 2017             | 916,809,816      | 34,560,485           | 951,370,301                           | 3.5000                         |
| 2019                                  | 2018             | 996,744,038      | 39,721,673           | 1,036,465,711                         | 3.5000                         |
| 2020                                  | 2019             | 1,094,972,214    | 44,078,805           | 1,139,051,019                         | 3.5000                         |
| 2021                                  | 2020             | 1,171,850,463    | 44,374,058           | 1,216,224,521                         | 3.5000                         |
| 2022                                  | 2021             | 1,277,609,480    | 49,797,026           | 1,327,406,506                         | 3.5000                         |

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

Source: Palm Beach County Property Appraiser's Office.



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

| Fiscal Year            |                  | Direct Rate                       | Overlapping Rates (1)                      |                         |                             |
|------------------------|------------------|-----------------------------------|--|-------------------------|-----------------------------|
| Ended<br>September 30, | Tax Roll<br>Year | Town<br>General<br>Operations (2) | Palm Beach<br>County<br>School<br>District | Palm<br>Beach<br>County | Fire/<br>Rescue<br>MSTU (3) |
| 2013                   | 2012             | 3.2395                            | 7.7780                                     | 4.9902                  | 3.4581                      |
| 2014                   | 2013             | 3.2395                            | 7.5860                                     | 4.9852                  | 3.4581                      |
| 2015                   | 2014             | 3.2395                            | 7.5940                                     | 4.9729                  | 3.4581                      |
| 2016                   | 2015             | 3.2395                            | 7.5120                                     | 4.9277                  | 3.4581                      |
| 2017                   | 2016             | 3.2395                            | 7.0700                                     | 4.9142                  | 3.4581                      |
| 2018                   | 2017             | 3.5000                            | 6.7690                                     | 4.9023                  | 3.4581                      |
| 2019                   | 2018             | 3.5000                            | 6.5720                                     | 4.8980                  | 3.4581                      |
| 2020                   | 2019             | 3.5000                            | 7.1640                                     | 4.8580                  | 3.4581                      |
| 2021                   | 2020             | 3.5000                            | 7.0100                                     | 4.8124                  | 3.4581                      |
| 2022                   | 2021             | 3.5000                            | 6.8750                                     | 4.8149                  | 3.4581                      |

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

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

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

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

| Overlapping Rates (1)            |                            |  |          |   |
|----------------------------------|----------------------------|--|----------|---|
| Childrens<br>Services<br>Council | Health<br>Care<br>District | South Florida<br>Water<br>Management<br>District | F.I.N.D. | Total<br>Direct and<br>Overlapping<br>Rates |
| 0.7300                           | 1.1220                     | 0.4289   | 0.0345   | 21.7812                                     |
| 0.7025                           | 1.0800                     | 0.4110   | 0.0345   | 21.4968                                     |
| 0.6745                           | 1.0800                     | 0.3842   | 0.0345   | 21.4377                                     |
| 0.6677                           | 1.0426                     | 0.3551   | 0.0320   | 21.2347                                     |
| 0.6833                           | 0.8993                     | 0.3307   | 0.0320   | 20.6271                                     |
| 0.6590                           | 0.7808                     | 0.3100   | 0.0320   | 20.4112                                     |
| 0.6403                           | 0.7261                     | 0.2936   | 0.0320   | 20.1201                                     |
| 0.6497                           | 0.7261                     | 0.2795   | 0.0320   | 20.6674                                     |
| 0.6497                           | 0.7261                     | 0.2675   | 0.0320   | 20.4558                                     |
| 0.6233                           | 0.7261                     | 0.2572   | 0.0320   | 20.2866                                     |

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

| Taxpayer                                     | 2022                  |      |                                    | 2013                 |      |                                    |
|--|-----------------------|------|------------------------------------|----------------------|------|------------------------------------|
|  | Net Assessed Value    | Rank | Percentage of Total Assessed Value | Net Assessed Value   | Rank | Percentage of Total Assessed Value |
| Lantana I Owner LLC                          | \$ 63,875,975         | 1    | 4.81%                              |                      |      |                                    |
| Palm Beach FL Senior Property LLC (Carlisle) | \$ 57,542,769         | 2    | 4.33%                              | \$ 35,123,909        | 1    | 5.18%                              |
| TRG Seaside LP                               | \$ 55,582,102         | 3    | 4.19%                              |                      |      |                                    |
| Lantana II Owner LLC                         | \$ 27,481,292         | 4    | 2.07%                              |                      |      |                                    |
| Florida Power & Light Co                     | \$ 23,449,907         | 5    | 1.77%                              | \$ 12,367,344        | 3    | 1.82%                              |
| BT Lantana, LLC                              | \$ 17,005,482         | 6    | 1.28%                              | \$ 12,888,207        | 2    | 1.90%                              |
| Lantana Development LLC                      | \$ 16,901,560         | 7    | 1.27%                              |                      |      |                                    |
| Lantana SDC LLC (Equity One (Lantana) Inc)   | \$ 13,876,002         | 8    | 1.05%                              | \$ 9,869,366         | 4    | 1.46%                              |
| Costco Wholesale Corp.                       | \$ 13,820,579         | 9    | 1.04%                              | \$ 6,764,228         | 5    | 1.00%                              |
| Lantana SMI LLC (GMC of Lantana Ltd.)        | \$ 10,910,717         | 10   | 0.82%                              | \$ 4,095,238         | 7    | 0.60%                              |
| Hypoluxo I LP                                |                       |      |                                    | \$ 5,608,168         | 6    | 0.83%                              |
| Lan Hill Corp.                               |                       |      |                                    | \$ 4,077,075         | 8    | 0.60%                              |
| PS Florida One Inc.                          |                       |      |                                    | \$ 3,978,069         | 9    | 0.59%                              |
| Merrin Seth & Ramco-Gershenson Property      |                       |      |                                    | \$ 3,391,326         | 10   | 0.50%                              |
|  | <u>\$ 300,446,385</u> |      | <u>22.63%</u>                      | <u>\$ 98,162,930</u> |      | <u>14.48%</u>                      |

Source: Palm Beach County Property Appraiser's Office.

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

| Fiscal Year<br>Ended<br>September 30, | Total Tax<br>Levy for<br>Fiscal Year | Collected within<br>the Fiscal Year<br>of the Levy |                    | Collected in<br>Subsequent<br>Years | Total Property<br>Tax Collections |                    |
|---------------------------------------|--------------------------------------|--|--------------------|-------------------------------------|-----------------------------------|--------------------|
|                                       |                                      | Amount   | Percent<br>of Levy |                                     | Amount                            | Percent<br>of Levy |
| 2013                                  | 2,196,853                            | 2,104,328  | 95.79%             | 4,999                               | 2,109,327                         | 96.02%             |
| 2014                                  | 2,222,311                            | 2,146,101  | 96.57%             | 4,487                               | 2,150,587                         | 96.77%             |
| 2015                                  | 2,349,519                            | 2,265,091  | 96.41%             | (440)                               | 2,264,651                         | 96.39%             |
| 2016                                  | 2,594,414                            | 2,505,935  | 96.59%             | 8,346                               | 2,514,281                         | 96.91%             |
| 2017                                  | 2,882,723                            | 2,782,116  | 96.51%             | (534)                               | 2,781,582                         | 96.49%             |
| 2018                                  | 3,329,796                            | 3,216,323  | 96.59%             | 1,625                               | 3,217,949                         | 96.64%             |
| 2019                                  | 3,627,630                            | 3,516,847  | 96.95%             | 541                                 | 3,517,389                         | 96.96%             |
| 2020                                  | 3,986,679                            | 3,849,968  | 96.57%             | 13,182                              | 3,863,149                         | 96.90%             |
| 2021                                  | 4,256,786                            | 4,095,880  | 96.22%             | 1,725                               | 4,097,605                         | 96.26%             |
| 2022                                  | 4,645,923                            | 4,478,356  | 96.39%             | -                                   | 4,478,356                         | 96.39%             |

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

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

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

| Fiscal Year<br>Ended<br>September 30, | Governmental Activities |                   |           | Business-Type<br>Activities | Total<br>Primary<br>Government | Percent of<br>Personal<br>Income (1) | Per<br>Capita (1) |
|---------------------------------------|-------------------------|-------------------|-----------|-----------------------------|--------------------------------|--------------------------------------|-------------------|
|                                       | Revenue<br>Bonds        | Capital<br>Leases | Notes     | Revenue<br>Bonds            |                                |                                      |                   |
| 2013                                  | 286,832                 | -                 | 1,222,627 | 5,376,346                   | 6,885,805                      | 11.17%                               | 651               |
| 2014                                  | 175,506                 | -                 | 957,504   | 4,637,990                   | 5,770,999                      | 8.68%                                | 540               |
| 2015                                  | 59,568                  | -                 | 681,985   | 3,880,709                   | 4,622,261                      | 6.54%                                | 432               |
| 2016                                  | --                      | -                 | 395,661   | 3,103,891                   | 3,499,552                      | 4.88%                                | 326               |
| 2017                                  | --                      | -                 | 98,109    | 2,306,904                   | 2,405,013                      | 3.10%                                | 223               |
| 2018                                  | --                      | -                 | --        | 1,489,088                   | 1,489,088                      | 1.81%                                | 131               |
| 2019                                  | --                      | -                 | --        | 1,016,560                   | 1,016,560                      | 1.14%                                | 89                |
| 2020                                  | --                      | -                 | --        | 536,321                     | 536,321                        | 0.58%                                | 47                |
| 2021                                  | --                      | -                 | --        | 47,514                      | 47,514                         | 0.05%                                | 4                 |
| 2022                                  | --                      | -                 | --        | --                          | --                             | 0.00%                                | -                 |

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

Source: Town of Lantana Finance Department

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

**TOWN OF LANTANA, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**SEPTEMBER 30, 2022**

| Government Unit                   | Net Debt<br>Outstanding (1) | Percentage<br>Applicable to<br>Town of<br>Lantana (2) | Amount<br>Applicable<br>to the<br>Town of<br>Lantana |
|-----------------------------------|-----------------------------|---|--|
| Palm Beach County                 | \$ 26,250,000               | 0.60%   | \$ 157,202   |
| Palm Beach County School District | <u>4,273,000</u>            | 0.60%   | <u>25,589</u>  |
| Subtotal, Overlapping Debt        | 30,523,000                  |   | 182,791  |
| Town of Lantana Direct Debt       | <u>-</u>                    | 100.00%   | <u>-</u>   |
| Total direct and overlapping debt | <u>\$ 30,523,000</u>        |   | <u>\$ 182,791</u>                                    |

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

(1) General Obligation Bonds

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

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

**TOWN OF LANTANA, FLORIDA**

**STREETS AND HIGHWAYS NOTE PLEDGED REVENUE COVERAGE**

**LAST TEN FISCAL YEARS (1)**

| Fiscal Year<br>Ended<br>September 30 | Public<br>Services<br>Tax<br>Revenue (1) | Local<br>Option<br>Fuel<br>Tax (1) | Revenue<br>Available<br>for Debt<br>Service | Debt Service Requirements |          |         | Coverage |
|--------------------------------------|--|------------------------------------|---|---------------------------|----------|---------|----------|
|                                      |  |                                    |   | Principal                 | Interest | Total   |          |
| 2013                                 | 1,343,870                                | 263,691                            | 1,607,561                                   | 255,118                   | 52,459   | 307,578 | 5.23     |
| 2014                                 | 1,407,999                                | 270,434                            | 1,678,433                                   | 265,123                   | 42,455   | 307,578 | 5.46     |
| 2015                                 | 1,454,563                                | 289,510                            | 1,744,073                                   | 275,519                   | 32,058   | 307,578 | 5.67     |
| 2016                                 | 1,436,154                                | 293,802                            | 1,729,956                                   | 286,324                   | 21,254   | 307,578 | 5.62     |
| 2017                                 | 1,454,866                                | 304,869                            | 1,759,736                                   | 297,552                   | 10,026   | 307,578 | 5.72     |
| 2018                                 | 1,473,527                                | 298,495                            | 1,772,021                                   | 98,109                    | 771      | 98,880  | 17.92    |
| 2019                                 | 1,537,963                                | 302,282                            | 1,840,245                                   | --                        | --       | --      | N/A      |
| 2020                                 | 1,586,038                                | 270,876                            | 1,856,914                                   | --                        | --       | --      | N/A      |
| 2021                                 | 1,601,831                                | 285,546                            | 1,887,378                                   | --                        | --       | --      | N/A      |
| 2022                                 | 1,725,424                                | 295,750                            | 2,021,175                                   | --                        | --       | --      | N/A      |

Source: Town of Lantana Finance Department

(1) The Streets and Highways Debt is secured by a pledge of and a lien on the revenues derived and to be derived from the public services tax and the local option fuel tax

(2) Streets and Highways Note was paid during Fiscal Year 2018.

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

| Fiscal Year<br>Ended<br>September 30 | Gross<br>Revenue (1) | Operating<br>Expenses (2) | Revenue<br>Available for<br>Debt<br>Coverage | Total<br>Debt<br>Service | Current<br>Coverage |
|--------------------------------------|----------------------|---------------------------|--|--------------------------|---------------------|
| 2013                                 | 5,007,076            | 3,826,500                 | 1,180,576                                    | 1,968,617                | 0.60                |
| 2014                                 | 5,271,997            | 3,645,194                 | 1,626,803                                    | 858,149                  | 1.90                |
| 2015                                 | 5,889,029            | 3,531,730                 | 2,357,299                                    | 857,875                  | 2.75                |
| 2016                                 | 6,463,840            | 3,490,066                 | 2,973,774                                    | 858,078                  | 3.47                |
| 2017                                 | 6,018,990            | 4,186,795                 | 1,832,195                                    | 858,000                  | 2.14                |
| 2018                                 | 6,275,934            | 4,083,141                 | 2,192,793                                    | 860,143                  | 2.55                |
| 2019                                 | 7,403,242            | 4,291,632                 | 3,111,610                                    | 494,348                  | 6.29                |
| 2020                                 | 7,467,180            | 4,510,494                 | 2,956,686                                    | 494,348                  | 5.98                |
| 2021                                 | 6,416,204            | 5,226,203                 | 1,190,001                                    | 494,348                  | 2.41                |
| 2022                                 | 7,088,833            | 5,165,280                 | 1,923,553                                    | 47,584                   | 40.42               |

Source: The Town of Lantana Finance Department

(1) Includes interest income and gain on sale of equipment. Excludes settlement proceeds.

(2) Excludes depreciation and amortization expense

Notes:

- The 2003 Water and Sewer Bond was retired in Fiscal Year 2017/18.
- The 2012 Water and Sewer Revenue Refunding Bond was retired in Fiscal Year 2021/22.

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

| Year | Town<br>Population (1) | Palm Beach<br>County<br>Per Capita<br>Income (2) | Town<br>School<br>Enrollment (3) | Palm Beach<br>County<br>Unemployment<br>Rate (4) |
|------|------------------------|--|----------------------------------|--|
| 2013 | 10,583                 | 61,637   | 2,095                            | 7.5%   |
| 2014 | 10,681                 | 66,495   | 3,028                            | 5.9%   |
| 2015 | 10,705                 | 70,718   | 2,469                            | 5.3%   |
| 2016 | 10,737                 | 71,682   | 2,476                            | 5.1%   |
| 2017 | 10,797                 | 77,543   | 2,585                            | 4.3%   |
| 2018 | 11,397                 | 82,076   | 2,389                            | 3.7%   |
| 2019 | 11,419                 | 89,254   | 2,468                            | 3.4%   |
| 2020 | 11,504                 | 92,773   | 2,522                            | 8.3%   |
| 2021 | 11,579                 | 100,627  | 2,387                            | 3.9%   |
| 2022 | 12,132                 | N/A  | 2,403                            | 2.6%   |

Sources:

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

(2) U.S. Department of Commerce, Bureau of Economic Analysis (BEA)

(3) Palm Beach County School Board Budget Office

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

N/A - Statistical information not available

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

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

| <b>Employer</b>                        | <b>2022</b>      |             |  | <b>2013</b>                     |             |  |
|--|------------------|-------------|--|---------------------------------|-------------|--|
|  | <b>Employees</b> | <b>Rank</b> | <b>Percentage of<br/>Total County<br/>Employment</b> | <b>Palm Beach<br/>Employees</b> | <b>Rank</b> | <b>Percentage of<br/>Total County<br/>Employment</b> |
| Palm Beach County School District      | 22,426           | 1           | 2.95%  | 21,449                          | 1           | 3.55%  |
| Palm Beach County BOCC                 | 5,753            | 2           | 0.76%  | 5,330                           | 3           | 0.88%  |
| Tenet Coastal Div. Palm Beach County   | 5,734            | 3           | 0.75%  | 6,100                           | 2           | 1.01%  |
| NextEra Energy (Florida Power & Light) | 5,330            | 4           | 0.70%  | 3,804                           | 4           | 0.63%  |
| Florida Atlantic University            | 5,059            | 5           | 0.67%  | 2,980                           | 6           | 0.49%  |
| Boca Raton Regional Hospital           | 3,135            | 6           | 0.41%  | 2,250                           | 10          | 0.37%  |
| Veterans Health Administration         | 2,600            | 7           | 0.34%  | 2,700                           | 8           | 0.45%  |
| HCA Florida Healthcare                 | 2,419            | 8           | 0.32%  | 2,714                           | 7           | 0.45%  |
| The Breakers                           | 2,300            | 9           | 0.30%  |                                 |             |  |
| Baptist Health (Bethesda Hospital)     | 2,282            | * 10        | 0.30%  | 2,643                           | 9           | 0.44%  |
| G4S                                    |                  |             |  | 3,000                           | 5           | 0.50%  |
|  | <u>57,038</u>    |             | <u>7.50%</u>   | <u>52,970</u>                   |             | <u>8.76%</u>   |

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

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

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

|                                  | 2013        | 2014        | 2015        | 2016        | 2017        | 2018        | 2019        | 2020        | 2021         | 2022         |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Number of Employees:             |             |             |             |             |             |             |             |             |              |              |
| <b>General Government</b>        |             |             |             |             |             |             |             |             |              |              |
| Administration                   | 3.0         | 3.0         | 3.0         | 3.5         | 3.5         | 3.5         | 3.5         | 3.5         | 3.5          | 3.5          |
| Finance                          | 9.0         | 9.0         | 9.0         | 9.0         | 9.0         | 10.0        | 10.0        | 10.6        | 11.0         | 11.0         |
| <b>Public Safety</b>             |             |             |             |             |             |             |             |             |              |              |
| Police Personnel and Officers    | 35.0        | 35.3        | 36.0        | 37.5        | 38.1        | 41.1        | 42.1        | 41.1        | 44.1         | 44.1         |
| Marine Safety                    | 4.0         | 4.2         | 4.2         | 4.3         | 4.1         | 4.1         | 4.1         | 4.1         | 4.1          | 3.7          |
| Development Services             | 6.0         | 7.0         | 7.0         | 7.0         | 7.0         | 7.0         | 8.0         | 8.0         | 11.0         | 11.0         |
| <b>Culture and Recreation</b>    |             |             |             |             |             |             |             |             |              |              |
| Library                          | 2.0         | 1.7         | 1.7         | 1.7         | 1.7         | 2.4         | 2.2         | 2.2         | 2.3          | 2.8          |
| <b>Physical Environment</b>      |             |             |             |             |             |             |             |             |              |              |
| Management                       | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0         | 3.0          | 3.0          |
| Sanitation                       | 3.0         | -           | -           | -           | -           | -           | -           | -           | -            | -            |
| Water/Sewer                      | 8.0         | 10.2        | 10.5        | 10.5        | 10.5        | 10.5        | 10.5        | 10.5        | 10.5         | 10.5         |
| Vehicle Maintenance              | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0          | 2.0          |
| Public Works                     | <u>9.0</u>  | <u>10.8</u> | <u>10.5</u> | <u>11.0</u> | <u>12.0</u> | <u>11.5</u> | <u>12.5</u> | <u>12.5</u> | <u>12.5</u>  | <u>12.5</u>  |
| <b>Total Number of Employees</b> | <u>84.0</u> | <u>86.2</u> | <u>87.0</u> | <u>89.5</u> | <u>91.0</u> | <u>95.1</u> | <u>97.9</u> | <u>97.5</u> | <u>104.0</u> | <u>104.1</u> |

Source: Town of Lantana Finance Department

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



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

| Function/Program                              | 2013                  | 2014                  | 2015                  | 2016                  |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>General Government:</b>                    |                       |                       |                       |                       |
| <b>Town Clerk</b>                             |                       |                       |                       |                       |
| Council agendas prepared                      | 27                    | 25                    | 25                    | 25                    |
| Ordinances passed by Council                  | 16                    | 12                    | 10                    | 11                    |
| Resolutions passed by Council                 | 16                    | 13                    | 8                     | 17                    |
| Records destroyed cubic feet                  | 135.7                 | 114.86                | 145.5                 | 132.5                 |
| Public record requests                        | 124                   | 153                   | 162                   | 183                   |
| Employee service awards                       | 22                    | 8                     | 12                    | 13                    |
| <b>Finance</b>                                |                       |                       |                       |                       |
| Accounts payable checks issued                | 2,218                 | 2,215                 | 2,263                 | 2,208                 |
| New fixed asset items tagged                  | 63                    | 48                    | 52                    | 45                    |
| Trailer decals processed                      | 115                   | 175                   | 177                   | 197                   |
| Beach decals processed                        | 422                   | 665                   | 700                   | 892                   |
| <b>Information Systems</b>                    |                       |                       |                       |                       |
| Installation of new software                  | 38                    | 36                    | 35                    | 25                    |
| Installation of new hardware                  | 58                    | 53                    | 49                    | 43                    |
| Upgrades to current software                  | 73                    | 88                    | 90                    | 85                    |
| <b>Public Safety</b>                          |                       |                       |                       |                       |
| <b>Police</b>                                 |                       |                       |                       |                       |
| Police personnel and officers                 | 35                    | 35                    | 36                    | 38                    |
| CARE visits                                   | 72                    | 114                   | 218                   | 43                    |
| House checks                                  | 91                    | 124                   | 37                    | 536                   |
| Selective Traffic Enforcement Programs (STEP) | 762                   | 500                   | 390                   | 1,031                 |
| Traffic enforcement operations                | 12                    | 12                    | 12                    | 5                     |
| <b>Development Services</b>                   |                       |                       |                       |                       |
| Building permits issued                       | 547                   | 651                   | 657                   | 668                   |
| Code citations cases opened                   | 1,695                 | 1,443                 | 1,406                 | 1,727                 |
| Business tax receipts issued                  | 1,306                 | 1,314                 | 1,314                 | 1,317                 |
| <b>Marine Safety</b>                          |                       |                       |                       |                       |
| Beach attendance                              | 159,415               | 211,895               | 170,155               | 157,265               |
| Ocean rescues                                 | 13                    | 5                     | 17                    | 4                     |
| Ocean assists                                 | -                     | -                     | -                     | -                     |
| <b>Culture and Recreation</b>                 |                       |                       |                       |                       |
| <b>Parks and Recreation</b>                   |                       |                       |                       |                       |
| Youth soccer registrants                      | -                     | -                     | -                     | -                     |
| Youth baseball registrants                    | -                     | -                     | -                     | -                     |
| <b>Library</b>                                |                       |                       |                       |                       |
| New borrowers' cards issued                   | 641                   | 525                   | 426                   | 362                   |
| Books borrowed                                | 13,278                | 17,106                | 15,944                | 17,564                |
| Hours of public internet use                  | 10,895                | 11,647                | 2,976                 | 2,687                 |
| Users   | 12,528                | 14,185                | 3,364                 | 2,993                 |
| Attendance at Library programs                | 225                   | 172                   | 175                   | 125                   |
| Programs                                      | 83                    | 67                    | 49                    | 20                    |
| <b>Physical Environment</b>                   |                       |                       |                       |                       |
| <b>Department of Public Works</b>             |                       |                       |                       |                       |
| Vehicles maintained                           | 78                    | 78                    | 56                    | 57                    |
| Pieces of equipment maintained                | 127                   | 128                   | 129                   | 129                   |
| Sidewalks repaired/replaced                   | 15,265 sq. ft.        | 6,103 sq. ft.         | 9,782 sq. ft.         | 18,090 sq. ft.        |
| Solid waste and recycled material collected   | 4,093 tons            | 0 tons                | 0 tons                | 0 tons                |
| Treated, pumped and dispensed water           | 671.5 million gallons | 736.5 million gallons | 686.3 million gallons | 674.9 million gallons |

Source: Town of Lantana - Various Departments

Note: Solid waste and recycling were outsourced towards the end of fiscal year 2013.  
During fiscal year 2017, the youth soccer and baseball programs resumed.

| 2017                  | 2018                | 2019                | 2020                  | 2021                  | 2022                  |
|-----------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|
| 26                    | 24                  | 25                  | 24                    | 22                    | 31                    |
| 13                    | 8                   | 24                  | 10                    | 14                    | 9                     |
| 12                    | 12                  | 9                   | 10                    | 11                    | 15                    |
| 207                   | 316                 | 44                  | 150                   | 150                   | 39                    |
| 228                   | 362                 | 476                 | 425                   | 390                   | 400                   |
| 6                     | 9                   | 10                  | 10                    | 11                    | 7                     |
| 2,253                 | 2,219               | 2,206               | 1,951                 | 2,064                 | 2,112                 |
| 67                    | 100                 | 62                  | 53                    | 66                    | 97                    |
| 183                   | 161                 | 177                 | 175                   | 234                   | 257                   |
| 829                   | 780                 | 816                 | 803                   | 780                   | 941                   |
| 32                    | 85                  | 64                  | 95                    | 92                    | 87                    |
| 64                    | 28                  | 34                  | 70                    | 75                    | 52                    |
| 143                   | 190                 | 172                 | 175                   | 162                   | 165                   |
| 38                    | 41                  | 42                  | 41                    | 44                    | 44                    |
| 108                   | 135                 | 135                 | 4                     | -                     | -                     |
| 2,514                 | 2,097               | 2,108               | 911                   | 203                   | 93                    |
| 950                   | 943                 | 965                 | 575                   | 413                   | 439                   |
| 5                     | 5                   | 3                   | 3                     | -                     | -                     |
| 662                   | 869                 | 872                 | 880                   | 1,127                 | 998                   |
| 1,993                 | 2,907               | 2,401               | 1,654                 | 2,347                 | 2,275                 |
| 1,351                 | 1,358               | 1,387               | 1,293                 | 1,223                 | 1,228                 |
| 127,571               | 144,619             | 119,918             | 137,722               | 333,130               | 325,800               |
| 15                    | 2                   | 1                   | 5                     | 11                    | 31                    |
| -                     | 224                 | 167                 | 151                   | 173                   | 206                   |
| 164                   | 244                 | 143                 | 187                   | 199                   | 260                   |
| 71                    | 96                  | 100                 | 102                   | 108                   | 108                   |
| 379                   | 333                 | 302                 | 311                   | 300                   | 232                   |
| 11,941                | 13,297              | 14,568              | 9,097                 | 8,774                 | 8,043                 |
| 2,252                 | 3,252               | 1,684               | 2,002                 | 2,684                 | 2,907                 |
| 2,479                 | 2,342               | 2,068               | 2,499                 | 3,341                 | 3,109                 |
| 172                   | 113                 | 68                  | 182                   | 428                   | 1,193                 |
| 23                    | 7                   | 6                   | 11                    | 40                    | 131                   |
| 59                    | 57                  | 66                  | 63                    | 61                    | 56                    |
| 118                   | 118                 | 63                  | 91                    | 62                    | 38                    |
| 5,398 sq. ft.         | 800 sq. ft.         | 500 sq. ft.         | 180 sq. ft.           | 1080 sq. ft.          | 1552 sq. ft.          |
| 0 tons                | 0 tons              | 0 tons              | 0 tons                | 0 tons                | 0 tons                |
| 776.7 million gallons | 671 million gallons | 686 million gallons | 699.6 million gallons | 743.8 million gallons | 756.7 million gallons |

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

| Function/Program                       | 2013   | 2014  | 2015  | 2016   | 2017  | 2018 | 2019 | 2020 | 2021  | 2022  |
|--|--------|-------|-------|--------|-------|------|------|------|-------|-------|
| <b>General Government</b>              |        |       |       |        |       |      |      |      |       |       |
| Number of general government buildings | 5      | 5     | 5     | 5      | 7     | 7    | 7    | 7    | 7     | 7     |
| <b>Public Safety</b>                   |        |       |       |        |       |      |      |      |       |       |
| Police                                 | 2      | 2     | 2     | 2      | 1     | 1    | 1    | 1    | 1     | 1     |
| Marine Safety                          | 1      | 1     | 1     | 1      | 1     | 1    | 1    | 1    | 1     | 1     |
| <b>Physical Environment</b>            |        |       |       |        |       |      |      |      |       |       |
| Transportation:                        |        |       |       |        |       |      |      |      |       |       |
| Sidewalks repaired/replaced (sq. ft.)  | 15,265 | 6,103 | 9,782 | 18,090 | 5,398 | 800  | 500  | 180  | 1,080 | 1,552 |
| Streets (miles)                        | 68     | 68    | 68    | 68     | 68    | 68   | 68   | 68   | 68    | 68    |
| Culture and recreation:                |        |       |       |        |       |      |      |      |       |       |
| Public Ground (acres)                  | 33     | 33    | 33    | 33     | 33    | 33   | 33   | 33   | 33    | 33    |
| Parks                                  | 6      | 6     | 6     | 8      | 8     | 9    | 9    | 9    | 9     | 9     |
| Soccer fields                          | 1      | 1     | 0     | 2      | 2     | 2    | 2    | 2    | 2     | 2     |
| Baseball/softball fields               | 6      | 6     | 0     | 3      | 3     | 3    | 3    | 3    | 3     | 3     |
| Tennis courts                          | 2      | 2     | 4     | 4      | 4     | 4    | 4    | 4    | 4     | 4     |
| Playgrounds                            | 4      | 4     | 4     | 5      | 5     | 5    | 5    | 6    | 6     | 6     |
| Basketball courts                      | 3      | 3     | 1     | 1      | 0     | 3    | 3    | 3    | 3     | 3     |
| Public Works/Utilities:                |        |       |       |        |       |      |      |      |       |       |
| Vehicles maintained                    | 78     | 78    | 56    | 57     | 59    | 57   | 66   | 63   | 61    | 56    |
| Equipment maintained                   | 127    | 128   | 129   | 129    | 118   | 118  | 63   | 91   | 26    | 38    |
| Lift stations maintained               | 18     | 18    | 18    | 18     | 18    | 18   | 18   | 18   | 18    | 18    |
| Fire Hydrants                          | 345    | 345   | 345   | 345    | 345   | 345  | 345  | 347  | 347   | 347   |

Source: Town of Lantana - Various Town Departments

# TOWN OF LANTANA, FLORIDA

## MISCELLANEOUS STATISTICS

**Historical Sketch:** The Town of Lantana is a coastal community in Palm Beach County, which still retains the charm of its origins as an old Florida fishing village. Although it is one of the smaller communities of Palm Beach County, it is noted as one of the oldest. The first settlers came after Congress passed the Armed Occupation Act in 1842 at the end of the Seminole Wars. One of the pioneer settlers, The Lyman family, is distinguished as the founders of the town. M. B. Lyman brought his family to Lantana in 1888 and started several enterprises. He established a store, Indian Trading Post and post office in 1889. As postmaster, Mr. Lyman named the post office Lantana Point for the wild Lantana plant, which grew in abundance in the area. The “Point” was later dropped. One of the Lyman businesses was the Lantana Fish Company. One hundred thousand-pound catches of fish were made. In the early 1900’s the gathering and marketing of oysters became the leading industry. The Town of Lantana was incorporated in 1921, with 22 residents voting in the first election. At the time of incorporation, the area of Lantana was one square mile, with a population of 100 residents. Today the year-round population is 12,111 with a seasonal population of approximately 13,000.

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

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

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

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

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

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

**Building Activity:** The Town of Lantana is approximately 99% developed. During the fiscal year 2022, the Building Department issued 998 permits with fees of approximately \$764,834 for total construction of \$22.4 million. In addition, the Department issued 93 new business tax receipts and 1,135 business tax receipt renewals for total revenue of \$240,311.

**Water and Wastewater System:** As of September 30, 2022, the Town provided water service to over 3,637 customers. For the 2022 fiscal year, the number of gallons of finished water that passed through the master meter was 756.7 million.

**TOWN OF LANTANA, FLORIDA  
SCHEDULE OF INSURANCE IN FORCE  
SEPTEMBER 30, 2022**

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

## COMPLIANCE SECTION





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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lantana, Florida ("Town") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 20, 2023. Our report includes a reference to other auditors who audited the financial statements of the Town of Lantana Police Relief and Pension Fund ("Pension Fund") as described in our report on the Town's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Bhav & Associates*

March 20, 2023



**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

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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**

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

We have examined the Town of Lantana, Florida's ("Town") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2022. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Honorable Mayor and Members of the Town Council of the Town of Lantana, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

March 20, 2023



# Grau & Associates

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

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

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the Town of Lantana, Florida (the "Town") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 20, 2023. Our report includes a reference to other auditors who audited the financial statements of the Town of Lantana Police Relief and Pension Fund ("Pension Fund") as described in our report on the Town's financial statements.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 20, 2023, should be considered in conjunction with this management letter.

### Purpose of this Letter

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

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

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

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

*Grau & Associates*

March 20, 2023

## **REPORT TO MANAGEMENT**

### **I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

None

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

None

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2021.

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, 2022.

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, 2022.

4. The name or official title and legal authority of the Town are disclosed in the notes to the financial statements.
5. The Town has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2022. 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.



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