SPECIAL MEETING OF THE LADY LAKE TOWN COMMISSION

DATE: **Monday, April 21, 2014**
TIME: **5:30 p.m.**
PLACE: **409 Fennell Blvd.**
Town Hall Commission Chambers

ALL INTERESTED PERSONS ARE CORDIALLY INVITED TO ATTEND THIS PUBLIC MEETING

AGENDA

1. Call to Order: Mayor Kussard
2. Roll Call
3. Presentation and Acceptance of the Audit Report for Fiscal Year Ending September 30, 2013 (Chet Ross, Shumacker, Johnston & Ross)
4. Presentation of the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ending September 30, 2012 (Mayor Kussard)

This public hearing is being conducted in a handicapped accessible location. Any handicapped person requiring an interpreter for the hearing impaired or the visually impaired should contact the Clerk's Office at least five (5) calendar days prior to the meeting and an interpreter will be provided. To access a Telecommunication Device for Deaf Persons (TDD), please call (352) 751-1565. Any handicapped person requiring special accommodation at this meeting should contact the Clerk's Office at least five (5) calendar days prior to the meeting.

Advice to the Public: If a person decides to appeal a decision made with respect to any matter considered at the above meeting or hearing, he may need a verbatim record of the proceedings including the testimony and evidence which record is not proved by the Town of Lady Lake. (F.S. 286-0105)

Please be advised that one or more members of any other Town Board or Committee may be in attendance of this meeting.

NS/Word/Town Clerk/Agendas - Special Commission Meeting 04-21-14

Town of Lady Lake Florida

Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2013

Legend:
The Town of Lady Lake Heritage Park

Photo taken by:
Kristal Learn
Accounting Clerk
Town of Lady Lake Finance Dept.

TOWN OF LADY LAKE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2013

Prepared by:
Jeannine Michaud
Finance Director

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TOWN OF LADY LAKE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

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TOWN OF LADY LAKE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2013

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Municipal Complex, 409 Fennell Boulevard, Lady Lake, Florida 32159 USA

352-751-1500 FAX 352-751-1510 www.ladylake.org

March 14, 2014

Honorable Mayor, Commissioners
and Citizens of the Town of
Lady Lake, Florida

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the Town of Lady Lake, Florida, (hereinafter referred to as "the Town"), for the fiscal year ended September 30, 2013, is submitted herewith pursuant to Article III, Section 3.01 (f) of the Town Charter; *Florida Statutes* Chapters 11.45 and 218, and Rules of the Auditor General of the State of Florida, 10.550. State law requires an annual "financial audit" of "local governmental entities" be completed no later than nine months after the end of the fiscal year. The CAFR is published to provide the Town Commission, Town staff, our citizens, our lenders and other interested parties with detailed information concerning the financial condition and activities of the Town.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

Town management and administration is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal controls are designed to provide reasonable assurance, but not absolute assurance, that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; (2) the valuation of costs and benefits requires estimates and judgments by management.

We believe the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance that this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited in accordance with generally accepted auditing standards by Shumacker, Johnston & Ross, PA, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended September 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence

supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town's financial statements for the fiscal year ended September 30, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Federal and State Awards. As a recipient of Federal and State financial assistance, the Town also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. Their internal controls are subject to periodic evaluation by management.

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

THE REPORTING ENTITY AND ITS ORGANIZATION

The Town of Lady Lake is located in north Lake County, Florida, approximately fifty miles northwest of Orlando on U.S. Highway 27/441. It currently occupies 9.21 square miles and serves a population of 13,947. The Town was incorporated in 1925 and has operated under a Commission/Manager form of government since 1987. The Town Commission consists of five elected officials who are elected from their respective wards on a non-partisan basis and are responsible for enacting ordinances and resolutions which govern the Town. The five commissioners are elected to staggered two year terms. The commissioners from the even-numbered wards are elected in the even-numbered years and the commissioners from the odd-numbered wards are elected in the odd-numbered years. Each year the Commission elects one of its members to serve as Mayor. The Mayor presides over commission meetings and public ceremonies. The Commission appoints the Town Manager and the Town Attorney. As chief executive officer, the Town Manager is charged with the enforcement of all ordinances and resolutions passed by the Commission and appointment of heads of the various departments.

The Town of Lady Lake is a political subdivision of the State of Florida. As such, it is governed by and derives its operating authority from the constitution and laws of the State of Florida. The Town of Lady Lake is empowered to levy a property tax on both real and personal property (millage rate) located within its boundaries. The FY2013 property tax millage rate of $3.2808 per $1,000 of taxable value was the third lowest municipal levy of the fourteen municipalities located within Lake County. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Town Commission.

The Town can, and in most future cases we would predict will, provide a wide range of governmental services. These services include a library; police protection; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events; building inspections; code enforcement; growth management and administrative services. In addition to general government services, the Town also provides utility services including water, sewer, reuse and garbage services. The Town Commission has financial accountability and oversight of the Police Officers' and General Employees' Retirement Systems; therefore, these activities are included in this entity's report. There are no component units included within the financial statements, and there are no legally separate entities that could be included as component units of the Town.

The annual budget serves as the foundation for the Town's financial planning and control. Department heads are required to submit requests for appropriations to the Town Manager, who uses these requests as the basis for developing a proposed budget. The appropriated budget is prepared by fund, function, department and line item. The Town Commission is required to hold two public hearings on the proposed budget and millage rate in September with adoption no later than September 30th, the close of the Town's fiscal year.

The Town's adopted budget establishes budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Commission. Authority to adjust the various department budgets is held by the Town Commission. The legally adopted annual operating budgets consist of: (1) the General Fund; (2) Sales Tax Revenue Fund; and (3) the Utility Fund. Adopted budgets for all governmental fund types are adopted on a basis consistent with GAAP. The Utility Fund budget is adopted on a basis other than GAAP. Budgets are not adopted for the pension trust funds. The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary control. These encumbrances lapse at year-end.

FACTORS AFFECTING ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

Local economy. Until 1980, the Town was primarily dependent on the local agricultural economy. Since 1980, however, the Town has expanded rapidly due to the development of "The Villages" retirement community. This is reflected in the Town's population, which has more than tripled since 1980.

While the Lake, Sumter and Marion County area is still attractive to retirees from all over the world, the decline in real estate values have curtailed mobility and slowed the influx of retirees to the area. This is reflected in the flattening of the population growth of The Town. The real estate and construction industries in particular, have been hard hit by the economic downturn. During the fiscal year, commercial construction of significance are Village

Rehab, a skilled Nursing Facility of 74,600 square feet located on Highway 466 and Arden Place Apartments which includes 9 buildings with 54 units for a total of 41,192 square feet located on North Clay Ave. North Lake Presbyterian Church had an addition of 20,181 square feet. Rolling Oaks Professional Plaza built two new suites consisting of 3,888 square feet.

Retail and service industries continue to be in high demand. Eighty seven new businesses opened during the year in retail, restaurants, fitness, professional offices, real estate, insurance and commercial public service. Some of the new restaurants, fitness, and retail openings include: Jersey Mike's Subs, Sakura, Anytime Fitness, LB Crossfit & Wellness Studio, GNC, Foot Solutions, Ultimate Granite, The Green Apple Health Food Store, Star EV Golf Cars, Computer Geeks of Florida, Showtime Piano, Sun Vacation Rentals, Gift Baskets by Debbie, Perfect Gift Plus, Chef Logan, and Silk Topiaries Plus,. Villages Dental Associates, Tri County Surgical Specialists, Quest Diagnostics, Innovative Therapies Group, Medical Imaging and Therapeutics, Lake Cardiovascular Diagnostic Center, Villages Rehabilitation & Nursing Center, Leesburg Chiropractic Center, Genesis Rehabilitation Services, Patients First Primary Care Physicians for Accountable Care, and Franklin Family Acupuncture are some of the new Health Care businesses that opened during the year.

Lake County's September 2013 unemployment rate was 6.9%. This is down 2.0% for the same time period last year. This rate is higher than the state average of 6.8% and the United States average of 6.6% for the same period. Florida's unemployment rate has been steadily dropping.

Taxable values for real and personal property has decreased by 16.6% from fiscal year 2008, when the Town of Lady Lake's property value was at its peak. Amendment 1 was approved by the Florida electorate on January 29, 2008 and its impact contributed to the limited growth in taxable values. Taxable values for FY2013 fell 2.1% from FY2012. The Town Commission elected to keep the millage rate at $3.2808 per $1,000 of taxable value for FY2013 and FY2014.

Long-term financial planning. The General Fund's unassigned fund balance at September 30, 2013 is $5,879,340. This balance represents 63% of the FY2014 General Fund budget when the pass thru costs of the contracted fire services and the debt service on the library (funded from a transfer from the Sales Tax Revenue Fund) are removed.

Relevant financial policies. The one cent sales surtax revenue (Sales Tax Revenue Fund) is authorized through December 31, 2017. This revenue can only be used for projects eligible for funding as specified in the infrastructure sales surtax referendum. The Town will receive approximately $1,100,000 of this revenue each year. In October 2004, the Town Commission approved borrowing $6,000,000 and pledged this revenue for repayment of the debt through October 1, 2014. The proceeds of the loan were used to construct water and wastewater infrastructure improvements, which included a new wastewater treatment plant. The debt service payments are made monthly and will require the use of approximately

$730,000 of this revenue each year. In November 2009, the Town Commission approved borrowing $3,400,000 and pledged the remainder of the one cent sales surtax revenues for repayment of the debt through March 1, 2018. The proceeds of the loan paid for the construction of the new Lady Lake Library which was completed in fiscal year 2011. The debt service payments are made monthly and will require the use of $204,000 of this revenue each year until October 2014 when the debt service will increase to $948,000 per year.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lady Lake for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2012. This was the eighteenth consecutive year that the Town of Lady Lake has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report on a timely basis is made possible by the efficient and dedicated service of the entire staff of the Finance Department. Special appreciation is expressed for the contributions made throughout the year by Pam Winegardner, Debbie Rodriguez, Mary Ann Autorino and Kristal Learn.

Special appreciation is also expressed to the Town's Auditor, Chet Ross of Shumacker, Johnston & Ross, PA, who contributed valuable reporting suggestions in addition to adding credibility to the contents therein.

In closing, we extend our sincere appreciation to the members of the Town of Lady Lake Commission for their leadership, concern and continued support in planning and conducting the fiscal operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Kristen Kollgaard
Town Manager

Jeannine Michaud
Finance Director

TOWN OF LADY LAKE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2013

TOWN COMMISSION AND OFFICIALS
AT SEPTEMBER 30, 2013

Mayor - Commissioner - Ward 5.....James A. Richards

Commissioner -Ward 1..... Ruth Kussard

Commissioner - Ward 2.....Anthony Holden

Commissioner - Ward 3.....Dan Vincent

Commissioner - Ward 4.....Paul F. Hannan

Town Manager/Town Clerk.....Kristen L. Kollgaard

Finance Director.....Jeannine Michaud

Director of Human Resources.....Tia O'Neal

Director of Growth Management.....Thad M. Carroll

Director of Library and Information Services.....Beth Maciejewski

Parks and Recreation Director..... Michael D. Burske

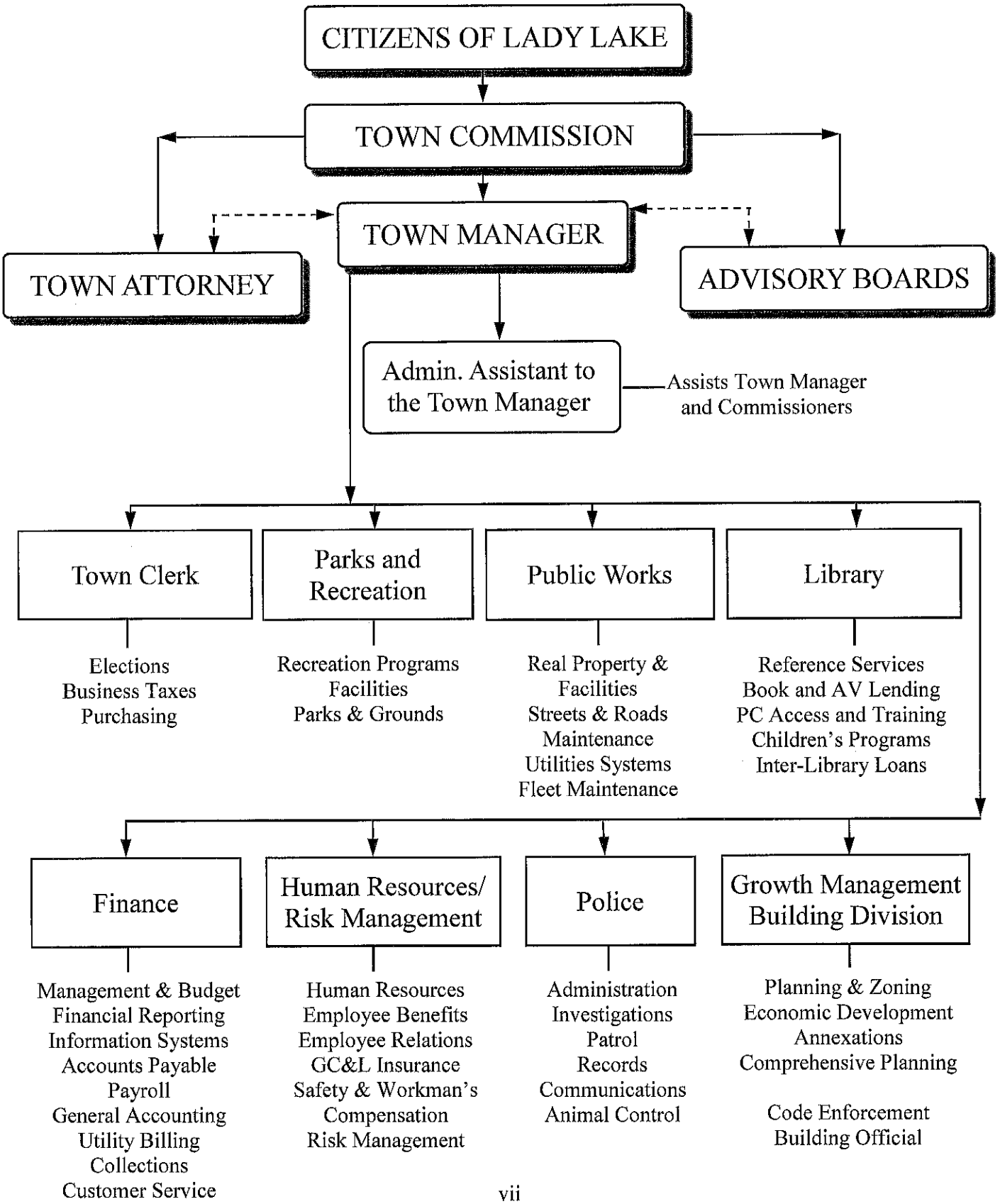
Police Chief.....Chris McKinstry

Public Works Director.....C. T. Eagle

Town Attorney.....Derek A. Schroth

Town Auditors.....Shumacker, Johnston & Ross, PA

TOWN OF LADY LAKE ORGANIZATIONAL CHART



Town of Lady Lake, Florida

Certificate of Achievement

For the year ended September 30, 2012

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 Lady Lake, Florida for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

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. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. 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.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Lady Lake

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

Shumacker, Johnston & Ross, PA

Certified Public Accountants

J. Cecil Shumacker, CPA
Robert E. Johnston, CPA (1982-2001)
W. Chet Ross, CPA

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

March 14, 2014

Honorable Mayor and Members of
the Town Commission
Town of Lady Lake, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Lady Lake, Florida as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and the individual fund financial statements of the Town of Lady Lake, Florida as of and for the years ended September 30, 2013 and 2012, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

911 North Boulevard West • Leesburg, Florida 34748 • (352) 326-2161 • Fax (352) 326-0740

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

Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Town of Lady Lake, Florida as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the individual fund financial statements as of September 30, 2013 and 2012, and for the years then ended, present fairly, in all material respects, the financial position of each of the individual funds of the Town of Lady Lake, Florida, as of September 30, 2013 and 2012, and the results of operations of such funds and the cash flows of individual proprietary funds for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the Untied States of America require that the Management's Discussion and Analysis on pages 5 through 16, and the budgetary comparisons for the General Fund and Sales Tax Revenue Fund on pages 24 and 25, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United Stated of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lady Lake, Florida's basic financial statements and on the individual fund financial statements. The financial information listed in the table of contents as Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, Schedule of Expenditures of Federal Awards and State Financial Assistance, and the Statistical Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget CircularA-133, *Audits of States, Local Governments, and Non-Profit Organizations*

The Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance 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 and individual fund financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements and to the financial statements of each of the respective individual funds taken as a whole.

The Statistical Section as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2014 on our consideration of the Town of Lady Lake's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Lady Lake's internal control over financial reporting and compliance.

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

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As management of the Town of Lady Lake, 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, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the notes to the financial statements and the other required supplementary information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by $44,029,414 (net position). Of this amount, $8,846,047 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies.

- The Town's total net position increased by $563,462 of which $429,825 represents an increase in net position from business-type activities.

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $8,872,527 an increase of $320,078 in comparison with the prior year. Of this amount, $5,879,340 or 66% is unassigned and available for use within the Town's fund designation and fiscal policies.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $5,879,340, an increase of $113,441 in comparison with the prior year. This represents 63% of total General Fund expenditures.

- The Town's total debt decreased by $748,832 during the current fiscal year. The reduction was due to scheduled debt service payments on outstanding debt issue.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, growth management, public works (which includes street maintenance), and culture and recreation. The business-type activities of the Town include a utility fund to account for water, sewer and garbage services.

The government-wide financial statements do not include any component units.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Town maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Sales Tax Revenue Fund, which are considered to be major funds.

The Town adopts an annual appropriated budget for all governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance.

The governmental fund financial statements can be found on pages 21 through 25 of this report.

Proprietary funds. The Town maintains only one type of proprietary fund. It is an enterprise fund used to report the same functions presented as business-type activities in the government-wide financial statements. The Town's enterprise fund accounts for its water, sewer and garbage utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 26 through 30 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 used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include pension trust funds for police and general employees.

The basic fiduciary fund financial statements can be found on pages 31 through 32 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 through 52 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its police officers. Required supplementary information can be found on page 54 of this report.

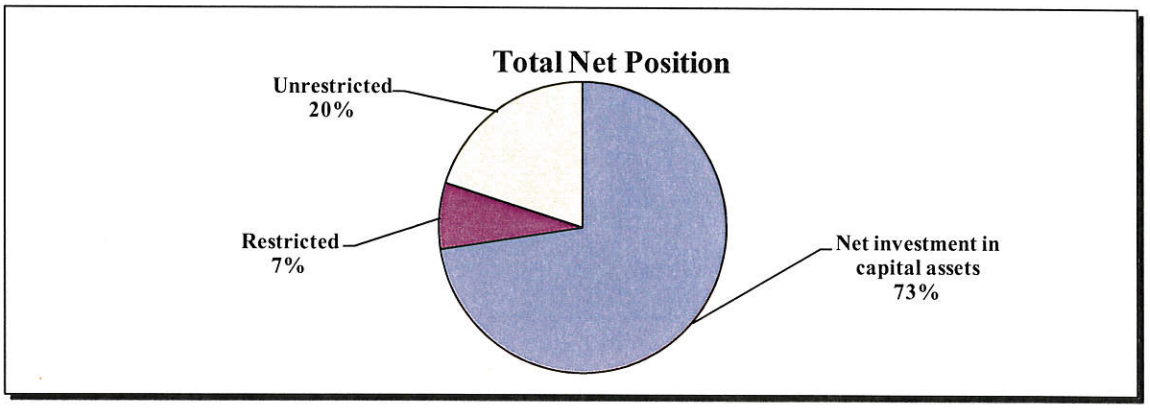
Comparative individual fund statements and schedules can be found on pages 58 through 80 of this report.

GOVERNMENT-WIDE FINANCIAL ANAYLSIS

Statement of net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by $44,029,414 as of September 30, 2013. The following table reflects the condensed statement of net position for the current fiscal year as compared to the prior fiscal year.

TOWN OF LADY LAKE'S NET POSITION

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 9,669,320	$ 9,091,770	$ 4,051,802	$ 3,783,787	$ 13,721,122	$ 12,875,567
Capital assets	13,864,345	14,076,996	22,033,122	22,522,664	35,897,467	36,589,660
Total Assets	23,533,665	23,168,766	26,084,924	26,306,451	49,618,589	49,465,227
Current and other liabilities	630,221	366,227	563,617	529,900	1,193,838	896,127
Long-term liabilities outstanding	3,523,029	3,553,460	797,146	1,482,225	4,320,175	5,035,685
Total Liabilities	4,153,250	3,919,687	1,360,763	2,012,125	5,514,013	5,931,812
Deferred Inflows	43,405	45,706	31,757	31,757	75,162	77,463
Net Position:						
Net investment in capital assets	10,682,438	10,834,189	21,260,019	21,148,454	31,942,457	31,982,643
Restricted	1,917,907	1,856,340	1,323,003	1,284,655	3,240,910	3,140,995
Unrestricted	6,736,665	6,512,844	2,109,382	1,829,470	8,846,047	8,342,314
Total Net Position	$ 19,337,010	$ 19,203,373	$ 24,692,404	$ 24,262,579	$ 44,029,414	$ 43,465,952



The largest portion of the Town's net position ($31,942,457 or 73%) reflects its investment in capital assets (e.g., land, buildings, utility systems, improvements other than buildings, equipment, and infrastructure) less any related debt used to acquire those assets that is 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 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.

An additional portion of the Town's net position ($3,240,910 or 7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($8,846,047 or 20%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2013, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was an increase of $61,567 in the restricted net position reported in connection with the Town's governmental activities. The major portion of this increase ($55,074) was due to the collection of additional Parks and Recreation and Library impact fees.

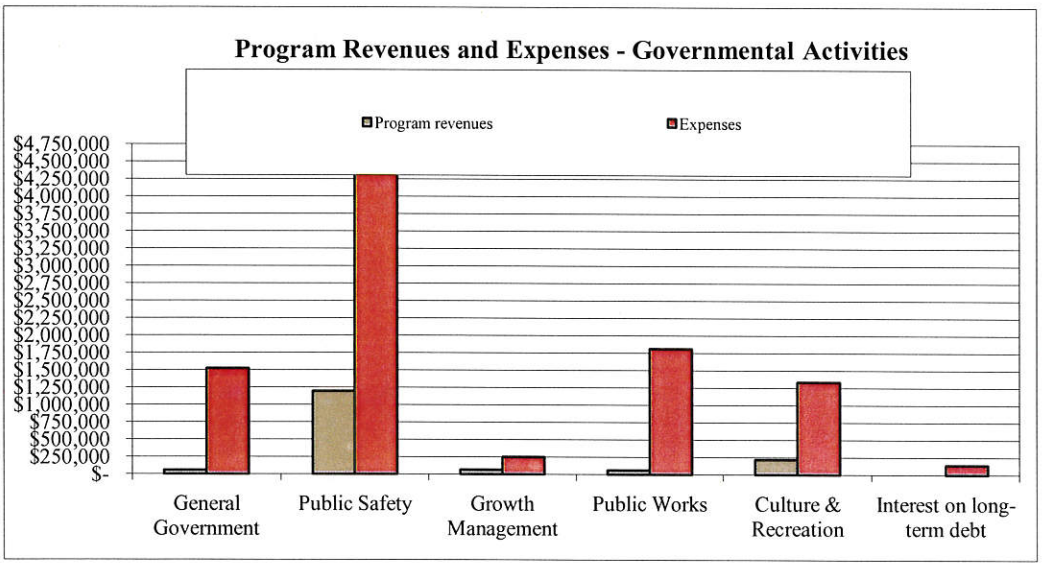
The business-type activities had an increase of $429,825 or 1.7% in total net position compared to the prior year. The net investment in capital assets increased by $111,565 or .5%. The increase was largely due to depreciation ($1,013,822) net of scheduled debt payments ($684,932). The restricted net position increased by $38,348 or 3.0% largely due to collection of impact fees.

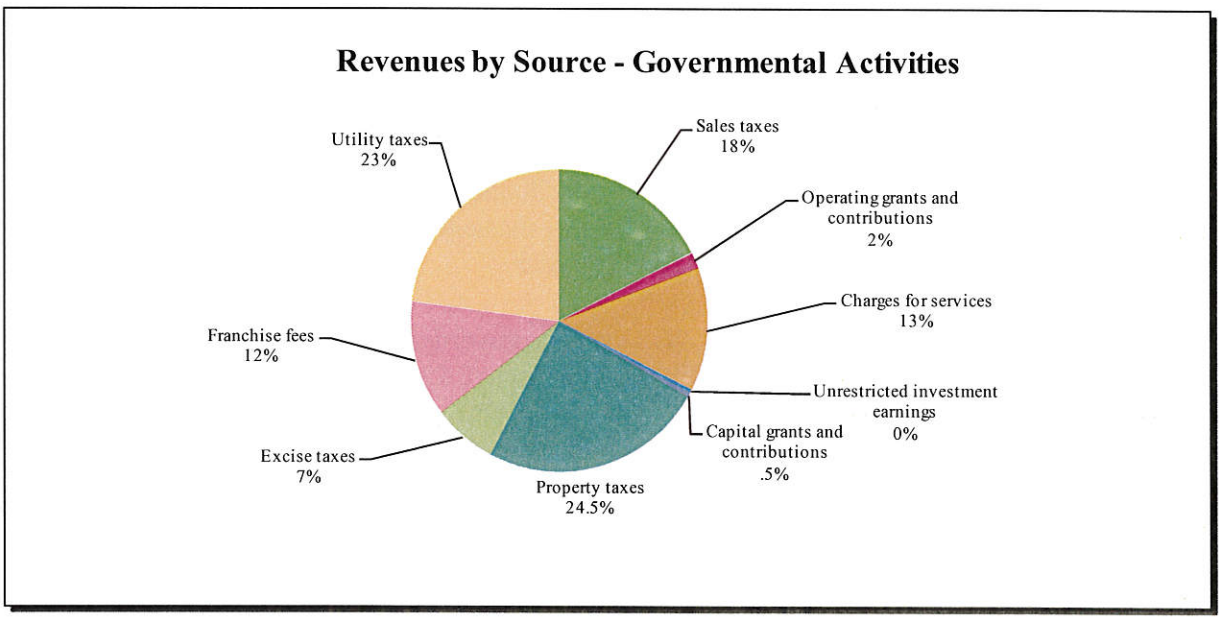
Statement of activities. As noted earlier, the statement of activities presents information showing how the Town's net position changed during the current year. The following table reflects the condensed statement of activities for the current fiscal year as compared to the prior fiscal year.

TOWN OF LADY LAKE'S CHANGES IN NET POSITION

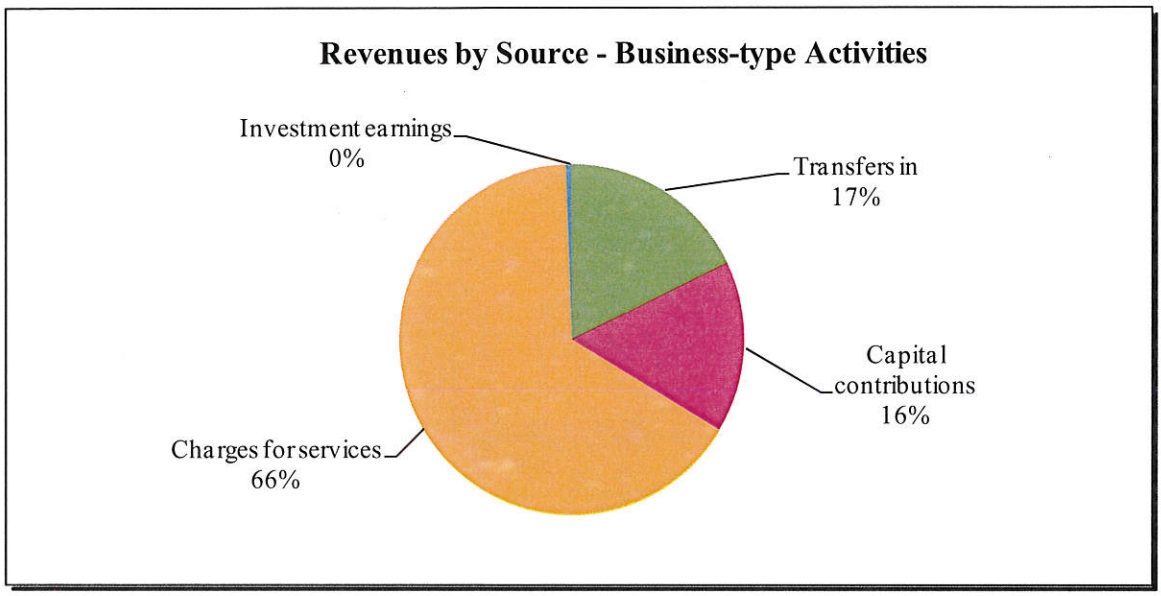
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2012	2012
Revenues:						
Program revenues:						
Charges for services	$ 1,354,704	$ 1,265,971	$ 2,157,884	$ 2,139,983	$ 3,512,588	$ 3,405,954
Operating grants and contributions	180,793	198,181	-	432	180,793	198,613
Capital grants and contributions	55,155	234,178	520,624	708,452	575,779	942,630
General revenues:						
Property taxes	2,499,157	2,551,573	-	-	2,499,157	2,551,573
Sales taxes	1,801,238	1,763,033	-	-	1,801,238	1,763,033
Franchise fees	1,283,585	1,295,015	-	-	1,283,585	1,295,015
Utility taxes	2,361,744	2,208,800	-	-	2,361,744	2,208,800
Excise taxes	710,796	704,042	-	-	710,796	704,042
Unrestricted investment earnings	(41,207)	112,217	19,598	36,335	(21,609)	148,552
Total Revenues	10,205,965	10,333,010	2,698,106	2,885,202	12,904,071	13,218,212
Expenses:						
General Government	1,521,779	1,480,301	-	-	1,521,779	1,480,301
Public Safety	4,433,960	4,183,461	-	-	4,433,960	4,183,461
Growth Management	248,856	205,076	-	-	248,856	205,076
Public Works	1,809,065	1,642,133	-	-	1,809,065	1,642,133
Culture and Recreation	1,332,810	1,334,575	-	-	1,332,810	1,334,575
Interest on long-term debt	139,871	143,289	-	-	139,871	143,289
Utility Services	-	-	2,854,268	2,750,203	2,854,268	2,750,203
Total Expenses	9,486,341	8,988,835	2,854,268	2,750,203	12,340,609	11,739,038
Change in net position before transfers	719,624	1,344,175	(156,162)	134,999	563,462	1,479,174
Transfers	(585,987)	(602,138)	585,987	602,138	-	-
Change in net position	133,637	742,037	429,825	737,137	563,462	1,479,174
Net Position - 10/1/2012	19,203,373	18,461,336	24,262,579	23,525,442	43,465,952	41,986,778
Net Position - 9/30/2013	$ 19,337,010	$ 19,203,373	$ 24,692,404	$ 24,262,579	$ 44,029,414	$ 43,465,952

Governmental activities. Governmental activities increased the Town's net position by $133,637. A portion of this ($188,289) was the collection of the one cent sales surtax revenue that was not spent and the remainder was excess tax revenues collected over estimates and an increase of expenditures due to completion of a large paving project.





Business-type activities. Business-type activities increased the Town's net position by $429,825. The increase is due primarily to the increase in capital assets as a result of developer contributions of water and sewer infrastructure of $482,669 and collection of water, sewer and reuse impact fees of $37,955. The percentage breakdown of the business-type activities revenues can be seen below. The transfers in remained the same at 1%, charges for services increased by 4% compared to prior year. Capital contributions decreased -4% due to decreased developer contributions (-$11,279) and a decreased collection of impact fees (-$176,549) this year.



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2013, the Town's governmental funds reported combined ending fund balances of $8,872,527, an increase of $320,078 in comparison with the prior year. Approximately 66% of this total amount ($5,879,340) constitutes the unassigned fund balance that is available for spending at the Town's discretion. The remainder of the fund balance is not available for new spending. The various constraints placed on these funds are as follows: Non-spendable $70,346 for Prepaids and Real Property Held For Resale; Restricted $1,917,907 for Education, Police Training & Equipment, Recreation and Library Capital Improvements and Building Inspections;

Assigned $7,139 for Tree Beautification and Police Officers' Trust. Restricted for Infrastructure in the Sales Tax Revenue Fund was $997,795.

Additional information on these funds can be found in Note 9 on page 45 of this report.

The General Fund is the primary operating fund of the Town. As of the end of fiscal year 2013, the fund balance of the General Fund was $7,874,732, of which $1,995,392 was dedicated for purposes other than general spending. The total fund balance increased by $131,789 of which $113,441 increased the unassigned fund balance. This was a result of excess of revenues collected over estimates; and an increase of expenditures due to completion of a large paving project. Otherwise non-spendable, restricted or assigned fund balance increased by $18,348, largely due to $55,073 combined collection of Library and Parks and Recreation Impact Fees and a combined reduction of $37,590 for Property Held for Resale and Prepaid Items.

The Sales Tax Revenue Fund had a fund balance of $997,795 at the end of the fiscal year, an increase of $188,289 from the prior year. Of this amount, 100% is restricted for infrastructure improvements. The increase is the result of net of excess of revenue collected over debt services payments for the current year.

Proprietary funds. The Town's proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail.

As of the end of fiscal year 2013, the Town's Utility Fund reported unrestricted net position of $2,109,382, an increase of $279,912 from the prior year. Factors concerning the finances of the Utility Fund have already been addressed in the discussion of the Town's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town made revisions to the original appropriations approved by the Town Commission. The General Fund changes resulted in an increase to the appropriations of approximately 9.21% or $823,874. A majority of the increase is due to appropriating unrestricted funds for capital purchases (replace or upgrade), a land purchase, and increased paving; and establishing a budget for two grants received during the year. Other increases include donations, sale of surplus, and appropriating the use of restricted funds. The Sales Tax Revenue Fund Budget was unchanged. The Utilities Fund also increased 5.32% or $151,719, due to the appropriation of restricted funds for a capital purchase and a reclaimed water project.

CAPITAL ASSETS

The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2013, amounts to $34,745,351 (net of depreciation). This investment

in capital assets includes land, buildings, utility systems, improvements other than buildings, equipment, infrastructure and construction in progress. The Town's investment in capital assets for the current fiscal year was $1,171,037, of which $482,669 was from water/sewer infrastructure conveyed from a private developer. The Town's net capital assets decreased $663,158 from the prior year. The change is primarily due to depreciation expense exceeding capital investments.

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

Government Funds:

- SPO10 EH2 Rotary Mount Lift for Public Works Dept. $4,692
- 2013 Chevy Silverado cc20953 for Public Works Dept. $36,019
- 5 OptiPlex Dell Desktops for IT Dept., $5,217
- 6 PowerEdge R720 Servers for IT Dept. $100,190
- 5 Dell Workstations Optiplex 7010 & 2 Notebooks, for IT Dept. $7401
- GoPro Cameras, Accessories for IT Dept. $4,459
- Apple Notebook and Pegasus system for IT Dept. $4,471
- Door/Window sensors, Card Reader & Labor for Server Room $3,957
- 4 2013 Dodge Chargers for Police Dept, $122,169
- Netmotion Software to maintain connectivity for Police Dept. $16,023
- JD 2012 HPX Diesel Gator for Public Works Dept $14,063
- Grasshopper Tractor/Mower 930D, for Public Works Dept. $15,789
- Grasshopper Mower 930D 3461-R for Public Works Dept. $15,589

Business-type funds:

- Chlorine Analyzer FX1000 Amperometric for Sewer Dept. $3,522
- Scada Upgrade and Support (Upgrade to 1500 Pts for Sewer Dept. $20,750
- Kubota Tractor 4WC/HYD for Sewer Dept. $28,652
- Dell Remote Laptop for Sewer Dept. $9,250
- Pipe Locator for Water Dept $4,087

TOWN OF LADY LAKE'S CAPITAL ASSETS
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	$ 1,902,707	$ 1,660,349	$ 509,453	$ 509,453	$ 2,412,160	$ 2,169,802
Buildings	9,010,983	9,417,121	$ 224,494	236,164	9,235,477	9,653,285
Utility systems			19,778,962	20,193,140	19,778,962	20,193,140
Improvements other than buildings	975,196	1,048,444		-	975,196	1,048,444
Furniture and equipmer	754,096	678,423	357,186	392,736	1,111,282	1,071,159
Infrastructure	1,033,480	1,092,005	-	-	1,033,480	1,092,005
Construction in Progres	187,883	180,654	10,911	-	198,794	180,654
Total Capital Assets	$ 13,864,345	$ 14,076,996	$ 20,881,006	$ 21,331,493	$ 34,745,351	$ 35,408,489

Additional information on the Town's capital assets can be found in Note 6 on pages 41-42 of this report.

LONG-TERM DEBT

At the end of fiscal year 2013, the Town had total long-term liability outstanding of $4,320,175. Of this amount, $3,178,907 is the balance of the Library expansion borrowing secured by the one cent sales surtax revenue and $773,103 is utility debt secured by the one cent sales surtax revenue. The balance of $368,165 represents amounts due for compensated absences.

The Town's total debt decreased by $748,832 for fiscal year 2013 due to normal principal debt service payments.

Additional information on the Town's long-term debt can be found in Note 8 on pages 43-44 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current $25,000 homestead exemption by another $25,000 (for property values between $50,000 - $75,000), except for school district taxes. Amendment 1 also allows property owners to transfer (make portable) up to $500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1992 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental

property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a $25,000 exemption for tangible personal property.

Amendment 1 became effective on January 1, 2008, (tax year 2008, fiscal year 2009) with the exception of the ten percent (10%) assessment cap on non-homestead property which became effective on January 1, 2009 (tax year 2009, fiscal year 2010).

The Town's net taxable value of commercial and residential property decreased 2.1% in tax year 2013 as compared to tax year 2012. This decrease in taxable value was due to 2.14% of reduced taxable values due to market conditions and Amendment 1 provisions which was partially offset by .16% of new construction taxable values. Despite this reduction in taxable value which reduced ad valorem tax revenue, the Town Commission set the millage rate at 3.2808 mills for fiscal year 2014 which was the same rate as fiscal year 2013.

In November 2009, the Town borrowed $3,400,000 for construction of a new Library. Construction was completed in April 2011. Repayment of the debt is coming from the one cent sales surtax revenue that is authorized through December 31, 2017.

Effective October 1, 2013, the water and reuse rates were increased by 1.6%, which was the increase in CPI-U from January 2012 to January 2013.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances and for accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 409 Fennell Blvd., Lady Lake, Florida 32159.

Basic Financial Statements

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Equivalents	$ 4,075,039	$ 1,871,799	$ 5,946,838
Investments	4,854,717	70,524	4,925,241
Receivables (net of allowance for uncollectibles)	235,431	222,532	457,963
Due from Other Governments	298,154	-	298,154
Internal Balances	2,792	(2,792)	-
Assets Held for Resale	20,400	-	20,400
Inventory and Prepaid Items	49,946	53,023	102,969
Restricted Cash	-	1,836,716	1,836,716
Sewer Capacity Reservation Agreement (net of accumulated amortization)	-	1,152,116	1,152,116
Capital Assets (net of accumulated depreciation):			
Land	1,902,707	509,453	2,412,160
Buildings	9,010,983	224,494	9,235,477
Improvements Other Than Buildings	975,196	-	975,196
Equipment	754,096	357,186	1,111,282
Infrastructure and Utility Systems	1,033,480	19,778,962	20,812,442
Construction in Progress	187,883	10,911	198,794
Net Pension Obligation	132,841	-	132,841
Total Assets	23,533,665	26,084,924	49,618,589
LIABILITIES			
Accounts Payable	497,023	35,593	532,616
Accrued Liabilities	120,089	11,805	131,894
Accrued Interest Payable	11,390	2,506	13,896
Customer Deposits	-	513,713	513,713
Due to Other Governments	1,719	-	1,719
Noncurrent Liabilities:			
Due within one year	297,749	732,072	1,029,821
Due in more than one year	3,225,280	65,074	3,290,354
Total Liabilities	4,153,250	1,360,763	5,514,013
DEFERRED INFLOWS			
Unearned Revenue	43,405	31,757	75,162
NET POSITION			
Net Investment in Capital Assets	10,682,438	21,260,019	31,942,457
Restricted for:			
Capital Improvements	308,271	1,323,003	1,631,274
Police	18,790	-	18,790
Education	1,590,846	-	1,590,846
Unrestricted	6,736,665	2,109,382	8,846,047
Total Net Position	$ 19,337,010	$ 24,692,404	$ 44,029,414

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

TOWN OF LADY LAKE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Governmental Activities:				
General Government	$ 1,521,779	$ 46,061	$ 9,768	$ -
Public Safety	4,433,960	1,180,261	15,555	-
Growth Management	248,856	63,305	-	-
Public Works	1,809,065	16,996	41,712	695
Culture and Recreation	1,332,810	48,081	113,758	54,460
Interest on Long-term Debt	139,871	-	-	-
Total Governmental Activities	9,486,341	1,354,704	180,793	55,155
Business-Type Activities				
Water	1,151,286	1,063,469	-	200,912
Sewer	1,374,593	733,441	-	319,712
Garbage	328,389	360,974	-	-
Total Business-Type Activities	2,854,268	2,157,884	-	520,624
Total	$ 12,340,609	$ 3,512,588	$ 180,793	$ 575,779
General Revenues:				
Property Taxes				
Sales Taxes				
Franchise Fees				
Utility Taxes				
Excise Taxes				
Unrestricted Investment Earnings				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
$ (1,465,950)	$ -	$ (1,465,950)
(3,238,144)	-	(3,238,144)
(185,551)	-	(185,551)
(1,749,662)	-	(1,749,662)
(1,116,511)	-	(1,116,511)
(139,871)	-	(139,871)
(7,895,689)	-	(7,895,689)
-	113,095	113,095
-	(321,440)	(321,440)
-	32,585	32,585
-	(175,760)	(175,760)
(7,895,689)	(175,760)	(8,071,449)
2,499,157	-	2,499,157
1,801,238	-	1,801,238
1,283,585	-	1,283,585
2,361,744	-	2,361,744
710,796	-	710,796
(41,207)	19,598	(21,609)
(585,987)	585,987	-
8,029,326	605,585	8,634,911
133,637	429,825	563,462
19,203,373	24,262,579	43,465,952
$ 19,337,010	$ 24,692,404	$ 44,029,414

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TOWN OF LADY LAKE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

ASSETS	GENERAL	SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
Cash and Equivalents	$ 3,188,921	$ 886,118	$ 4,075,039
Investments	4,854,717	-	4,854,717
Accounts Receivable (net of allowance for uncollectibles)	235,431	-	235,431
Due from Other Funds	2,792	-	2,792
Due from Other Governments	186,477	111,677	298,154
Real Property Held for Resale	20,400	-	20,400
Prepaid Items	49,946	-	49,946
Total Assets	$ 8,538,684	$ 997,795	$ 9,536,479
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	$ 497,023	$ -	$ 497,023
Accrued Liabilities	120,089	-	120,089
Due to Other Governments	1,719	-	1,719
Unavailable Revenue	1,716	-	1,716
Unearned Revenue	43,405	-	43,405
Total Liabilities	663,952	-	663,952
FUND BALANCES:			
Nonspendable	70,346	-	70,346
Restricted	1,917,907	997,795	2,915,702
Assigned	7,139	-	7,139
Unassigned	5,879,340	-	5,879,340
Total Fund Balances	7,874,732	997,795	8,872,527
Total Liabilities and Fund Balances	$ 8,538,684	$ 997,795	

Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Cost of capital assets $22,359,449 less accumulated depreciation of $8,495,104.	13,864,345
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,716
Net pension obligation is not an available financial resource and, therefore, is not reported as an asset in the funds.	132,841
Long-term liabilities are not due and payable in the current-period and, accordingly, are not reported in the governmental funds. Long term liabilities consist of bank loans $3,178,907, accrued interest $11,390 and compensated absences $344,122.	(3,534,419)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 19,337,010

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	GENERAL	SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	$ 6,432,042	$ 1,121,772	$ 7,553,814
Licenses and Permits	312,656	-	312,656
Intergovernmental	1,266,458	-	1,266,458
Charges for Services	188,237	-	188,237
Fines and Forfeitures	52,245	-	52,245
Miscellaneous	814,993	627	815,620
Total Revenues	9,066,631	1,122,399	10,189,030
EXPENDITURES:			
Current:			
General Government	1,523,567	-	1,523,567
Public Safety	4,405,663	-	4,405,663
Growth Management	242,670	-	242,670
Public Works	1,694,717	-	1,694,717
Culture and Recreation	986,624	-	986,624
Capital Outlay	242,358	-	242,358
Debt Service:			
Principal	63,900	-	63,900
Interest	140,100	-	140,100
Total Expenditures	9,299,599	-	9,299,599
Excess (Deficency) of Revenues Over (Under) Expenditures	(232,968)	1,122,399	889,431
OTHER FINANCING SOURCES (USES):			
Transfers In	348,123	-	348,123
Transfers Out	-	(934,110)	(934,110)
Sale of Capital Assets	16,634	-	16,634
Total Other Financing Sources (Uses)	364,757	(934,110)	(569,353)
Net Change in Fund Balances	131,789	188,289	320,078
Fund Balance, Beginning of Year	7,742,943	809,506	8,552,449
Fund Balance, End of Year	$ 7,874,732	$ 997,795	$ 8,872,527

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

TOWN OF LADY LAKE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Amounts reported for governmental activities in the Statement of Activities (pages 16 - 17) are different because:	
Net Change in Fund Balances - Total Governmental Funds	$ 320,078
Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation, $820,353 exceeded capital outlays $607,702, in the current period.	(212,651)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. Federal Grants $695.	695
Street assessments from prior years that were collected during the current year are reported as revenues in the governmental funds, but are not included in the Statement of Activities	(394)
Interest accrued on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.	229
Repayment of long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the Statement of Net Position.	63,900
Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(33,469)
Changes in the Net Pension Obligation do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	(4,751)
Change in Net Position of Governmental Activities	$ 133,637

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	$ 6,077,984	$ 6,077,984	$ 6,432,042	$ 354,058
Licenses and Permits	280,085	284,685	312,656	27,971
Intergovernmental	1,218,543	1,356,361	1,266,458	(89,903)
Charges for Services	169,182	169,182	188,237	19,055
Fines and Forfeitures	34,758	35,258	52,245	16,987
Miscellaneous	816,718	824,055	814,993	(9,062)
Total Revenues	8,597,270	8,747,525	9,066,631	319,106
EXPENDITURES:				
Current:				
General Government	1,624,954	1,646,390	1,523,567	122,823
Public Safety	4,254,567	4,498,817	4,405,663	93,154
Growth Management	263,550	253,550	242,670	10,880
Public Works	1,530,472	1,832,151	1,694,717	137,434
Culture and Recreation	1,063,850	1,105,359	986,624	118,735
Capital Outlay	-	225,000	242,358	(17,358)
Debt Service	204,000	204,000	204,000	-
Total Expenditures	8,941,393	9,765,267	9,299,599	465,668
Excess (Deficiency) of Revenues Over (Under) Expenditures	(344,123)	(1,017,742)	(232,968)	784,774
OTHER FINANCING SOURCES:				
Transfers In	348,123	348,123	348,123	-
Sale of Capital Assets	-	7,920	16,634	8,714
Total Other Financing Sources	348,123	356,043	364,757	8,714
Net Change in Fund Balance	4,000	(661,699)	131,789	793,488
Fund Balance, Beginning of Year	7,742,943	7,742,943	7,742,943	-
Fund Balance, End of Year	$ 7,746,943	$ 7,081,244	$ 7,874,732	$ 793,488

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

TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	$ 1,136,000	$ 1,136,000	$ 1,121,772	$ (14,228)
Miscellaneous	175	175	627	452
Total Revenues	1,136,175	1,136,175	1,122,399	(13,776)
OTHER FINANCING SOURCES (USES):				
Transfers Out	(934,110)	(934,110)	(934,110)	-
Total Other Financing Sources (Uses)	(934,110)	(934,110)	(934,110)	-
Net Change in Fund Balance	202,065	202,065	188,289	(13,776)
Fund Balance, Beginning of Year	809,506	809,506	809,506	-
Fund Balance, End of Year	$ 1,011,571	$ 1,011,571	$ 997,795	$ (13,776)

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2013

ASSETS	UTILITY FUND
CURRENT ASSETS:	
Cash	$ 1,871,799
Investments	70,524
Restricted Cash:	
Customer Deposits	513,713
Customer Receivables, net of allowance for uncollectibles	222,532
Inventory	48,889
Prepaid Items	3,000
Total Current Assets	2,730,457
NONCURRENT ASSETS:	
Restricted Cash:	
Capital Improvements	1,323,003
Loan Costs	1,134
Sewer Capacity Reservation Agreement, net of accumulated amortization	1,152,116
Capital Assets:	
Land	509,453
Buildings	346,587
Utility Systems	27,229,243
Equipment	1,571,350
Construction in Progress	10,911
	29,667,544
Less Accumulated Depreciation	8,786,538
Net Capital Assets	20,881,006
Total Noncurrent Assets	23,357,259
Total Assets	26,087,716

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUND
SEPTEMBER 30, 2013

	UTILITY FUND
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	$ 35,593
Accrued Expenses	11,805
Compensated Absences	19,618
Due to Other Funds	2,792
Accrued Interest Payable	2,506
Customer Deposits	513,713
Loans Payable - Current	712,454
Total Current Liabilities	1,298,481
NONCURRENT LIABILITIES:	
Compensated Absences	4,425
SunTrust Loan	60,649
Total Noncurrent Liabilities	65,074
Total Liabilities	1,363,555
DEFERRED INFLOWS	
Unearned Revenue	31,757
NET POSITION	
Net Investment in Capital Assets	21,260,019
Restricted for Capital Improvements	1,323,003
Unrestricted	2,109,382
Total Net Position	$24,692,404

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	UTILITY FUND
OPERATING REVENUES:	
Water Sales	$ 997,288
Sewer Revenue	608,748
Reuse Water Sales	104,467
Connection Fees	38,258
Garbage Revenue	360,974
Late Fees and Other Revenue	48,149
Total Operating Revenues	2,157,884
OPERATING EXPENSES:	
Personal Services	573,194
Garbage Contract Services	328,389
Other Operating Expenses	855,715
Depreciation and Amortization	1,052,877
Total Operating Expenses	2,810,175
Net Operating Loss	(652,291)
NONOPERATING REVENUES (EXPENSES):	
Interest Revenue	4,399
Increase in Fair Value of Investments	15,199
Debt Issuance Costs	(1,135)
Interest Expense	(42,958)
Total Nonoperating Revenues (Expenses)	(24,495)
Loss Before Contributions and Transfers	(676,786)
CAPITAL CONTRIBUTIONS:	
Water, Sewer, and Reuse Impact Fees	37,955
Developers	482,669
TRANSFERS IN	730,110
TRANSFERS OUT	(144,123)
Change in Net Position	429,825
Total Net Position, Beginning of Year	24,262,579
Total Net Position, End of Year	$ 24,692,404

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	UTILITY FUND
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	$ 2,194,999
Cash Payments to Employees for Services	(569,614)
Cash Payments to Suppliers for Goods and Services	(1,104,120)
Net Cash Provided by Operating Activities	521,265
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer to General Fund	(144,123)
Net Cash Used In Noncapital Financing Activities	(144,123)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfer from Sales Tax Revenue Fund	730,110
Capital Contributions	37,955
Interest Paid on Capital Debt	(45,178)
Principal Repayments on Capital Debt	(684,932)
Acquisition and Construction of Capital Assets	(72,206)
Net Cash Used in Capital and Related Financing Activities	(34,251)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sale of Investments	73,746
Interest Received	4,399
Net Cash Provided by Investing Activities	78,145
NET INCREASE IN CASH	421,036
Cash at Beginning of Year	3,287,479
Cash at End of Year	$ 3,708,515

Continued on next page

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	UTILITY FUND
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Loss	$ (652,291)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and Amortization	1,052,877
Write off Engineering Costs	75,365
Decrease in Customer Receivables	8,364
Decrease in Inventory	2,684
Increase in Prepaid Expenses	(1,199)
Increase in Accounts Payable	3,459
Decrease in Due to Other Funds	(325)
Increase in Accrued Expenses	3,727
Decrease in Compensated Absences	(147)
Increase in Customer Deposits	28,751
Total Adjustments	1,173,556
Net Cash Provided by Operating Activities	$ 521,265
NONCASH CAPITAL ACTIVITIES:	
Developer utility system contributions	$ 482,669
NONCASH INVESTING ACTIVITIES:	
Increase in Fair Value of Investments	15,199

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2013

	PENSION TRUST FUNDS
ASSETS	
Investments with Trustees:	
Cash Management Funds	$ 260,125
Corporate Equities	4,291,062
Corporate and Foreign Bonds	2,227,052
Other Receivable	3,875
Total Assets	6,782,114
LIABILITIES	
Accounts Payable	2,250
Pension Benefits Payable	9,755
Total Liabilities	12,005
NET POSITION	
Held in Trust for Officers' Contributions	516,469
Held in Trust for Town's Contributions	1,813,402
Held in Trust for Pension Benefits	4,440,238
Total Net Position	$ 6,770,109

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	PENSION TRUST FUNDS
ADDITIONS	
Contributions:	
Town	$ 347,477
Employees	78,453
State of Florida	85,098
Total Contributions	511,028
Investment Income:	
Net Appreciation in Fair Value of Investments	552,234
Dividend Income	29,990
Interest Income	75,844
Total Investment Income	658,068
Less Investment Expense	(43,198)
Net Investment Income	614,870
Total Additions	1,125,898
DEDUCTIONS	
Retirement Benefits	168,417
Refunds of Contributions	111
Administration Expense	21,743
Total Deductions	190,271
CHANGE IN NET POSITION	935,627
NET POSITION HELD IN TRUST FOR PENSION BENEFITS:	
Beginning of Year	5,834,482
End of Year	$ 6,770,109

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Lady Lake, Florida (the Town) was incorporated on May 25, 1925. The Town operates under the Commission/Manager form of government as authorized by its charter and provides the following services: police protection, building inspections and code enforcement, street maintenance, library, parks and recreation, other general governmental activities, and water, sewer and garbage utilities.

The financial statements of the Town of Lady Lake, Florida conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. Effective October 1, 2003, the Town implemented Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments.* Significant accounting policies are described below:

A. The Reporting Entity

The Town of Lady Lake is a political subdivision of the State of Florida. It is governed by an elected board of five Town commissioners. These financial statements present all the fund types of the Town. There are no component units included within these financial statements, and there are no legally separate entities that could be included as component units of the Town.

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 nonfiduciary activities of the Town. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 and enterprise funds are reported as separate columns in the fund financial statements.

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 the related cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Unbilled utility service receivables are estimated and recorded at year end.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they become both measurable and available. *Measurable* means the amount of the transaction can be determined and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenues available if they are collected within 30 days of year end. Revenues that are susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, municipal utility taxes, and State and County shared revenues. All other revenue items are considered to be measurable and available only when cash is received by the Town.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows for business taxes collected for the following fiscal year, grants and paving assessments earned but not received during the modified accrual availability period, and amounts received toward utility impact fees that have not been applied for.

Expenditures are generally recorded when a related 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.

The Town reports the following governmental funds:

General Fund - The General Fund (a major fund) is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Sales Tax Revenue Fund - This special revenue fund (a major fund) accounts for discretionary sales surtax revenues that are legally restricted for expenditure on infrastructure.

The Town reports the following proprietary fund:

Utility Fund - This enterprise fund (a major fund) is used to account for the activities of the Town's water, sewer and garbage utility operations.

The Town reports the following fiduciary funds:

Police Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for pension benefit payments to qualified Town police officers.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

General Employees' Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for retirement benefit payments to qualified Town employees.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this rule is charges between the Town's water and sewer function and various other functions of government. 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, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes. The Town collects franchise fees from electric, gas, and solid waste utility providers based on gross receipts. These franchise fees are also reports as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in conjunction with a proprietary fund's principal ongoing operations. Principal operating revenues of the Town's Utility Fund are charges for providing water, sewer and garbage services. Reuse water sales are included with sewer services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

The Town's investment policy has safety of capital as a primary objective. Authorized investments include the State Board of Administration Local Government Surplus Funds Trust Fund or similar intergovernmental investment pools, SEC registered money market funds, interest bearing time deposits, U.S. Treasury obligations, repurchase agreements, and mutual funds that invest primarily in U.S. Government obligations.

For purposes of the statements of cash flows, cash includes amounts in bank demand deposits, both interest-bearing and noninterest-bearing, bank money market investments, and funds on deposit with the Local Government Surplus Funds Trust Fund investment pool bearing interest at 0.18% as of September 30, 2013. The State Board of Administration pool is an external 2a7-like investment pool. The fair value of the Town's deposits in the pool is the same as the value of the pool shares. Oversight of the State Board of Administration pool is provided by the Florida Auditor General.

Investments in the State Board of Administration Fund B Surplus Funds Trust Fund are accounted for as a fluctuating net asset value pool. At September 30, 2013, shares in the Fund B pool are stated net of a fair value factor of 1.1326228.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Cash and Investments (continued)

Pension trust fund investments are reported at fair value, determined by the last reported sales price for securities traded on a national exchange. Investments of the Municipal Police Officer's Retirement Trust Fund may be held in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation under the laws of the United States provided the corporation meets certain rating and profitability criteria.

E. Receivables

Customer accounts receivable are shown net of an allowance for uncollectibles. Management's estimate for uncollectible accounts is based on review of balances over 120 days old.

F. Inventory and Prepaid Items

Inventory consists of water and sewer system supplies and is valued at cost (first-in, first-out). Prepaid items in the governmental funds are accounted for using the consumption method.

G. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (roads, sidewalks, drainage systems, and similar items) 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 more than $1,000 and an estimated useful life of more than two years.

In the case of the initial capitalization of general infrastructure assets, the Town chose to include such items beginning October 1, 2003, the year of implementation of GASB Statement No. 34. As the Town constructs or acquires additional capital assets, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at their estimated fair value on the date donated.

Interest incurred during construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the year ended September 30, 2013.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

Buildings	25 to 30 Years
Improvements other than Buildings	10 to 30 Years
Water and Sewer Systems	10 to 30 Years
Infrastructure	30 Years
Equipment	5 to 10 Years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Amortization

The Sewer Capacity Reservation Agreement entered into April 2, 2003 is amortized over its 40-year term using the straight-line method. Additional purchases of reserved sewer capacity are amortized straight-line beginning with the acquisition date over the remaining term of the Agreement.

Costs incurred in obtaining the SunTrust loan are amortized over the ten year life of the loan starting October 18, 2004.

I. Compensated Absences

The Town accrues accumulated compensated absences (unpaid vacation and comp time benefits) when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts are not reported in the governmental fund financial statements unless they have matured, for example, as a result of employee resignations or retirements. Personnel policies allow employees to accumulate a maximum of 36 days vacation leave. Upon termination, employees are paid for their unused vacation and comp time. Compensated absences for governmental activities are generally liquidated by the General Fund.

J. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Loan issuance costs are reported as deferred charges and amortized over the term of the related debt.

K. Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance – amounts that are not in spendable form, such as prepaid items.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority, the Town Commission, through adoption of a resolution; to be reported as committed, amounts cannot be used for any other purpose unless the Town Commission takes a similar action to remove or change the restraint.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned fund balance – amounts the Town intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. As of September 30, 2013, the Town Commission is the only body that may assign fund balance through a majority vote.

Unassigned fund balance – amounts that are available for any purpose.

Town management determines on a case by case basis whether restricted funds will be used for an expenditure when there is choice to use restricted or unrestricted fund balance. The Town Commission, through establishment of the budget, considers committed amounts to be used for an expenditure when there is a choice to use committed or unassigned fund balance.

L. Transfers

Transfers of $144,123 are made from the Utility Fund to the General Fund for utility billing administrative costs. Transfers are made from the Sales Tax Revenue Fund to the General Fund ($204,000) and to the Utility Fund ($730,110) in order to use infrastructure surtax revenues on qualified "infrastructure" expenditures.

NOTE 2 BUDGETING

The following procedures are used in establishing budgetary data reflected in the financial statements:

1) Prior to September 30, the Budget Committee submits a proposed operating budget for the fiscal year beginning October 1. The budget includes proposed expenditures and the means of financing them.

2) Public hearings are held to obtain taxpayer comments. The budget is then enacted through passage of an ordinance no later than October 1.

3) Appropriations are authorized at the department level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.

4) The Town Manager is authorized to transfer budgeted amounts between line items within any department; however, any revisions that alter the total expenditures of a department must be approved by the Town Commission through a resolution.

5) Formal budgetary integration is employed as a management control device during the year for governmental funds. Total budgeted appropriations within a governmental fund type may not be exceeded legally.

NOTE 2 BUDGETING (continued)

6) Annual budgets are adopted for all governmental fund types on a basis consistent with generally accepted accounting principles. The enterprise (Utility) fund budget is adopted on a basis other than generally accepted accounting principles. Budgets are not adopted for the pension trust funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in order to reserve that portion of the applicable appropriation, is employed by the Town for budgetary purposes. Encumbrances outstanding at year end do not constitute expenditures or liabilities and are not reported as committed or assigned fund balances. Appropriations lapse at year end.

NOTE 3 BUDGETARY BASIS OF ACCOUNTING

The Town Commission adopts annual budgets for each of the Town's funds, except for the pension trust funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles (GAAP). Adjustments necessary to convert the results of operations for the year ended September 30, 2013 from the GAAP basis to the budget basis are as follows:

	Utility Fund
Change in Net Position, GAAP Basis	$ 429,825
Decrease due to developer contributions	(482,669)
Increase due to depreciation	1,013,822
Increase due to write off of deferred sewer engineering	75,365
Decrease due to debt principal paid	(684,932)
Decrease due to equipment purchases	(67,825)
Decrease due to utility system construction	(4,351)
Excess of Revenues Over Expenses, Budget Basis	$ 279,235

NOTE 4 CASH DEPOSITS AND INVESTMENTS

Cash Deposits

At September 30, 2013, the carrying amount of the Town's cash deposits, including funds in bank money market investments, was $7,783,554. The actual bank balances at September 30, 2013 totaled $7,894,994, and were entirely insured by Federal depository insurance or by a State collateral insurance pool held by the Treasurer, State of Florida, in the Public Deposit Security Trust Fund.

NOTE 4 CASH DEPOSITS AND INVESTMENTS (continued)

Investments

The Town's investments at September 30, 2013 are categorized below.

	Fair Value
General Fund Investments:	
1-3 Year High Quality Bond Fund	$ 1,921,138
Intermediate High Quality Bond Fund	2,933,578
Utility Fund Investments:	
State Board Fund B Pool	70,524
Pension Trust Fund Investments:	
Money Market Funds	260,125
Corporate Equities	4,291,062
Corporate Bonds	2,227,052
	$11,703,479

Credit Risk - Credit risk exists when there is a possibility the issuer to an investment may be unable to fulfill its obligations. The Town manages its credit risk by investing in bond funds with high ratings from nationally recognized statistical rating organizations. All of the Town's investments in mutual bond funds have a Fitch Rating of AAA/V2 or AAA/V3. The Fund B Pool is not rated by any nationally recognized statistical rating agency. The Town's investment policy does not specifically address credit risk.

Interest Rate Risk - Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The Town's mutual bond funds have weighted average maturities of 1.52 years (1-3 year bond fund) and 3.71 years (intermediate bond fund). The Fund B Pool has a weighted average life of 4.04 years. The Town's investment policy does not specifically address interest rate risk.

NOTE 5 RECEIVABLES

Accounts receivable at September 30, 2013 are as follows:

	General Fund	Utility Fund
Customer Accounts Receivable	$ -	$ 181,774
Franchise and Utility Taxes	221,296	-
Other Receivables	16,818	81,739
Less Allowance for Uncollectibles	(2,683)	(40,981)
Net Receivables	$ 235,431	$ 222,532

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2013 was as follows:

	September 30, 2012	Additions	Transfers/ Disposals	September 30, 2013
Governmental Activities:				
Land (not being depreciated)	$ 1,660,349	$ 242,358	$ -	$ 1,902,707
Construction in Progress	180,654	7,229	-	187,883
	1,841,003	249,587	-	2,090,590
Capital assets being depreciated:				
Buildings	12,054,687	-	-	12,054,687
Improvements	1,964,774	3,540	-	1,968,314
Equipment	4,666,030	354,575	(255,194)	4,765,411
Infrastructure	1,480,447	-	-	1,480,447
	20,165,938	358,115	(255,194)	20,268,859
Less accumulated depreciation for:				
Buildings	(2,637,566)	(406,138)	-	(3,043,704)
Improvements	(916,330)	(76,788)	-	(993,118)
Equipment	(3,987,607)	(278,902)	255,194	(4,011,315)
Infrastructure	(388,442)	(58,525)	-	(446,967)
Total Accumulated Depreciation	(7,929,945)	(820,353)	255,194	(8,495,104)
Total Being Depreciated, net	12,235,993	(462,238)	-	11,773,755
Governmental Activities Capital Assets, net	$ 14,076,996	$ (212,651)	$ -	$ 13,864,345
Business-Type Activities:				
Land (not being depreciated)	$ 509,453	$ -	$ -	$ 509,453
Construction in Progress	-	10,911	-	10,911
	509,453	10,911	-	520,364
Capital assets being depreciated:				
Buildings	346,587	-	-	346,587
Utility Systems	26,744,644	484,599	-	27,229,243
Equipment	1,503,525	67,825	-	1,571,350
	28,594,756	552,424	-	29,147,180
Less accumulated depreciation for:				
Buildings	(110,423)	(11,670)	-	(122,093)
Utility Systems	(6,551,504)	(898,777)	-	(7,450,281)
Equipment	(1,110,789)	(103,375)	-	(1,214,164)
Total Accumulated Depreciation	(7,772,716)	(1,013,822)	-	(8,786,538)
Total Being Depreciated, net	20,822,040	(461,398)	-	20,360,642
Business-Type Activities Capital Assets, net	$ 21,331,493	$ (450,487)	$ -	$ 20,881,006

NOTE 6 CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities:	
General Government	$ 148,740
Public Safety	144,240
Growth Management	4,984
Public Works	166,679
Culture and Recreation	355,710
Total Depreciation Expense - Governmental Activities	$ 820,353
Business-type Activities:	
Water	$ 317,428
Sewer	696,394
Garbage	-
Total Depreciation Expense - Business-type Activities	$1,013,822

NOTE 7 SEWER CAPACITY RESERVATION AGREEMENT

On November 29, 1993, the Town closed on the sale of the Town's wastewater treatment plant to the Village Center Community Development District (VCCDD). The assets sold consisted of approximately 20 acres of land, the sewage treatment facility, and all lift stations, transmission mains and other physical facilities located on the site. The Town did not sell the sewage collection system. The book value of the assets sold was $1,864,749. Closing costs paid were $6,211. The Town received $1,044,454 in cash and a 30-year Sewer Plant Capacity Reservation and Bulk Treatment Agreement.

Effective April 2, 2003, the Town and the VCCDD entered into a new, 40-year Interlocal Agreement for sewer capacity reservation and bulk treatment. The capacity reservation is for 250,000 gallons of wastewater per day, with an initial price for treatment of $3.02 per 1,000 gallons. A provision for annual price adjustments is included, based on mutual agreement or, if agreement cannot be reached, a set formula based on the consumer price index. The treatment price at September 30, 2013 was $3.42 per 1,000 gallons. The agreement also grants the Town the option, during the first 10 years of the agreement, to purchase up to an additional 250,000 gallons per day of treatment capacity in not less than 50,000 gallon per day increments, and includes a formula for computing the option price based on the amount of capacity purchased.

On February 12, 2004, the Town purchased an additional 50,000 gallons per day capacity reservation for $267,500. On June 3, 2004, the Town purchased an additional 100,000 gallons per day capacity reservation for $535,000. The cost of these capacity reservations is being amortized straight-line over the remaining term of the Agreement.

NOTE 7 SEWER CAPACITY RESERVATION AGREEMENT (continued)

The original Sewer Capacity Reservation Agreement has been recorded in the Utility Fund at its historical cost of $826,506. The net book value on April 2, 2003 was $737,635. At September 30, 2013, the total cost of sewer capacity reservations, which includes the 2004 purchases, was $1,629,006. Amortization for the year ended September 30, 2013 totaled $39,054. Accumulated amortization at September 30, 2013 was $476,889, and the net book value was $1,152,117.

NOTE 8 LONG-TERM DEBT

SunTrust Loans

On October 18, 2004, the Town issued a $6,000,000 note payable to SunTrust Bank known as the "Town of Lady Lake, Florida Revenue Note, Series 2004", for the purpose of funding the construction of a 250,000 gallons per day wastewater treatment plant, and other water and sewer infrastructure improvements. The note is secured by and payable from the Town's one-cent infrastructure sales surtax revenues.

Monthly payments of principal and interest (at 3.89%) of approximately $61,000 began December 1, 2004. The note matures on October 1, 2014. Interest paid during the year ended September 30, 2013 totaled $45,178. The schedule of remaining annual debt service requirements for the note are as follows:

Year	Principal	Interest	Payment
9/30/14	$ 712,454	$ 17,669	$ 730,123
9/30/15	60,649	197	60,846
	$ 773,103	$ 17,866	$ 790,969

On November 16, 2009, the Town issued a $3,400,000 note payable to SunTrust Bank known as the "Town of Lady Lake, Florida Capital Improvement Revenue Note, Series 2009", for the purpose of funding the construction of the Town's library. The note is secured by and payable from the Town's one-cent infrastructure sales surtax revenues.

Monthly payments of principal and interest (at 4.30%) of $17,000 began January 1, 2010. The monthly payment increases to $79,000 on October 1, 2014, and the note matures on March 1, 2018. Interest paid during the year totaled $140,100. The schedule of remaining annual debt service requirements for the note are as follows:

NOTE 8 LONG-TERM DEBT (continued)

Year	Principal	Interest	Payment
9/30/14	$ 66,762	$ 137,238	$ 204,000
9/30/15	828,820	119,180	948,000
9/30/16	865,686	82,314	948,000
9/30/17	904,190	43,810	948,000
9/30/18	513,449	6,526	519,975
	$ 3,178,907	$ 389,068	$ 3,567,975

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2013 was as follows:

	Balances 10/1/2012	Additions	Principal Reductions	Balances 9/30/2013	Due within One Year
Governmental Activities:					
SunTrust Loan	$ 3,242,807	$ -	$ (63,900)	$ 3,178,907	$ 66,762
Compensated Absences	310,653	179,476	(146,007)	344,122	230,987
Governmental Activity Long-Term Liabilities	$ 3,553,460	$ 179,476	$ (209,907)	$ 3,523,029	$ 297,749
Business-type Activities:					
SunTrust Loan	$ 1,458,035	$ -	$ (684,932)	$ 773,103	$ 712,454
Compensated Absences	24,190	13,661	(13,808)	24,043	19,618
Business-type Activity Long-term Liabilities	$ 1,482,225	$ 13,661	$ (698,740)	$ 797,146	$ 732,072

NOTE 9 OTHER DISCLOSURES

(1) There were no funds that had excess of expenditures over appropriations at the fund level for the year ended September 30, 2013 .

(2) Individual fund interfund receivable and payable balances at September 30, 2013:

	Receivable	Payable
General Fund	$ 2,792	$ -
Utility Fund	-	(2,792)

NOTE 9 OTHER DISCLOSURES (continued)

The outstanding balances between funds results from recording the accrual of unbilled utility tax receivable by the Utility Fund.

(3) There were no deficit fund balances of individual funds at September 30, 2013.

(4) The following details the various constraints placed on fund balances in the governmental funds at September 30, 2013:

General Fund	
Nonspendable - Prepaids	$ 49,946
Nonspendable - Assets Held for Resale	20,400
Total Nonspendable	$ 70,346
Restricted for Police Training and Equipment	$ 18,790
Restricted for Education	1,590,846
Restricted for Library Capital Improvements	41,568
Restricted for Recreation Capital Improvements	266,703
Total Restricted	$ 1,917,907
Assigned to Tree Beautification	$ 7,139
Sales Tax Revenue Fund	
Restricted for Infrastructure	$ 997,795

Fund balances restricted for infrastructure represent unspent discretionary sales surtax amounts that are required by Florida Statute to be spent on "infrastructure". Infrastructure is defined as public facilities with a useful life of at least five years. The Statute permits these funds to be spent on debt related to the construction or acquisition of infrastructure, and also permits the purchase of certain emergency vehicles.

NOTE 10 RETIREMENT COMMITMENTS

LADY LAKE POLICE OFFICERS' RETIREMENT TRUST FUND

Plan Description and Provisions The Lady Lake Police Officers' Retirement Trust Fund was established August 20, 1990 to conform to provisions of the Florida Statutes (Chapter 185) of the State of Florida for all sworn Police Officers. On November 18, 2002, the Plan was amended and restated, by Town ordinance, to establish it as a "local law" plan. A five-member Board of Trustees is responsible for recommending pension plan provisions consistent with the local law ordinance. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. This plan is a single-employer, defined

NOTE 10 RETIREMENT COMMITMENTS (continued)

benefit pension plan, and is administered by the Town. There is no separately issued report on the plan. Administrative costs are generally paid by the plan.

Officers attaining the age of 55 who have completed 10 or more years of creditable service, or who have completed 25 years of creditable service regardless of age, are entitled to monthly benefits of 3.3 percent of their average final compensation times years of credited service. In addition, the plan pays a $200 per month supplemental benefit under normal retirement. The plan permits early retirement at the completion of 10 years of contributing service and attaining the age of 50. Active Officers who retire disabled with disability that occurs in the line of duty and have 10 years of credited service shall receive the greater of 42 percent of average final compensation or the accrued benefit actuarially reduced.

Disability benefits are paid for ten years certain or life or until recovery from disability. If an active Officer dies before retirement eligibility, his or her beneficiary receives a refund of the Police Officer's contributions to the plan. If the Officer dies prior to retirement but has at least 10 years of contributing service, his or her beneficiary is entitled to either early or normal retirement benefits.

If an Officer terminates his or her employment with the police department and is not eligible for any other benefits under the plan, the Officer is entitled to the following:

- with less than 10 years of contributing service, a refund of the Officer's contribution, without interest.
- with 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her 50th birth date.

As of September 30, 2013, three Officers had retired that were receiving benefits, one was receiving benefits under disability, and two terminated Officers were entitled to benefits but not yet receiving them. Out of the 27 Officers in the plan at September 30, 2013, four had vested retirement benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Contributions Required Police Officers are required to contribute five percent of their annual salary to the plan. The plan is also funded by a .85% State excise tax on all casualty insurance policies covering property within the corporate limits of the Town. For the year ended September 30, 2013, the Town collected $85,098 in casualty insurance premium taxes. The Town is required by State Statute to contribute these taxes to the plan within 5 days of receipt. These on-behalf payments of fringe benefits from the State are reported as tax revenues and a police department expenditure in the General Fund.

The Town is required to contribute the remaining amount necessary for payment of normal (current year's) cost and amortization of the unfunded accrued liability over 30 years. The Town may use actual State monies received, up to $97,907 per year, to offset the Town's funding requirement. Amounts over $97,907 must be used to provide additional benefits to Police Officers.

The Municipal Police Officers' Retirement Trust Fund uses the entry age normal actuarial cost funding method. Under this method, which identifies and separately amortizes unfunded

NOTE 10 RETIREMENT COMMITMENTS (continued)

actuarial liabilities, the present value of benefits, less all assets, are equated to the present value of future employer contributions, and of future employee contributions, if any. The required contribution is then expressed as a percentage of current payroll. The actuarially determined funding requirement for the year ended September 30, 2013 was 14.5% from the Town and 5.0% from the Police Officers, for a total of 19.5% of covered payroll.

Funded Status and Funding Progress

The Funded status of the plan as of October 1, 2013 was as follows:

Actuarial accrued liability (AAL)	$5,269,784
Actuarial value of plan assets	5,247,981
Unfunded actuarial accrued liability	$21,803
Funded ratio (actuarial value of plan assets/AAL)	99.6%
Covered payroll (active plan members)	$1,534,806
UAAL as a percentage of covered payroll	1.42%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the Town are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Additional information as of the latest actuarial valuation (10/01/13) follows.

Actuarial cost method:	Entry Age Normal
Amortization method:	Level Percent of Pay, Closed
Remaining amortization period:	29 years
Asset valuation method:	4 Year Smoothed Market

Actuarial Assumptions:

Investment Rate of Return:	7.75%
Projected Salary Increase:	6.25% (includes inflation at 3%)
Post Retirement COLA:	0%

NOTE 10 RETIREMENT COMMITMENTS (continued)

Three-Year Trend Information

Year Ending	Annual Pension Cost (A)	Percentage of (A) Contributed	Net Pension Obligation
9/30/13	$ 313,334	98%	$ (132,841)
9/30/12	324,284	98%	(137,592)
9/30/11	225,782	98%	(142,513)

Development of Net Pension Obligation (NPO)

The Town of Lady Lake Municipal Police Officers' Retirement Trust Fund has been subject to the minimum funding standards since the adoption of the "Florida Protection of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the sponsor has funded the actuarially determined required contributions for all years from August 20, 1990, through the transition date, October 1, 1997. Thus, the NPO on October 1, 1997 is $0.

The recent development of the Net Pension Obligation is as follows:

	9/30/2011	9/30/2012	9/30/2013
Actuarially Determined Contribution	$ 221,066	$ 319,363	$ 308,583
Interest on NPO	(11,778)	(11,045)	(10,663)
Adjustment to Actuarially Determined Contribution	16,494	15,966	15,414
Annual Pension Cost	225,782	324,284	313,334
Contributions Made	221,066	319,363	308,583
Increase in NPO	4,716	4,921	4,751
NPO, beginning of year	(147,229)	(142,513)	(137,592)
NPO, end of year	$ (142,513)	$ (137,592)	$ (132,841)

The Actuarially Determined Contribution and Contributions Made include State monies beginning with the fiscal year ended 09/30/12.

NOTE 10 RETIREMENT COMMITMENTS (continued)

GENERAL EMPLOYEES RETIREMENT TRUST FUND

Effective October 8, 2001, the Town established, by resolution, a new money purchase plan and trust in the form of the International City Managers Association (ICMA) Retirement Corporation 401-a Governmental Money Purchase Plan and Trust. The plan is a single-employer, defined contribution pension plan administered by the ICMA Retirement Corporation. There is no separate, audited GAAP – basis postemployment benefit plan report available for this defined contribution pension plan. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. This new plan replaced the multiple-employer, defined contribution pension plan that had been in place since December 28, 1992 when the Town created the General Employees Retirement Trust Fund.

All full-time employees at least 18 years of age, except sworn police officers and certain senior Town executives, are eligible to participate in the retirement plan. Participants become vested in their account balance in the plan based on the following vesting schedule:

Years of Service Completed	Percent Vested
1	50%
2	75%
3	100%

The Town will contribute 6% to 8% of a participant's earnings, including overtime, into the plan, depending on the participant's years of service as follows:

up to 10 years of service	6%
over 10 to 15 years of service	7%
over 15 years of service	8%

There are no mandatory employee contributions in order to participate in the plan, but after tax employee contributions are permitted. Contributions and related investment earnings are credited to individual self-directed investment accounts. During the year ended September 30, 2013, the Town contributed $136,418 into the plan.

Participants separating from service with the Town before the three year vesting period is complete forfeit a portion of their account balance in the plan. The Town may use forfeited amounts to reduce the Town's required payment of contributions for current plan participants. Normal retirement is when the participant attains his or her 65th birthday. Distributions of the account balances of vested plan participants that separate from service are subject to the Internal Revenue Code rules for distributions from qualified plans.

FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION FUNDS

Individual financial statements for the Lady Lake Police Officers' Retirement Trust Fund and the General Employees Retirement Trust Fund are presented on the following page.

NOTE 10 RETIREMENT COMMITMENTS (continued)

	Police Retirement Trust Fund	Employees Retirement Trust Fund	Total
STATEMENT OF FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2013			
Assets			
Investments with Trustees:			
Cash Management Funds	$ 33,689	$ 226,436	$ 260,125
Corporate Equities	3,369,228	921,834	4,291,062
Corporate and Foreign Bonds	2,167,509	59,543	2,227,052
Vender Receivable	3,875	-	3,875
Liabilities			
Accounts Payable	(2,250)	-	(2,250)
Pension Benefits Payable	(9,755)	-	(9,755)
Net Position			
Held in Trust for Pension Benefits	$ 5,562,296	$ 1,207,813	$ 6,770,109
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED SEPTEMBER 30, 2013			
Additions			
Contributions			
Town	$ 211,059	$ 136,418	$ 347,477
Employees	72,779	5,674	78,453
State of Florida	85,098	-	85,098
Total Contributions	368,936	142,092	511,028
Investment Income:			
Net Appreciation in Fair Value of Investments	430,563	121,671	552,234
Dividend and Interest Income	105,834	-	105,834
Investment Expense	(43,198)	-	(43,198)
Net Investment Income	493,199	121,671	614,870
Total Additions	862,135	263,763	1,125,898
Deductions			
Retirement Benefits	128,327	40,090	168,417
Refunds of Contributions	-	111	111
Administrative Expense	20,991	752	21,743
Total Deductions	149,318	40,953	190,271
Change in Net Position	712,817	222,810	935,627
Net Position			
Beginning of Year	4,849,479	985,003	5,834,482
End of Year	$ 5,562,296	$ 1,207,813	$ 6,770,109

NOTE 11 DEFINED CONTRIBUTION PENSION PLAN

The Town adopted a defined contribution pension plan effective June 30, 1999. The plan is a single-employer, money purchase plan administered for the Town by the ICMA Retirement Corporation, and is designed in accordance with Internal Revenue Code section 401. There is no separate, audited GAAP – basis postemployment benefit plan report available for this defined contribution pension plan. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. Employees eligible for participation in the plan are certain senior Town executives, and as of September 30, 2013 there were seven employees participating in the plan. The Town is required to contribute 7% of the participant's earnings to the plan for employees with up to 5 years of service, and 8% for employees with over 5 years service. Contributions and related investment earnings are credited to individual self-directed investment accounts, and the employee immediately becomes 100% vested in the account balances. Normal retirement is permitted when the participant attains age 55. During the year ended September 30, 2013, Town contributions to the plan totaled $41,684.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

The Town does not provide its employees any postemployment benefits other than pensions. Florida Statutes require local governments which provide group insurance to its employees the option of continuing to participate in the group plan following retirement. The Town does not contribute to the premium cost for retired employees, so the entire cost must be paid by the retiree. At September 30, 2013, the Town had one retiree continuing to participate in its group insurance plan. This is the only retiree that has ever requested to continue on the group plan, and management does not anticipate a significant number of future retirees to request continued coverage. Therefore, no material other postemployment benefits liability is recognized or recorded.

NOTE 13 PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. State laws regulating tax assessment are also designed to assure a consistent property valuation method state wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the Town for taxes collected during the fiscal year ended September 30, 2013 was 3.2808. The millage rate assessed by the Town on taxable property to be levied on November 1, 2013 was 3.2808.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes. The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment as follows:

November	4%	February	1%
December	3%	March	0%
January	2%		

NOTE 13 PROPERTY TAXES (continued)

The Town's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date	April 1, succeeding year

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear 18% interest per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property, or by the five-year statute of limitations.

NOTE 14 INSURANCE COVERAGE

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. The Town manages its various risks of loss by the purchase of commercial insurance coverages primarily through Public Risk Management of Florida, or with commercial carriers packaged by Public Risk Management. During the year ended September 30, 2013, there were no significant reductions in coverages from the prior year. Insurance claim settlements have not exceeded coverages on any policies during the past three fiscal years.

NOTE 15 SUBSEQUENT EVENTS

Town management has evaluated events occurring subsequent to the financial statement date through March 14, 2014. No material subsequent events were identified for recognition or disclosure.

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TOWN OF LADY LAKE, FLORIDA
POLICE RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2013

SCHEDULE OF FUNDING PROGRESS
(All available years)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
10/1/13	$ 5,247,981	$ 5,269,784	$ 21,803	99%	$ 1,534,806	1%
10/1/12	4,615,904	4,677,794	61,890	99%	1,344,024	5%
10/1/11	4,001,317	4,128,690	127,373	97%	1,324,208	10%
10/1/10	3,810,890	4,310,907	500,017	88%	1,548,425	32%
10/1/09	3,450,007	3,749,218	299,211	92%	1,548,174	19%
10/1/08	3,131,965	3,016,769	(115,196)	104%	1,407,115	-8%
10/1/07	2,713,559	2,635,150	(78,409)	103%	1,364,739	-6%
10/1/06	2,265,572	2,271,097	5,525	100%	1,085,128	1%
10/1/05	1,875,603	2,173,521	297,918	86%	950,747	31%
10/1/04	1,535,371	1,885,202	349,831	81%	989,667	35%
10/1/03	1,311,264	1,311,264	-	100%	892,469	0%
10/1/02	1,126,062	1,126,062	-	100%	682,192	0%
10/1/01	1,001,409	1,001,409	-	100%	702,850	0%
10/1/99	644,144	644,144	-	100%	464,839	0%
10/1/97	458,926	458,926	-	100%	450,604	0%
10/1/95	271,292	271,292	-	100%	334,190	0%
10/1/92	89,248	89,248	-	100%	283,334	0%

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND OTHERS

Year Ended September 30	Annual Required Contribution	Town (Employer) Contribution	State Contribution	Percentage Contributed
2013	$ 308,583	$ 223,485	$ 85,098	100%
2012	319,363	231,973	87,390	100%
2011	309,189	221,066	88,123	100%
2010	303,754	214,227	89,527	100%
2009	293,212	195,305	97,907 *	100%
2008	238,783	140,876	97,907 *	100%

* "Frozen", per Chapter 185, *Florida Statutes*, as amended.

The information presented in the above required supplementary schedules was determined as part of the actuarial valuations at the dates indicated.

TOWN OF LADY LAKE, FLORIDA

INDIVIDUAL FUND FINANCIAL STATEMENTS

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TOWN OF LADY LAKE, FLORIDA

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2013 AND 2012

	2013	2012
ASSETS		
Cash and Equivalents	$ 3,188,921	$ 2,730,499
Investments	4,854,717	4,888,409
Accounts Receivable:		
Franchise and Utility Taxes	221,296	220,476
Special Paving Assessments	1,021	1,415
Other	13,114	26,082
Due from Utility Fund	2,792	3,117
Due from Other Governments:		
State of Florida	181,019	160,009
Lake County	4,763	6,729
Federal	695	-
Real Property Held for Resale	20,400	50,900
Prepaid Expenditures	49,946	57,036
Total Assets	$ 8,538,684	$ 8,144,672
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts Payable	$ 497,023	$ 276,142
Accrued Payroll and Related Liabilities	120,089	77,055
Due to State of Florida	1,719	1,411
Unearned and Unavailable Revenue:		
Federal Sidewalk Grant	695	-
Business Taxes	43,405	45,706
Special Paving Assessments	1,021	1,415
Total Liabilities	663,952	401,729
FUND BALANCE:		
Nonspendable:		
Prepaid Expenditures/Resale Assets	70,346	107,936
Restricted:		
For Police Training/Equipment	18,790	4,957
For Education	1,590,846	1,590,846
For Building Inspections	-	7,339
For Recreation and Library Capital Improvements	308,271	253,198
Assigned:		
To Police	-	3,489
To Tree Beautification	7,139	9,279
Unassigned:	5,879,340	5,765,899
Total Fund Balance	7,874,732	7,742,943
Total Liabilities and Fund Balance	$ 8,538,684	$ 8,144,672

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
REVENUES:				
Taxes	$ 6,077,984	$ 6,432,042	$ 354,058	$ 6,333,553
Licenses and Permits	284,685	312,656	27,971	290,528
Intergovernmental	1,356,361	1,266,458	(89,903)	1,253,675
Charges for Services	169,182	188,237	19,055	177,124
Fines and Forfeitures	35,258	52,245	16,987	43,908
Miscellaneous	824,055	814,993	(9,062)	1,092,800
Total Revenues	8,747,525	9,066,631	319,106	9,191,588
EXPENDITURES:				
Current:				
General Government	1,646,390	1,523,567	122,823	1,398,473
Public Safety	4,498,817	4,405,663	93,154	4,150,583
Growth Management	253,550	242,670	10,880	215,450
Public Works	1,832,151	1,694,717	137,434	1,541,586
Culture and Recreation	1,105,359	986,624	118,735	1,022,768
Capital Outlay	225,000	242,358	(17,358)	-
Debt Service	204,000	204,000	-	271,372
Total Expenditures	9,765,267	9,299,599	465,668	8,600,232
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,017,742)	(232,968)	784,774	591,356
OTHER FINANCING SOURCES (USES):				
Transfer from Sales Tax Revenue Fund	204,000	204,000	-	204,000
Transfer from Utility Fund	144,123	144,123	-	128,000
Sale of Capital Assets	7,920	16,634	8,714	1,802
Lawsuit Settlement	-	-	-	(39,999)
Total Other Financing Sources	356,043	364,757	8,714	293,803
Net Change in Fund Balance	(661,699)	131,789	793,488	885,159
Fund Balance, Beginning of Year	7,742,943	7,742,943	-	6,857,784
Fund Balance, End of Year	$ 7,081,244	$ 7,874,732	$ 793,488	$ 7,742,943

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
TAXES:				
Ad Valorem Taxes	$ 2,445,224	$ 2,499,157	$ 53,933	$ 2,551,573
Local Option Gas Tax	142,000	136,363	(5,637)	136,862
County Gas Tax	17,000	16,953	(47)	17,052
Casualty Insurance Premium Tax	100,000	85,098	(14,902)	87,390
Franchise Fees:				
Electric	1,186,379	1,091,998	(94,381)	1,111,871
Gas	25,836	25,951	115	24,712
Garbage	161,000	165,636	4,636	158,432
Utility Taxes:				
Electric	855,462	868,960	13,498	808,249
Water	172,600	167,001	(5,599)	169,315
Gas	23,000	21,208	(1,792)	20,872
Communications Services Tax	900,000	1,304,575	404,575	1,189,762
Town Business Tax	49,483	49,142	(341)	57,463
Total Taxes	6,077,984	6,432,042	354,058	6,333,553
LICENSES AND PERMITS:				
Building Permits and Inspections	198,190	177,044	(21,146)	203,340
Building Plan Review Fees	41,700	65,360	23,660	35,450
Site Plan Review Fees	1,500	5,425	3,925	300
Comp Plan Amendment Fees	3,500	1,200	(2,300)	-
Annexation/Subdivision Fees	10,500	38,420	27,920	10,690
Zoning Fees	23,695	18,260	(5,435)	33,816
Other Licenses & Permits	5,600	6,947	1,347	6,932
Total Licenses and Permits	284,685	312,656	27,971	290,528
INTERGOVERNMENTAL:				
Federal Law Enforcement Grant	-	13,588	13,588	10,805
Federal Transportation Grant	44,318	-	(44,318)	49,146
Federal CDBG Grants	93,500	-	(93,500)	-
County Law Enforcement Grant	22,543	1,967	(20,576)	3,741
State Revenue Sharing	343,518	360,817	17,299	343,333
Mobile Home Licenses	36,563	40,193	3,630	39,329
Alcohol Beverage Licenses	9,537	8,562	(975)	8,058
1/2 Cent Sales Tax	642,000	679,466	37,466	631,415
State Transportation Revenue	42,000	39,406	(2,594)	38,889
County Library Agreement	108,791	108,791	-	114,404
County Business Tax	13,591	13,668	77	14,555
Total Intergovernmental	1,356,361	1,266,458	(89,903)	1,253,675

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
CHARGES FOR SERVICES:				
Villages - Public Safety	$ 100,000	$ 100,000	$ -	$ 100,000
Police Services	39,632	59,711	20,079	44,849
Road and Street Revenue	17,000	16,996	(4)	16,383
Road Conveyance Fees	-	-	-	2,800
Copies and Certifications	750	264	(486)	639
Town License Plates	-	3	3	7
Library Fees	8,800	8,183	(617)	8,023
Recreation Program Fees	3,000	3,080	80	4,423
Total Charges for Services	169,182	188,237	19,055	177,124
FINES AND FORFEITURES:				
Court Fines	20,000	21,517	1,517	18,619
Forfeitures	500	11,964	11,464	300
Animal Control Citations	-	380	380	770
Code Enforcement Fines	6,202	10,213	4,011	17,182
Police Education	3,556	2,759	(797)	2,402
Library Fines	5,000	5,412	412	4,635
Total Fines and Forfeitures	35,258	52,245	16,987	43,908
MISCELLANEOUS:				
Interest Earnings	2,500	2,499	(1)	2,252
Net Increase (Decrease) in Fair Value of Investments	75,000	(33,692)	(108,692)	109,622
Loss on Real Property Held for Resale	-	(10,641)	(10,641)	(39,255)
Building/Park Rental Fees	12,534	31,406	18,872	15,421
Paving Assessments	1,200	2,700	1,500	1,250
Fire Assessments - Villages	715,884	731,313	15,429	725,985
Library Impact Fees	-	7,820	7,820	33,626
Recreation Impact Fees	-	46,640	46,640	200,552
Contributions and Donations	619	5,168	4,549	5,740
Fuel Tax Refund	6,500	6,787	287	4,708
Insurance Claim Proceeds	6,718	9,567	2,849	24,602
Miscellaneous Revenues	3,100	15,426	12,326	8,297
Total Miscellaneous	824,055	814,993	(9,062)	1,092,800
Total Revenues	$ 8,747,525	$ 9,066,631	$ 319,106	$ 9,191,588

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
GENERAL GOVERNMENT:				
Town Commission:				
Personal Services	$ 39,786	$ 39,786	$ -	$ 39,823
Operating Expenses	8,080	8,185	(105)	7,693
Total Town Commission	47,866	47,971	(105)	47,516
Town Manager:				
Personal Services	192,085	191,246	839	185,116
Operating Expenses	7,600	3,344	4,256	2,389
Capital Outlay	-	-	-	1,518
Total Town Manager	199,685	194,590	5,095	189,023
Town Clerk:				
Personal Services	82,135	82,115	20	86,009
Operating Expenses	20,790	14,508	6,282	14,125
Election Expenses	5,000	44	4,956	8,660
Total Town Clerk	107,925	96,667	11,258	108,794
Finance Department:				
Personal Services	300,600	297,675	2,925	311,094
Operating Expenses	57,431	46,706	10,725	47,015
Capital Outlay	-	-	-	1,518
Total Finance Department	358,031	344,381	13,650	359,627
Human Resources/Risk Mgmt:				
Personal Services	111,286	114,196	(2,910)	88,970
Operating Expenses	24,527	13,480	11,047	14,243
Capital Outlay	-	-	-	1,518
Total Human Resources	135,813	127,676	8,137	104,731
Information Technology:				
Personal Services	122,255	113,071	9,184	70,378
Operating Expenses	12,805	11,334	1,471	8,097
Capital Outlay	121,963	121,738	225	-
Total Information Technology	257,023	246,143	10,880	78,475
Legal Counsel	120,000	73,756	46,244	100,569

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
GENERAL GOVERNMENT (continued):				
Other General Government:				
Operating Expenses	$ 259,692	$ 241,262	$ 18,430	$ 255,887
Aid to Private Organizations	25,990	25,790	200	13,665
Capital Outlay	225,000	246,314	(21,314)	60,725
Contingency	12,356	-	12,356	-
Total Other General Government	523,038	513,366	9,672	330,277
Facilities Maintenance:				
Personal Services	76,379	76,089	290	68,877
Operating Expenses	9,630	9,267	363	10,584
Capital Outlay	36,000	36,019	(19)	-
Total Facilities Maintenance	122,009	121,375	634	79,461
Total General Government	1,871,390	1,765,925	105,465	1,398,473
PUBLIC SAFETY:				
Police Department:				
Personal Services	2,893,927	2,753,583	140,344	2,667,730
Operating Expenses	504,505	514,426	(9,921)	418,848
Capital Outlay	144,502	141,112	3,390	97,842
Capital Outlay - Federal Grants	-	-	-	3,062
Debt Service	-	-	-	67,372
Total Police Department	3,542,934	3,409,121	133,813	3,254,854
Fire Control:				
Operating Expenses	715,884	731,311	(15,427)	725,985
Building Inspections:				
Personal Services	40,484	40,595	(111)	39,639
Operating Expenses	144,410	176,583	(32,173)	148,644
Total Building Inspections	184,894	217,178	(32,284)	188,283
Code Enforcement:				
Personal Services	40,300	33,317	6,983	34,946
Operating Expenses	14,805	14,736	69	13,887
Total Code Enforcement	55,105	48,053	7,052	48,833
Total Public Safety	4,498,817	4,405,663	93,154	4,217,955
GROWTH MANAGEMENT				
Personal Services	192,005	192,306	(301)	179,618
Operating Expenses	61,545	50,364	11,181	20,513
Capital Outlay	-	-	-	15,319
Total Growth Management	253,550	242,670	10,880	215,450

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TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
PUBLIC WORKS:				
Administration:				
Personal Services	$ 173,328	$ 171,558	$ 1,770	$ 168,955
Operating Expenses	49,613	38,779	10,834	41,410
Total Administration	222,941	210,337	12,604	210,365
Streets and Maintenance:				
Personal Services	553,092	548,851	4,241	506,526
Electric-Street Lights	154,000	157,947	(3,947)	161,471
Operating Expenses	240,150	214,250	25,900	248,963
Street Resurfacing	400,000	399,475	525	199,803
Capital Outlay	49,000	45,442	3,558	87,378
Capital Outlay - CDBG Grant	93,500	695	92,805	-
Total Streets and Maintenance	1,489,742	1,366,660	123,082	1,204,141
Motor Pool (Fleet Maintenance):				
Personal Services	97,525	96,966	559	103,558
Operating Expenses	17,243	16,062	1,181	14,124
Capital Outlay	4,700	4,692	8	9,398
Total Motor Pool	119,468	117,720	1,748	127,080
Total Public Works	1,832,151	1,694,717	137,434	1,541,586
CULTURE AND RECREATION:				
Library:				
Personal Services	349,103	336,259	12,844	335,445
Operating Expenses	160,015	126,669	33,346	123,584
Library Books	63,000	54,542	8,458	58,385
Capital Outlay	-	-	-	1,751
Debt Service	204,000	204,000	-	204,000
Total Library	776,118	721,470	54,648	723,165
Parks and Recreation:				
Personal Services	277,193	279,758	(2,565)	269,921
Operating Expenses	181,253	168,865	12,388	171,025
Operating Expenses - Community Bldg	11,200	8,841	2,359	9,413
Capital Outlay	19,277	5,465	13,812	53,244
Capital Outlay - Sidewalk Grant	44,318	6,225	38,093	-
Total Parks and Recreation	533,241	469,154	64,087	503,603
Total Culture and Recreation	1,309,359	1,190,624	118,735	1,226,768
Total Expenditures	$ 9,765,267	$ 9,299,599	$ 465,668	$ 8,600,232

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

TOWN OF LADY LAKE, FLORIDA

SPECIAL REVENUE FUND

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sales Tax Revenue Fund - This fund is used to account for the Town's share of local government infrastructure surtax revenues that are legally restricted for expenditure on infrastructure. Infrastructure is defined as public facilities with a useful life of at least five years, as well as emergency vehicles.

TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2013 AND 2012

ASSETS	2013	2012
Cash	$ 886,118	$ 707,072
Due from State of Florida	111,677	102,434
Total Assets	$ 997,795	$ 809,506
LIABILITIES AND FUND BALANCE		
Liabilities	$ -	$ -
Fund Balance, Restricted for Infrastructure	997,795	809,506
Total Liabilities and Fund Balance	$ 997,795	$ 809,506

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

TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013
With comparative actual amounts for the year ended September 30, 2012

	2013			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2012 ACTUAL
REVENUES:				
Local Government Infrastructure Surtax	$ 1,136,000	$ 1,121,772	$ (14,228)	$ 1,160,271
Interest Earned	175	627	452	343
Total Revenues	1,136,175	1,122,399	(13,776)	1,160,614
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	(204,000)	(204,000)	-	(204,000)
Transfer to Utility Fund	(730,110)	(730,110)	-	(730,138)
Total Other Financing Sources (Uses)	(934,110)	(934,110)	-	(934,138)
Net Change in Fund Balance	202,065	188,289	(13,776)	226,476
Fund Balance, Beginning of Year	809,506	809,506	-	583,030
Fund Balance, End of Year	$ 1,011,571	$ 997,795	$ (13,776)	$ 809,506

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

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TOWN OF LADY LAKE, FLORIDA

ENTERPRISE FUND

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for account-ability purposes.

Utility Fund - To account for the provision of water, sewer, and garbage services to residents of the Town.

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION
SEPTEMBER 30, 2013 AND 2012

	2013	2012
ASSETS		
CURRENT ASSETS:		
Cash	$ 1,871,799	$ 1,517,861
Investments	70,524	129,071
Restricted Cash:		
Customer Deposits	513,713	484,962
Customer Accounts Receivable, net of allowance for uncollectibles of $40,981	140,793	138,500
Unbilled Utility Service Receivables	81,739	92,396
Inventory	48,889	51,573
Prepaid Expenses	3,000	1,801
Total Current Assets	2,730,457	2,416,164
NONCURRENT ASSETS:		
RESTRICTED CASH:		
Impact Fees - Water	709,410	700,370
Impact Fees - Sewer	585,079	567,963
Impact Fees - Reuse	28,514	16,323
Total Restricted Cash	1,323,003	1,284,656
DEFERRED ENGINEERING COSTS	-	83,825
SRF AND SUNTRUST LOAN COSTS	1,134	2,269
SEWER CAPACITY RESERVATION AGREEMENT, net of accumulated amortization of $476,890 and $437,835 in 2013 and 2012, respectively	1,152,116	1,191,171
PROPERTY, PLANT, AND EQUIPMENT:		
Land	509,453	509,453
Buildings	346,587	346,587
Water Utility System	8,138,909	7,943,562
Sewer Utility System	19,090,334	18,801,082
Equipment	1,571,350	1,503,525
Construction in Progress	10,911	-
	29,667,544	29,104,209
Less Accumulated Depreciation	8,786,538	7,772,716
Net Property, Plant, and Equipment	20,881,006	21,331,493
Total Assets	26,087,716	26,309,578

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION (Continued)
SEPTEMBER 30, 2013 AND 2012

	2013	2012
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable	$ 35,593	$ 32,134
Accrued Payroll and Related Taxes	11,805	8,078
Accrued Vacation Payable	19,618	19,299
Due to General Fund	2,792	3,117
Customer Deposits	513,713	484,962
SunTrust Loan Payable:		
Current Portion	712,454	684,932
Accrued Interest Payable	2,506	4,726
Total Current Liabilities	1,298,481	1,237,248
NONCURRENT LIABILITIES:		
Accrued Vacation Payable	4,425	4,891
SunTrust Loan	60,649	773,103
Total Noncurrent Liabilities	65,074	777,994
Total Liabilities	1,363,555	2,015,242
DEFERRED INFLOWS		
Unearned Revenue	31,757	31,757
NET POSITION		
Net Investment in Capital Assets	21,260,019	21,148,454
Restricted for Utility Capital Improvements	1,323,003	1,284,655
Unrestricted	2,109,382	1,829,470
Total Net Position	$24,692,404	$24,262,579

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
OPERATING REVENUES:		
Water Sales	$ 997,288	$ 1,011,519
Sewer Revenue	608,748	604,591
Reuse Water Sales	104,467	87,693
Connection Fees	38,258	31,465
Garbage Revenue	360,974	358,768
Late Fees and Other Customer Revenue	48,149	45,947
Total Operating Revenues	2,157,884	2,139,983
OPERATING EXPENSES:		
Personal Services	573,194	563,493
Garbage Contract Services	328,389	325,861
Operating Supplies	156,098	153,001
Utilities	140,087	146,483
Other Contract Services	134,761	151,352
Insurance	75,675	80,376
Repairs and Maintenance	102,986	75,885
Professional Services	189,211	44,795
Amortization	39,055	39,055
Other Operating Expenses	56,897	60,805
Depreciation	1,013,822	1,012,469
Total Operating Expenses	2,810,175	2,653,575
Net Operating Loss	(652,291)	(513,592)
NONOPERATING REVENUES (EXPENSES):		
Interest Revenue	4,399	3,089
Increase in Fair Value of Investments	15,199	33,246
Miscellaneous Revenue	-	432
Debt Issuance Costs	(1,135)	(24,273)
Interest Expense	(42,958)	(72,355)
Total Nonoperating Revenues (Expenses)	(24,495)	(59,861)
Loss Before Contributions and Transfers	(676,786)	(573,453)
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	7,495	67,298
Sewer and Reuse Impact Fees	30,460	147,206
Developers	482,669	493,948
TRANSFERS IN - Infrastructure Taxes	730,110	730,138
TRANSFERS OUT - to General Fund	(144,123)	(128,000)
Change in Net Position	429,825	737,137
Total Net Position, Beginning of Year	24,262,579	23,525,442
Total Net Position, End of Year	$ 24,692,404	$ 24,262,579

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	$ 2,194,999	$ 2,154,520
Cash Payments to Employees for Services	(569,614)	(564,616)
Cash Payments to Suppliers for Goods and Services	(1,104,120)	(1,041,664)
Net Cash Provided by Operating Activities	521,265	548,240
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grant and Other Revenue	-	432
Transfer to General Fund	(144,123)	(128,000)
Net Cash Used in Noncapital Financing Activities	(144,123)	(127,568)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Transfer from Sales Tax Revenue Fund - Infrastructure Taxes	730,110	730,138
Water, Sewer and Reuse Impact Fees Received	37,955	410,576
Developer Impact Fee Reimbursements	-	(196,072)
State Revolving Fund Loan Interest Paid	-	(3,569)
State Revolving Fund Loan Principal Repayments	-	(121,248)
Suntrust Loan Interest Paid	(45,178)	(71,820)
Suntrust Loan Principal Paid	(684,932)	(658,317)
Acquisition and Construction of Capital Assets	(72,206)	(82,047)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(34,251)	7,641
CASH FLOWS FROM INVESTING ACTIVITIES:		
State Board Fund B Pool Investment	73,746	29,257
Interest Received on Demand Deposits	4,399	3,089
Net Cash Provided by Investing Activities	78,145	32,346
NET INCREASE IN CASH	421,036	460,659
Cash at Beginning of Year	3,287,479	2,826,820
Cash at End of Year	$ 3,708,515	$ 3,287,479

Continued on next page

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	$ (652,291)	$ (513,592)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and Amortization	1,052,877	1,051,524
Write off Engineering Costs	75,365	-
(Increase) Decrease in Accounts Receivable	(2,293)	17,362
(Increase) Decrease in Unbilled Receivables	10,657	(9,707)
Increase (Decrease) in Inventory	2,684	(371)
Increase in Prepaid Expenses	(1,199)	(801)
Increase (Decrease) in Accounts Payable	3,459	(2,226)
Increase (Decrease) in Due to General Fund	(325)	292
Increase (Decrease) in Accrued Payroll and Related Taxes	3,727	(4,508)
Increase (Decrease) in Accrued Vacation Payable	(147)	3,385
Increase in Customer Deposits	28,751	6,882
Total Adjustments	1,173,556	1,061,832
Net Cash Provided by Operating Activities	$ 521,265	$ 548,240
NONCASH CAPITAL ACTIVITIES:		
Developer utility system contributions	$ 482,669	$ 493,948
NONCASH INVESTING ACTIVITIES:		
State Board Fund B Pool investment gain	15,199	33,246

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

TOWN OF LADY LAKE, FLORIDA

UTILITY FUND
SCHEDULE OF BUDGETARY COMPLIANCE

The Town Commission adopted a budget ordinance for the General, Sales Tax Revenue, and Utility Funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles. The following schedule is presented to report legal compliance with the Town's budget ordiance.

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:			
Water Sales	$ 985,000	$ 997,288	$ 12,288
Sewer Revenue	575,200	608,748	33,548
Reuse Water Sales	105,000	104,467	(533)
Connection Fees	35,000	38,258	3,258
Garbage Revenue	354,741	360,974	6,233
Late Fees and Other Revenue	56,600	48,149	(8,451)
Interest Revenue	1,900	4,399	2,499
Increase in Fair Value of Investments	10,000	15,199	5,199
Water, Sewer and Reuse Impact Fees	-	37,955	37,955
Transfers in from Sales Tax Revenue Fund	730,110	730,110	-
Total Revenues	2,853,551	2,945,547	91,996
EXPENSES:			
Personal Services	600,407	573,194	27,213
Operating Expenses - Water	417,291	374,809	42,482
Operating Expenses - Sewer	413,454	405,541	7,913
Operating Expenses - Garbage	335,618	328,389	7,229
Amortization	39,055	39,055	-
Interest Expense	45,178	42,958	2,220
Debt Issuance Costs	19,048	1,135	17,913
Principal - Utility Debt	684,932	684,932	-
Equipment Purchases	137,122	67,825	69,297
Utility System Improvements	91,219	4,351	86,868
Transfers out to General Fund	144,123	144,123	-
Total Expenses	2,927,447	2,666,312	261,135
Excess (Deficiency) of Revenues Over (Under) Expenses	$ (73,896)	$ 279,235	$ 353,131

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

TOWN OF LADY LAKE, FLORIDA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL ACTIVITIES

TOWN OF LADY LAKE, FLORIDA
COMPARATIVE SCHEDULE OF CAPITAL ASSETS
USED IN GOVERNMENTAL ACTIVITIES - BY SOURCE
SEPTEMBER 30, 2013 AND 2012

	2013	2012
CAPITAL ASSETS:		
Land	$ 1,902,707	$ 1,660,349
Buildings	12,054,687	12,054,687
Improvements Other Than Buildings	1,968,314	1,964,774
Furniture and Equipment	4,765,411	4,666,030
Infrastructure	1,480,447	1,480,447
Construction in Progress	187,883	180,654
Total Capital Assets	$ 22,359,449	$ 22,006,941
INVESTMENT IN CAPITAL ASSETS FROM:		
Excise Taxes Revenue Bonds	$ 375,000	$ 375,000
Capital Improvement Revenue Bonds	293,287	293,287
Federal Grants	450,542	450,542
State of Florida Grants	582,829	582,829
Lake County Grants	631,040	631,040
Donations and Developer Contributions	2,499,176	2,501,153
General Fund Revenues	17,527,575	17,173,090
Total Investment in Capital Assets	$ 22,359,449	$ 22,006,941

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

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2013

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	FURNITURE AND EQUIPMENT	INFRA-STRUCTURE	CONSTRUCTION IN PROGRESS	TOTAL
GENERAL GOVERNMENT:							
Town Manager	$ -	$ -	$ -	$ 9,684	$ -	$ -	$ 9,684
Town Clerk	-	-	-	12,926	-	-	12,926
Finance	-	-	-	32,721	-	-	32,721
Human Resources	-	-	-	8,706	-	-	8,706
Information Technology	-	-	-	122,984	-	-	122,984
Other General Government	1,245,740	2,848,875	174,336	440,336	-	-	4,709,287
Facilities Maintenance	-	-	-	75,225	-	-	75,225
Total General Government	1,245,740	2,848,875	174,336	702,582	-	-	4,971,533
PUBLIC SAFETY:							
Police	-	4,675	8,806	2,091,833	-	-	2,105,314
Building Inspections/Code Enf	-	-	-	19,292	-	-	19,292
Total Public Safety	-	4,675	8,806	2,111,125	-	-	2,124,606
GROWTH MANAGEMENT	-	-	-	98,369	-	-	98,369
PUBLIC WORKS:							
Administration	-	1,639,187	13,502	56,461	-	-	1,709,150
Streets and Maintenance	174,247	142,433	124,484	1,029,228	1,480,447	69,183	3,020,022
Motor Pool	-	6,437	-	76,241	-	-	82,678
Total Public Works	174,247	1,788,057	137,986	1,161,930	1,480,447	69,183	4,811,850
CULTURE AND RECREATION:							
Library	48,000	6,631,993	-	239,038	-	-	6,919,031
Parks and Recreation	434,720	781,087	1,647,186	452,367	-	118,700	3,434,060
Total Culture and Recreation	482,720	7,413,080	1,647,186	691,405	-	118,700	10,353,091
Total Capital Assets	$ 1,902,707	$ 12,054,687	$ 1,968,314	$ 4,765,411	$ 1,480,447	$ 187,883	$ 22,359,449

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

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FUNCTION AND ACTIVITY	BALANCE 9/30/2012	ADDITIONS	TRANSFERS/ DISPOSALS	BALANCE 9/30/2013
GENERAL GOVERNMENT:				
Town Manager	$ 10,614	$ -	$ (930)	$ 9,684
Town Clerk	8,096	-	4,830	12,926
Finance	46,713	-	(13,992)	32,721
Human Resources	7,551	-	1,155	8,706
Information Technology	-	121,738	1,246	122,984
Other General Government	4,492,536	246,314	(29,563)	4,709,287
Facilities Maintenance	39,206	36,019	-	75,225
Total General Government	4,604,716	404,071	(37,254)	4,971,533
PUBLIC SAFETY:				
Police	2,168,130	141,112	(203,928)	2,105,314
Building Inspections/Code Enforce	23,156	-	(3,864)	19,292
Total Public Safety	2,191,286	141,112	(207,792)	2,124,606
GROWTH MANAGEMENT	100,574	-	(2,205)	98,369
PUBLIC WORKS:				
Administration	1,777,638	-	(68,488)	1,709,150
Streets and Maintenance	2,906,420	46,137	67,465	3,020,022
Motor Pool	82,461	4,692	(4,475)	82,678
Total Public Works	4,766,519	50,829	(5,498)	4,811,850
CULTURE AND RECREATION:				
Library	6,921,476	-	(2,445)	6,919,031
Parks and Recreation	3,422,370	11,690	-	3,434,060
Total Culture and Recreation	10,343,846	11,690	(2,445)	10,353,091
Total Capital Assets	$ 22,006,941	$ 607,702	$ (255,194)	$ 22,359,449

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

STATISTICAL SECTION

This section of the Town of Lady Lake's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	82-92
Revenue Capacity These schedules contain information to help the reader assess the Town's most significant revenue source, the property tax.	93-96
Debt Capacity These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	97-100
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.	101-104
Operating Information 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 city provides and the activities it performs.	105-109

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

The Town implemented GASB Statement 34 in fiscal year 2004; schedules presenting government-wide information include information beginning in that year.

The Town implemented GASB Statement 44 in fiscal year 2006; schedules presenting demographic, operating, and capital asset statistics include information beginning in that year.

TOWN OF LADY LAKE, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	$ 8,380,181	$ 9,268,919	$ 9,548,775	$ 9,634,717
Restricted for:				
Capital Improvements	2,501,542	3,192,710	2,168,936	138,759
Debt Service	53,555	12,680	-	-
Police	71,970	83,532	46,970	78,284
Building Inspections	-	30,481	27,878	237,603
Education	-	-	117,000	1,391,646
Tornado Relief	-	-	-	11,891
Unrestricted	4,659,004	5,121,152	5,116,313	4,948,479
Total Governmental Activities Net Position	$ 15,666,252	$ 17,709,474	$ 17,025,872	$ 16,441,379
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	$ 6,873,868	$ 7,379,680	$ 10,457,799	$ 14,288,577
Restricted for:				
Capital Improvements	550,291	1,261,319	1,257,488	3,866,056
Debt Service	57,168	57,904	59,402	61,074
Unrestricted	645,135	1,292,801	947,600	1,538,871
Total Business-type Activities Net Position	$ 8,126,462	$ 9,991,704	$ 12,722,289	$ 19,754,578
TOWN OF LADY LAKE				
Net Investment in Capital Assets	$ 15,254,049	$ 16,648,599	$ 20,006,574	$ 23,923,294
Restricted for:				
Capital Improvements	3,051,833	4,454,029	3,426,424	4,004,815
Debt Service	110,723	70,584	59,402	61,074
Police	71,970	83,532	46,970	78,284
Building Inspections	-	30,481	27,878	237,603
Education	-	-	117,000	1,391,646
Tornado Relief	-	-	-	11,891
Unrestricted	5,304,139	6,413,953	6,063,913	6,487,350
Total Town of Lady Lake Net Position	$ 23,792,714	$ 27,701,178	$ 29,748,161	$ 36,195,957

Note: This schedule reports trend information for all years beginning with the year the Town implemented GASB 34.

Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
$ 10,361,952	$ 10,365,935	$ 9,603,282	$ 11,155,386	$ 10,834,189	$ 10,682,438
511,694	781,865	1,781,385	18,694	253,198	308,271
-	-	-	-	-	-
52,245	53,345	56,908	24,520	4,957	18,790
152,649	110,568	29,295	-	7,339	-
1,584,846	1,587,846	1,590,846	1,590,846	1,590,846	1,590,846
-	-	-	-	-	-
3,363,431	3,327,725	4,301,552	5,671,890	6,512,844	6,736,665
$ 16,026,817	$ 16,227,284	$ 17,363,268	$ 18,461,336	$ 19,203,373	$ 19,337,010
$ 18,689,898	$ 20,404,754	$ 21,138,522	$ 20,844,418	$ 21,148,454	$ 21,260,019
1,577,122	1,238,859	1,039,979	1,075,399	1,284,655	1,323,003
61,755	62,627	63,190	63,768	-	-
1,262,800	1,053,781	1,212,779	1,541,857	1,829,470	2,109,382
$ 21,591,575	$ 22,760,021	$ 23,454,470	$ 23,525,442	$ 24,262,579	$ 24,692,404
$ 29,051,850	$ 30,770,689	$ 30,741,804	$ 31,999,804	$ 31,982,643	$ 31,942,457
2,088,816	2,020,724	2,821,364	1,094,093	1,537,853	1,631,274
61,755	62,627	63,190	63,768	-	-
52,245	53,345	56,908	24,520	4,957	18,790
152,649	110,568	29,295	-	7,339	-
1,584,846	1,587,846	1,590,846	1,590,846	1,590,846	1,590,846
-	-	-	-	-	-
4,626,231	4,381,506	5,514,331	7,213,747	8,342,314	8,846,047
$ 37,618,392	$ 38,987,305	$ 40,817,738	$ 41,986,778	$ 43,465,952	$ 44,029,414

TOWN OF LADY LAKE, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
EXPENSES				
Governmental Activities:				
General Government	$ 1,340,672	$ 1,606,240	$ 1,637,919	$ 3,245,414
Public Safety	2,909,183	3,241,998	3,406,644	4,172,689
Growth Management	163,464	279,413	304,620	491,530
Public Works	1,039,906	943,419	1,218,962	1,215,478
Culture and Recreation	704,576	732,173	891,205	953,119
Interest on Long-term Debt	4,945	2,874	689	9,159
Total Governmental Activities Expenses	6,162,746	6,806,117	7,460,039	10,087,389
Business-Type Activities				
Water	599,645	706,022	746,586	831,499
Sewer	241,458	380,139	492,555	824,302
Garbage	321,968	322,560	295,876	308,998
Total Business-Type Activities Expenses	1,163,071	1,408,721	1,535,017	1,964,799
Total Expenses	$ 7,325,817	$ 8,214,838	$ 8,995,056	$ 12,052,188
PROGRAM REVENUES				
Governmental Activities:				
Charges for Services:				
General Government	$ 114,759	$ 117,350	$ 110,065	$ 170,940
Public Safety	752,636	961,987	1,005,185	1,553,192
Growth Management	9,574	106,830	191,175	197,300
Public Works	-	-	-	-
Culture and Recreation	17,115	19,280	25,188	30,295
Operating Grants and Contributions	489,713	517,270	366,040	1,807,208
Capital Grants and Contributions	383,203	1,307,707	260,432	1,501,163
Total Governmental Activities Program Revenues	1,767,000	3,030,424	1,958,085	5,260,098
Business-Type Activities:				
Charges for Services:				
Water	596,604	673,369	803,771	864,502
Sewer	159,602	177,456	221,593	290,827
Garbage	314,947	313,534	328,757	335,531
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	394,131	1,318,567	265,486	4,004,394
Total Business-Type Activities Program Revenues	1,465,284	2,482,926	1,619,607	5,495,254
Total Program Revenues	$ 3,232,284	$ 5,513,350	$ 3,577,692	$ 10,755,352
NET REVENUE (EXPENSE)				
Governmental Activities	$ (4,395,746)	$ (3,775,693)	$ (5,501,954)	$ (4,827,291)
Business-Type Activities	302,213	1,074,205	84,590	3,530,455
Total Net Expense	$ (4,093,533)	$ (2,701,488)	$ (5,417,364)	$ (1,296,836)

Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
$ 2,116,586	$ 1,933,144	$ 1,717,836	$ 1,526,644	$ 1,480,301	$ 1,521,779
4,675,709	4,515,835	4,521,168	4,252,583	4,183,461	4,433,960
428,130	267,442	246,849	267,673	205,076	248,856
1,459,612	1,509,663	1,380,692	1,531,843	1,642,133	1,809,065
1,026,511	999,196	1,000,149	1,195,056	1,334,575	1,332,810
9,339	11,916	133,743	148,077	143,289	139,871
9,715,887	9,237,196	9,000,437	8,921,876	8,988,835	9,486,341
933,226	1,133,735	1,134,744	1,091,782	1,157,928	1,151,286
774,490	1,226,015	1,289,583	1,271,914	1,266,414	1,374,593
311,864	312,382	312,829	318,655	325,861	328,389
2,019,580	2,672,132	2,737,156	2,682,351	2,750,203	2,854,268
$ 11,735,467	$ 11,909,328	$11,737,593	$11,604,227	$11,739,038	$12,340,609
$ 179,083	$ 36,471	$ 19,975	$ 33,050	$ 20,583	$ 46,061
1,393,794	1,208,716	1,113,352	1,049,975	1,148,897	1,180,261
186,009	76,803	56,217	49,930	44,806	63,305
-	-	13,466	16,475	19,183	16,996
29,163	25,978	29,210	27,272	32,502	48,081
408,982	279,589	313,310	396,452	198,181	180,793
579,163	148,211	559,587	493,353	234,178	55,155
2,776,194	1,775,768	2,105,117	2,066,507	1,698,330	1,590,652
1,073,086	1,000,324	955,189	1,044,641	1,070,237	1,063,469
347,695	576,178	629,730	699,705	710,978	733,441
338,233	338,203	340,418	359,543	358,768	360,974
-	-	-	1,890	432	-
1,342,358	1,361,733	836,819	34,488	708,452	520,624
3,101,372	3,276,438	2,762,156	2,140,267	2,848,867	2,678,508
$ 5,877,566	$ 5,052,206	$ 4,867,273	$ 4,206,774	$ 4,547,197	$ 4,269,160
$ (6,939,693)	$ (7,461,428)	$ (6,895,320)	$ (6,855,369)	$ (7,290,505)	$ (7,895,689)
1,081,792	604,306	25,000	(542,084)	98,664	(175,760)
$ (5,857,901)	$ (6,857,122)	$ (6,870,320)	$ (7,397,453)	$ (7,191,841)	$ (8,071,449)

Continued on Next Page

TOWN OF LADY LAKE, FLORIDA
CHANGES IN NET POSITION (continued)
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
GENERAL REVENUES AND TRANSFERS				
Governmental Activities:				
Taxes:				
Property Taxes	$ 1,178,505	$ 1,309,238	$ 1,458,224	$ 1,802,719
Sales Taxes	1,834,115	2,027,064	2,193,756	1,934,966
Franchise Fees	766,679	848,131	1,080,606	1,102,074
Utility Taxes	1,230,828	1,338,458	1,455,720	1,558,851
Excise Taxes	492,015	706,170	774,014	708,491
Unrestricted Investment Earnings	139,378	189,312	358,472	454,554
Gain on Sale of Capital Assets	12,700	4,052	-	-
Transfers	(84,819)	(603,510)	(2,502,440)	(3,318,857)
Total Governmental Activities	5,569,401	5,818,915	4,818,352	4,242,798
Business-Type Activities:				
Unrestricted Investment Earnings	23,267	187,527	143,555	182,977
Transfers	84,819	603,510	2,502,440	3,318,857
Total Business-Type Activities	108,086	791,037	2,645,995	3,501,834
Total General Revenues and Transfers	$ 5,677,487	$ 6,609,952	$ 7,464,347	$ 7,744,632
CHANGE IN NET POSITION				
Governmental Activities	$ 1,173,655	$ 2,043,222	$ (683,602)	$ (584,493)
Business-Type Activities	410,299	1,865,242	2,730,585	7,032,289
Total Change in Net Position	$ 1,583,954	$ 3,908,464	$ 2,046,983	$ 6,447,796

Note: This schedule reports trend information for all years beginning with the year the Town implemented GASB 34.

Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
$ 1,998,784	$ 2,581,571	$ 2,717,691	$ 2,611,571	$ 2,551,573	$ 2,499,157
1,750,420	1,569,576	1,591,571	1,751,849	1,763,033	1,801,238
1,136,241	1,298,195	1,449,685	1,365,739	1,295,015	1,283,585
1,484,241	1,791,745	1,976,462	1,980,086	2,208,800	2,361,744
644,564	697,758	699,282	703,755	704,042	710,796
212,044	329,145	202,738	130,564	112,217	(41,207)
-	-	-	-	-	-
(701,163)	(606,095)	(606,125)	(590,127)	(602,138)	(585,987)
6,525,131	7,661,895	8,031,304	7,953,437	8,032,542	8,029,326
54,042	(41,955)	63,324	22,929	36,335	19,598
701,163	606,095	606,125	590,127	602,138	585,987
755,205	564,140	669,449	613,056	638,473	605,585
$ 7,280,336	$ 8,226,035	$ 8,700,753	$ 8,566,493	$ 8,671,015	$ 8,634,911
$ (414,562)	$ 200,467	$ 1,135,984	$ 1,098,068	$ 742,037	$ 133,637
1,836,997	1,168,446	694,449	70,972	737,137	429,825
$ 1,422,435	$ 1,368,913	$ 1,830,433	$ 1,169,040	$ 1,479,174	$ 563,462

TOWN OF LADY LAKE
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2004	2005	2006	2007
General Fund				
Nonspendable	$ -	$ -	$ -	$ -
Restricted	-	-	-	-
Reserved	134,255	250,293	253,335	1,918,082
Assigned	-	-	-	-
Unassigned	-	-	-	-
Unreserved	4,495,698	5,077,867	5,199,945	4,831,656
Total General Fund	$ 4,629,953	$ 5,328,160	$ 5,453,280	$ 6,749,738
All Other Governmental Funds				
Restricted	$ -	$ -	$ -	$ -
Reserved	2,555,097	3,205,390	2,168,936	138,759
Unreserved, reported in:				
Debt service funds	10,732	33,165	-	-
Total all other governmental funds	$ 2,565,829	$ 3,238,555	$ 2,168,936	$ 138,759

2008	2009	2010	2011	2012	2013
$ -	$ -	$ -	$ 141,268	$ 107,936	$ 70,346
-	-	-	1,634,060	1,856,340	1,917,907
1,920,764	1,957,396	2,244,175	-	-	-
-	-	-	21,431	12,768	7,139
-	-	-	5,061,025	5,765,899	5,879,340
3,325,535	3,360,942	4,307,215	-	-	-
$ 5,246,299	$ 5,318,338	$ 6,551,390	$ 6,857,784	$ 7,742,943	$ 7,874,732
$ -	$ -	$ -	$ 583,030	$ 809,506	$ 997,795
511,694	776,419	891,389	-	-	-
-	-	-	-	-	-
$ 511,694	$ 776,419	$ 891,389	$ 583,030	$ 809,506	$ 997,795

TOWN OF LADY LAKE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2004	2005	2006	2007	2008
Revenues					
Taxes	$ 4,421,158	$ 4,988,671	$ 5,646,998	$ 5,917,231	$ 6,005,261
Licenses and Permits	182,997	497,441	599,368	1,088,610	772,972
Intergovernmental Revenues	1,375,162	2,021,370	1,688,267	2,926,694	1,482,333
Charges for Services	128,800	143,377	139,781	150,950	158,561
Fines and Forfeitures	90,429	72,948	83,664	107,193	118,481
Investment Earnings	139,378	189,312	358,472	454,554	212,044
Miscellaneous	853,999	910,955	765,804	2,175,751	1,014,262
Total Revenues	7,191,923	8,824,074	9,282,354	12,820,983	9,763,914
Expenditures					
General Government	1,232,242	1,483,321	1,696,456	3,121,174	1,976,628
Public Safety	2,769,791	3,166,649	3,567,311	4,706,147	4,560,641
Growth Management	158,050	279,668	301,659	487,836	437,204
Public Works	922,035	775,849	1,165,617	1,122,347	1,356,600
Culture and Recreation	583,211	611,836	866,326	942,050	905,622
Capital Outlay	382,787	507,330	117,484	55,668	882,986
Debt Service:					
Principal	36,000	38,000	11,991	74,494	62,282
Interest	4,945	2,874	689	-	12,212
Total Expenditures	6,089,061	6,865,527	7,727,533	10,509,716	10,194,175
Excess (Deficiency) of Revenues over (under) Expenditures	1,102,862	1,958,547	1,554,821	2,311,267	(430,261)
Other Financing Sources (Uses)					
Loan Proceeds	-	-	-	-	-
Capital Lease	-	-	-	273,065	-
Transfers in	26,000	28,000	115,628	30,500	29,000
Transfers out	(110,819)	(631,510)	(2,618,068)	(3,349,357)	(730,163)
Sale of Capital Assets	13,165	15,896	3,120	806	920
Other Losses	-	-	-	-	-
Total Other Financing Sources (Uses)	(71,654)	(587,614)	(2,499,320)	(3,044,986)	(700,243)
Net Change in Fund Balances	$ 1,031,208	$ 1,370,933	$ (944,499)	$ (733,719)	$ (1,130,504)
Debt service as a percentage of noncapital expenditures	0.7%	0.7%	0.2%	0.8%	0.8%

2009	2010	2011	2012	2013
$ 7,020,405	$ 7,382,152	$ 7,321,480	$ 7,493,824	$ 7,553,814
409,063	294,920	268,169	290,528	312,656
1,396,891	1,304,226	2,326,516	1,253,675	1,266,458
163,865	172,804	171,293	177,124	188,237
84,927	67,747	32,505	43,908	52,245
329,145	202,738	130,564	72,962	(41,207)
749,223	727,893	777,482	1,020,181	856,827
10,153,519	10,152,480	11,028,009	10,352,202	10,189,030
1,815,854	1,477,360	1,407,678	1,398,473	1,523,567
4,605,430	4,272,207	4,039,535	4,150,583	4,405,663
257,645	236,642	260,165	215,450	242,670
1,336,765	1,359,998	1,396,223	1,541,586	1,694,717
866,044	895,223	1,047,000	1,022,768	986,624
445,688	3,086,961	2,018,776	-	242,358
130,111	167,895	120,892	125,584	63,900
8,383	127,041	150,480	145,788	140,100
9,465,920	11,623,327	10,440,749	8,600,232	9,299,599
687,599	(1,470,847)	587,260	1,751,970	889,431
-	3,400,000	-	-	-
251,000	-	-	-	-
124,000	277,057	826,608	332,000	348,123
(730,095)	(883,182)	(1,416,735)	(934,138)	(934,110)
4,260	24,994	902	1,802	16,634
-	-	-	(39,999)	-
(350,835)	2,818,869	(589,225)	(640,335)	(569,353)
$ 336,764	$ 1,348,022	$ (1,965)	$ 1,111,635	$ 320,078
1.5%	3.6%	3.3%	3.2%	2.3%

TOWN OF LADY LAKE, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

FISCAL YEAR	PROPERTY TAXES	INFRA-STRUCTURE SALES SURTAX	EXCISE TAXES	FRANCHISE FEES	UTILITY TAXES	COMMUNI-CATIONS SERVICES TAX	TOTAL TAXES
2004	$ 1,178,505	$1,103,045	$142,101	$ 766,679	$ 684,444	$ 546,384	$4,421,158
2005	1,309,238	1,244,071	248,773	848,131	738,739	599,719	4,988,671
2006	1,458,224	1,376,427	276,021	1,080,606	787,841	667,879	5,646,998
2007	1,802,719	1,211,879	241,708	1,102,074	798,398	760,453	5,917,231
2008	1,998,784	1,099,337	138,315	1,136,241	823,382	809,202	6,005,261
2009	2,581,571	991,668	390,202	1,298,195	928,796	829,973	7,020,405
2010	2,717,691	997,730	303,638	1,449,685	1,107,660	823,485	7,399,889
2011	2,611,571	1,108,224	305,308	1,365,739	1,073,087	857,551	7,321,480
2012	2,551,573	1,160,271	298,767	1,295,015	998,436	1,189,762	7,493,824
2013	2,499,157	1,121,772	287,556	1,283,585	1,057,169	1,304,575	7,553,814

TOWN OF LADY LAKE, FLORIDA
ESTIMATED JUST VALUE AND TAXABLE (ASSESSED) VALUE OF PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR	REAL PROPERTY ESTIMATED JUST VALUE	REAL PROPERTY TAXABLE VALUE	PERSONAL PROPERTY ESTIMATED JUST VALUE	PERSONAL PROPERTY TAXABLE VALUE	TOTAL ESTIMATED JUST VALUE	TOTAL TAXABLE VALUE	DIRECT TAX RATE	TAXABLE VALUE PERCENTAGE OF JUST VALUE
2004	$ 728,490,160	$496,385,446	$ 110,170,441	$57,234,274	$ 838,660,601	$ 553,619,720	2.200	66.01%
2005	821,292,460	541,904,735	119,672,957	66,507,697	940,965,417	608,412,432	2.200	64.66%
2006	935,927,027	618,734,443	122,393,790	69,210,517	1,058,320,817	687,944,960	2.200	65.00%
2007	1,123,319,733	749,900,730	152,219,097	98,519,590	1,275,538,830	848,420,320	2.200	66.51%
2008	1,233,366,562	856,012,788	137,809,865	85,841,775	1,371,176,427	941,854,563	2.200	68.69%
2009	1,210,867,523	777,261,395	136,738,119	79,496,526	1,347,605,642	856,757,921	3.087	63.58%
2010	1,152,451,691	772,717,249	143,010,344	87,983,845	1,295,462,035	860,701,094	3.281	66.44%
2011	1,091,692,049	742,189,105	135,380,406	82,087,812	1,227,072,455	824,276,917	3.281	67.17%
2012	1,057,818,762	726,450,279	130,303,491	76,692,713	1,188,122,253	803,142,992	3.281	67.60%
2013	1,019,816,118	709,540,478	130,136,050	76,436,973	1,149,952,168	785,977,451	3.281	68.35%

Source-Lake County Property Appraiser's Office

The property appraiser is required to physically inspect the property at least once every 5 years. Homesteaded property is reassessed annually on January 1. Any change resulting from such reassessment shall not exceed the lower of 3% of the prior year's assessed value or the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or sucessor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

The estimated just value is adjusted down to the taxable value due to governmental exemptions, widows/widowers exemption, disability/blind exemption, institutional exemption for charitable, religious, scientific, literary and educational, $25,000 homestead exemption, additional $25,000 homestead exemption age 65 and older, and the homestead assessment differential (just value minus capped value).

For fiscal year 2009 and after, an additional homestead exemption of up to $25,000 for home values above $50,000 was approved by constitutional amendment. The amendment also includes other provisions that have an effect on tangible personal property and non-homestead property taxable values.

TOWN OF LADY LAKE, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF TAXABLE ASSESSED VALUE)
LAST TEN FISCAL YEARS

		OVERLAPPING RATES						
FISCAL YEAR	TOWN DIRECT RATE	LAKE COUNTY	SCHOOL DISTRICT	WATER CONSERVATION AUTHORITY	WATER MANAGEMENT DISTRICT	AMBULANCE DISTRICT	HOSPITAL DISTRICT	TOTAL DIRECT AND OVERLAPPING RATES
2004	2.200	5.917	8.440	0.408	0.462	0.529	1.000	18.956
2005	2.200	5.817	7.990	0.383	0.462	0.529	1.000	18.381
2006	2.200	5.797	7.981	0.337	0.462	0.529	1.000	18.306
2007	2.200	5.947	7.648	0.253	0.462	0.529	1.000	18.039
2008	2.200	4.941	7.698	0.213	0.416	0.465	1.000	16.933
2009	3.087	4.761 *	7.517	0.213	0.416	0.465	1.000	17.459 *
2010	3.281	5.083 *	7.532	0.213	0.416	0.465	1.000	17.990 *
2011	3.281	5.163 *	7.523	0.241	0.416	0.385	1.000	18.009 *
2012	3.281	5.163 *	7.394	0.241	0.331	0.385	1.000	17.795 *
2013	3.281	4.731 *	7.320	0.255	0.331	0.385	1.000	17.303 *

Source-Lake County Property Appraiser's Office

Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The Town's direct rate does not have any separate components.

Overlapping rates are those of local and county governments that apply to property owners within the Town of Lady Lake.

* An overlapping rate of .3222 for Lake County MSTU Fire was added in FY2009 but only to Town of Lady Lake property which is located outside of The Villages Fire Protection Special Assessment District. This new overlapping rate applies to less than 50% of the Town of Lady Lake's total taxable value.

TOWN OF LADY LAKE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2013
CURRENT YEAR COMPARED TO NINE YEARS AGO

	Fiscal Year 2013			Fiscal Year 2004		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Villages Operating Company	$ 34,040,459	1	4.33%			
Lazy B Cattle Venture LTD	25,986,881	2	3.31%	$ 21,809,429	2	3.94%
GMC Lady Lake LLC	21,831,182	3	2.78%			
Sun Communities Finance LP	19,767,138	4	2.51%			
SRK Lady Lake 21 Associates, LLC	16,931,384	5	2.15%			
New Providence Rolling Acres LP	16,310,549	6	2.08%			
Lady Lake Apartments LLC	10,912,984	7	1.39%			
Villages of Lake Sumter Inc	7,266,295	8	0.92%	53,741,321	1	9.71%
Sam's East Inc	6,802,134	9	0.87%			
WRYP AFL LLC	6,167,135	10	0.78%			
The Villages of Lake-Sumter Inc				15,411,505	3	2.78%
Sun Communities Finance				10,517,246	4	1.90%
Sprint-Florida Incorporated				9,982,328	5	1.80%
Sun Communities Finance, LLC				7,753,271	6	1.40%
Caleb's Place, Inc				6,174,475	7	1.12%
Central Florida Lodging				4,612,280	8	0.83%
630 Griffen Ave., LLC				4,409,055	9	0.80%
Lady Lake Inc.				4,129,260	10	0.75%
Total	$ 166,016,141		21.12%	$ 138,540,170		25.02%
Total Taxable Assessed Valuation	$ 785,977,451			$ 553,619,720		

Source: Tax year is equivalent to the following fiscal year. Tax Year 2012 and Tax Year 2003 ad valorem tax rolls of the Town of Lady Lake, Florida and Lake County Property Appraiser DR-403 AM.

TOWN OF LADY LAKE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
2004	$ 1,217,963	$ 1,174,094	96.4%	$ 4,411	$ 1,178,505	96.8%
2005	1,338,507	1,306,827	97.6%	2,411	1,309,238	97.8%
2006	1,513,479	1,455,994	96.2%	2,230	1,458,224	96.3%
2007	1,866,525	1,801,192	96.5%	1,527	1,802,719	96.6%
2008	2,072,080	1,996,742	96.4%	2,042	1,998,784	96.5%
2009	2,644,812	2,579,917	97.5%	1,654	2,581,571	97.6%
2010	2,823,960	2,716,421	96.2%	1,270	2,717,691	96.2%
2011	2,704,453	2,606,368	96.4%	5,203	2,611,571	96.6%
2012	2,635,112	2,548,744	96.7%	2,829	2,551,573	96.8%
2013	2,578,635	2,490,098	96.6%	9,059	2,499,157	96.9%

See Note 13 for discounts allowed for early payment of taxes.

TOWN OF LADY LAKE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income[a]	Per Capita[a]
	Revenue Note	Capital Lease	Loans Payable			
2004	$ 49,991	$ -	$ 610,247	$ 660,238	N/A	$ 52
2005	11,991	-	6,115,127	6,127,118	N/A	482
2006	-	-	5,528,642	5,528,642	1.86%	432
2007	-	198,571	4,920,503	5,119,074	1.80%	399
2008	-	136,289	4,288,688	4,424,977	1.49%	337
2009	-	257,178	3,631,421	3,888,599	1.12%	275
2010	3,362,194	127,089	2,948,061	6,437,344	1.82%	462
2011	3,303,604	64,787	2,237,600	5,605,991	1.52%	402
2012	3,242,807	-	1,458,035	4,700,842	1.19%	338
2013	3,178,907	-	773,103	3,952,010	1.09%	283

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

[a] See Page 101-103 for personal income and population data.

N/A - Information is not available

TOWN OF LADY LAKE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

The Town of Lady Lake has had no general bonded debt during the last ten fiscal years

TOWN OF LADY LAKE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2013

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	$ -	4.56%	$ -
Other debt			-
Subtotal, overlapping debt			-
Direct debt			3,178,907
Total direct and overlapping debt			$ 3,178,907

Note: The Town of Lady Lake has no ordinance which limits general obligation debt to a percentage of assessed property values.

The estimated percentage applicable to the Town of Lady Lake is based upon Town/Lake County population ratio.

TOWN OF LADY LAKE, FLORIDA
PLEDGED-REVENUE COVERAGE
INFRASTRUCTURE SALES SURTAXES
LAST TEN FISCAL YEARS

Fiscal Year	Infrastructure Sales Surtaxes Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	$ 1,103,045	$ -	$ -	$ -	-
2005	1,244,071	432,359	199,151	631,510	1.97
2006	1,376,427	521,495	210,175	731,670	1.88
2007	1,211,879	540,842	189,287	730,129	1.66
2008	1,099,337	562,128	168,035	730,163	1.51
2009	991,668	585,105	144,990	730,095	1.36
2010	997,730	646,442	236,740	883,182	1.13
2011	1,108,224	691,673	242,454	934,127	1.19
2012	1,160,271	719,114	215,023	934,137	1.24
2013	1,121,772	748,832	185,278	934,110	1.20

TOWN OF LADY LAKE, FLORIDA
PLEDGED-REVENUE COVERAGE
UTILITY REVENUES
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues 1	Operating Expenses 2	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2004	$ 736,939	$ 512,480	$ 224,459	$ 60,609	$ 23,085	$ 83,694	2.68
2005	828,833	547,274	281,559	62,761	20,933	83,694	3.36
2006	985,061	747,891	237,170	64,990	18,705	83,695	2.83
2007	1,114,503	850,828	263,675	67,297	16,397	83,694	3.15
2008	1,381,266	1,041,542	339,724	69,687	14,007	83,694	4.06
2009	1,461,184	1,241,324	219,860	72,162	11,533	83,695	2.63
2010	1,458,163	1,228,975	229,188	74,724	8,970	83,694	2.74
2011	1,589,607	1,188,720	400,887	77,378	6,317	83,695	4.79
2012	1,647,575	1,276,190	371,385	121,248	3,569	124,817	2.98
2013	1,644,294	1,428,909	215,385	-	-	-	N/A

1 Water and sewer system gross revenues.

2 Water and sewer operating expenses exclusive of depreciation and amortization.

Covenants of the State Revolving Fund Loan require a debt coverage ratio of 1.15. This loan was paid off in fiscal year 2012

TOWN OF LADY LAKE, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

POPULATION

Year	Town of Lady Lake Population	Town of Lady Lake % Increase	Lake County Population	Lake County % Increase
2004	12,666	0.88%	251,878	4.64%
2005	12,709	0.34%	263,017	4.42%
2006	12,805	0.76%	276,783	5.67%
2007	12,842	0.29%	285,422	3.12%
2008	13,117	2.14%	288,379	1.04%
2009	14,129	7.71%	291,993	1.25%
2010 *	13,926	N/A	297,052	N/A
2011	13,946	0.14%	296,681	-0.13%
2012	13,909	-0.27%	299,677	1.01%
2013	13,947	0.27%	305,825	1.03%

POPULATION DISTRIBUTION BY AGE - 2013

Age	Lake County	State of Florida
0-17	22.4%	20.6%
18-44	26.1%	34.3%
45-64	26.7%	26.9%
65+	24.8%	18.2%

POPULATION PER SQUARE MILE

Year	Lake County	State of Florida
2004	253	316
2005	264	325
2006	276	332
2007	290	340
2008	301	346
2009	303	349
2010	306	348
2011	312	349
2012	317	351
2013	337	365

Source: University of Florida, Bureau of Economics and Business Research, and the Metro Orlando Economic Development Commission

* Census Data

TOWN OF LADY LAKE, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST EIGHT FISCAL YEARS

Year	2006	2007	2008	2009
Population	12,805	12,842	13,117	14,129
Total Personal Income of all Lady Lake Residents	297,691,000	285,118,084	297,611,613	346,174,629
Per Capita Personal Income	23,248	22,202	22,689	24,501
Median Age	68	68	67	60
School Enrollment The Villages of Lady Lake Elementary	723	850	811	816
Lake County Unemployment Rate	3.0%	4.7%	8.5%	12.7%

Note: The Town implemented GASB 44 in fiscal year 2006.

Population from the Bureau of Economic and Business Research, University of Florida (BEBR).
Unemployment rate from the Florida Research and Economic Database (http:/fred/labormarketinfo.com)
Median Age from 2010 U.S.Census

2010	2011	2012	2013
13,926	13,946	13,909	13,947
353,342,406	368,495,886	393,812,611	362,370,954
24,789	26,461	28,314	25,982
66	65	67	65
761	794	761	809
11.9%	10.6%	8.9%	6.9%

TOWN OF LADY LAKE, FLORIDA
PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2012

	2013			2006		
Employer	* Employees	Rank	Percentage of Total Town Employment	* Employees	Rank	Percentage of Total Town Employment
Sam's Club	300	1	8.60%			
Lady Lake Specialty Care	280	2	8.03%			
The Villages Media Group	278	3	7.97%			
The Villages Rehab & Nursing Center	168	4	4.82%			
The Home Depot	166	5	4.76%	156	3	4.94%
Publix Super Markets	142	6	4.07%	174	2	5.51%
Citizen's First Bank Operations Center	133	7	3.81%			
Target Department Store	124	8	3.55%	201	1	6.36%
The Villages of Lady Lake Elementary	114	9	3.27%	99	7	3.13%
Kohl's Department Store	112	10	3.21%			
Winn Dixie Stores, Inc/Winn Dixie Liquors				96	8	3.04%
Town of Lady Lake				105	5	3.32%
Katie Belles Music Hall				100	6	3.16%
Probuild (Casmin, Inc.)				148	4	4.68%
Belk's Department Store				85	10	2.69%
Carrabba's Restaurant				88	9	2.78%
Total	1,817		52.08%	1,252		39.61%
Total Town Employment	3,489			3,160		

* Full time and/or part time positions.

Note: The Town implemented GASB 44 in fiscal year 2006.

Number of employees from Business Tax Receipts or direct calls to employers
Lady Lake employment figures from Metro Orlando Economic Development Commission-Demographic Detail

TOWN OF LADY LAKE, FLORIDA
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
Full-time Equivalent Employees as of September 30th

Function	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
General Government										
Town Manager	2	2	2	2	2	2	2	2	2	2
Town Clerk	2	2	3	3	3	3	3	2	2	2
Finance	4	4	5	5	6	6	5	4.5	4.5	4.5
Human Resource/Risk Management	2	2	2.5	3	3	3	3	2	2	2
Other General Gov.	0.5	0.5	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	1	1	2	2
Facilities Maint.	1	1	2	2	2	2	2	2	2	2
Motor Pool	1	1	1	1	2	2	0	0	0	0
Total General Government	12.5	12.5	15.5	16	18	18	16	13.5	14.5	14.5
Public Safety										
Police Officers	24	23	28	29	29	30	30	30	28	28
Police Civilians	11	11	14	14	15.5	16	15	14.5	14.5	14.5
Building Dept.	3	3	4	4	4	3	3	1	1	1
Code Enforcement	0.5	0.5	1	1	1	1	1	1	1	1
Total Public Safety	38.5	37.5	47	48	49.5	50	49	46.5	44.5	44.5
Growth Management	2	2	3	4	4	3	3	3	3	3
Public Works										
Administration	2	2	2	2	2	2	2	2	2	2
Street Maint.	6	7	9	9	9	9	9	10	10	10
Motor Pool	0	0	0	0	0	0	2	2	2	2
Total Public Works	8	9	11	11	11	11	13	14	14	14
Culture and Recreation										
Library	5.5	5.5	6	6	6	6.5	6.5	7.5	7	7
Parks & Recreation	3	3	5	5	5	5	5	5	5	5
Total Culture and Recreation	8.5	8.5	11	11	11	11.5	11.5	12.5	12	12
Utilities										
Water	6	6	7	7	9	10	10	10	9	10
Solid Waste	1	1	0	0	0	0	0	0	0	0
Sewer	0	0	2	3	5	3	3	3	3	2
Total Utilities	7	7	9	10	14	13	13	13	12	12
Total Government Employees	76.5	76.5	96.5	100	107.5	106.5	105.5	102.5	100	100

Source: Finance Department

TOWN OF LADY LAKE, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST EIGHT YEARS

Function/Program	2006	2007	2008	2009
Police				
Booking Arrests	240	299	303	284
DUI Citations	9	20	30	29
Misdemeanor Citations	35	36	40	34
Traffic Citations	2,735	3,614	2,922	2,639
Traffic Accidents	394	359	409	445
Warrants Arrests	20	39	45	46
Dispatch Center:				
Medical Calls	1,829	1,915	1,970	2,201
Assist other Agencies	386	363	368	398
General Calls	23,737	28,433	28,216	23,341
Building Department				
Total Commercial Permits	135	215	310	314
Total Residential Permits	1,676	1,253	1,023	948
Number of Permits Issued	1,811	1,468	1,333	1,262
Total Construction Value	$72,145,552	$83,634,615	$63,514,655	$28,603,549
Growth Management				
Site Plans Approved	7	14	15	10
Clerk's Office				
Business Tax Receipts	990	1,016	1,018	1,014
Roads and Streets				
Potholes repaired	200	150	250	250
Street resurfacing (miles)	2.5	0	1.5	2.85
Street Micro-resurfacing (miles)	0	0	8.9	3.35
Library				
Total Circulation (library materials checked out)	119,549	117,519	126,376	129,708
Total Users of Public Internet Computers	24,225	28,340	27,846	30,160
Total Reference Transactions	22,320	20,226	23,042	22,412
Total Annual Programs	405	1,093	1,236	2,175
Total Program Attendance	5,103	7,844	7,093	7,139
Total Number of Registered Card Holders	7,217	6,704	7,684	7,665
Total Number of Volunteer Hours	658	2,022	1,956	2,432
Total Library visitors	109,440	112,961	117,257	125,315
Parks and Recreation				
Number of Recreation Leases	5	8	12	8
Number of Bookings for Library Room 100	-	-	-	-
Number of Bookings for Library Room 204, 207 and Study	-	-	-	-
Number of Bookings at the Community Building	594	660	575	525
Water				
Commercial Connections	256	276	329	360
Residential Connections	1,422	1,402	1,930	1,926
Total Connections	1,678	1,678	2,259	2,286
Total Equivalent Residential Units	2,499	2,507	3,529	3,623
Average Daily Consumption (gallons per day)	648,000	709,446	699,478	586,709
Reuse				
Commercial Connections	-	-	10	10
Residential Connections	-	-	0	0
Total Equivalent Residential Units	-	-	0	0
Average Daily Consumption (gallons per day)	-	-	81,000	150,000
Wastewater				
Commercial Connections	118	135	169	189
Residential Connections	137	147	525	669
Total Connections	255	282	694	858
Total Equivalent Residential Units	736	765	1,636	1,818
Average Daily Sewage Treatment (gallons per day)	83,000	83,000	105,000	150,000

Notes: The Town implemented GASB 44 in fiscal year 2006
Reuse water distribution started 6/12/2008
New library completed in April 2011

Sources: Various Town departments

2010	2011	2012	2013
293	254	414	390
46	18	30	26
33	44	47	45
2,338	1,211	1,462	1,742
374	366	382	439
34	29	44	55
2,746	2,773	2,418	2,448
442	496	312	283
31,042	31,725	27,797	18,406
308	290	240	241
1,195	1,186	1,065	1,033
1,503	1,476	1,305	1,274
$16,280,632	$12,103,916	$24,027,568	$12,457,348
2	1	0	4
1,183	1,037	1,073	818
750	450	600	500
1.28	0	0	0.25
5.00	5.14	4.57	12.19
124,025	110,435	140,181	134,728
33,532	41,187	38,850	16,951
18,792	19,500	24,364	27,868
830	289	605	499
11,200	11,008	15,505	22,345
7,334	7,972	9,412	10,318
2,622	3,399	4,786	3,935
122,559	125,060	149,741	152,530
8	8	8	8
-	-	145	562
-	-	421	453
599	483	358	332
378	402	420	396
1,923	1,956	1,931	1,988
2,301	2,358	2,351	2,384
3,679	3,680	3,859	3,861
630,000	699,980	662,634	655,523
22	34	27	30
0	0	0	0
25	34	104	112
150,000	142,000	109,000	162,000
209	222	226	231
669	707	672	734
878	929	898	967
1,875	1,939	1,950	2,060
170,000	186,000	220,500	238,000

TOWN OF LADY LAKE, FLORIDA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS
BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Function/Program	2006	2007	2008	2009
Police				
Stations (Includes substation)	2	1	1	1
Sworn Officers (positions filled)	25	29	29	30
Administration Units	3	3	3	4
Patrol Units	13	20	20	20
Motorcycle Units	0	2	2	2
Investigation Units	2	2	2	2
School Resource Officer Unit	0	1	1	1
K-9 Officer with Dog Unit	1	1	1	1
Support (Non-Sworn)	14	14	16	16
Roads and Streets				
Paved Roads (miles)	59.45	59.45	61.21	61.21
Unpaved Roads (miles)	2.51	2.51	2.51	2.51
Sidewalks (feet)	9,100	9,100	9,100	9,100
Land Annexations (acreage)	233.5	503.2	16.8	55.05
Culture and Recreation:				
Libraries	1	1	1	1
Acreage	54	54	54	54
Parks	4	4	4	4
Recreation Centers	1	1	1	1
Basketball Courts	1	1	1	1
Racquetball Handball Courts	4	4	4	4
Tennis Courts	2	2	2	2
Softball Fields	1	1	1	1
Baseball Fields	4	4	4	4
Playgrounds	1	1	1	1
Dog Park	1	1	1	1
Soccer Fields	3	3	3	3
Golf Driving Range	1	1	1	1
Water				
Water Mains (miles)	43.6	46.7	50.4	51.9
Storage Capacity (gallons)	550,000	550,000	565,000	565,000
Treatment Capacity (gallons per day)	2,358,000	2,358,000	2,358,000	2,358,000
Fire Hydrants	247	272	311	329
Water Plants	3	3	3	3
Reuse				
Water Mains (miles)	0	0	4.8	5.8
Storage Capacity (gallons)	0	0	1,200,000	1,200,000
Wastewater				
Sewers-Force Mains/Gravity (miles)	16.2	18.5	20.4	21.5
Treatment Capacity (gallons/daily)	250,000	250,000	630,000	630,000
Lift Stations	12	13	15	16

Note: The Town implemented GASB 44 in fiscal year 2006

Sources: Various Town departments

2010	2011	2012	2013
1	1	1	1
30	28	28	28
4	3	3	3
20	20	20	21
2	2	2	1
2	2	2	2
1	1	0	0
1	0	1	1
16	16	15	6.5
61.21	61.21	61.44	61.44
2.58	2.58	2.58	2.58
9,100	9,100	9,100	9,100
55.67	26.83	0	0
1	1	1	1
54	54	54	54
4	4	4	4
1	1	1	1
1	1	1	1
4	4	4	4
2	2	2	2
1	1	1	1
4	4	4	4
1	1	1	1
1	1	1	1
3	3	3	3
1	1	1	1
54.2	54.3	54.3	54.3
565,000	565,000	565,000	565,000
2,358,000	2,358,000	2,358,000	2,358,000
355	305	306	315
3	3	3	3
7.3	7.3	7.3	7.3
1,200,000	1,200,000	1,200,000	1,200,000
23.3	23.3	23.3	23.3
630,000	638,000	638,000	638,000
18	18	18	19

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Robert E. Johnston, CPA (1982-2001)
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

March 14, 2014

Honorable Mayor and Members of
The Town Commission
Town of Lady Lake, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lady Lake, Florida, as of and for the year ended September 30, 2013, which collectively comprise the Town of Lady Lake, Florida's basic financial statements, and have issued our report thereon dated March 14, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Lady Lake, Florida'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 of Lady Lake's internal control.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identity all deficiencies in internal control that might be significant deficiencies or material weaknesses. 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Lady Lake, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 on 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.

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FEDERAL AWARDS

Federal Grantor/ Program Title	Federal CFDA Number	Federal Revenues	Federal Expenditures	Federal through State Receipts
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Pass through the Florida Department of Economic Opportunity:				
Community Development Block Grant (total grant $750,000)				
Contract #13DB-OI-06-45-02-N36	14.228	$ -	$ 695	$ -
U.S. DEPARTMENT OF JUSTICE				
Bulletproof Vest (total grant $4,524)				
Grant #2011-BUBX	16.607	4,524	4,524	-
Pass through the Florida Department of Law Enforcement:				
Byrne Memorial Justice Assistance Grant Safety Through Training and Equipment (total grant $6,579)				
Contract #2013-JAGC-LAKE-1-D7-082	16.738	6,579	6,579	6,579
Byrne Memorial Justice Assistance Grant Enhancing Safety Through Communication (total grant $2,485)				
Contract #2013-JAGC-LAKE-5-D8-042	16.738	2,485	2,485	2,485
FEDERAL HIGHWAY ADMINISTRATION				
Pass through the Florida Department of Transportation				
Local Agency Program Agreement (total grant $470,816)				
Rolling Acres Road Sidewalks				
Contract #AQV54	20.205	-	5,875	-
Total Federal Awards		$ 13,588	$ 20,158	9,064

Continued on next page

(Federal Single Audit not required)

STATE OF FLORIDA FINANCIAL ASSISTANCE

State Agency/ Program Title	State CSFA Number	State Revenues	State Expenditures	State Receipts
Total State Financial Assistance		$ -	$ -	-
Total State Receipts				$ 9,064

(State Single Audit not required)

NOTE: This schedule was prepared using the modified accrual basis of accounting for *Federal and State Revenues and Expenditures,* and the cash basis for *Federal through State Receipts* and *State Receipts.*

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INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF MANAGEMENT'S ASSERTION ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS

March 14, 2014

Honorable Mayor and Members of the
Town Commission
Town of Lady Lake, Florida

We have examined management's assertion included in its representation letter dated March 14, 2014, that the Town of Lady Lake, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2013. Management is responsible for the Town of Lady Lake, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Town's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides 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, management's assertion that the Town of Lady Lake, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance during the year ended September 30, 2013 is fairly stated, in all material respects.

This report is intended for the information of the Town Commission, management, and applicable State of Florida agencies and is not intended and should not be used by anyone other than these specified parties.

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Shumacker, Johnston & Ross, PA

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MANAGEMENT LETTER

March 14, 2014

Honorable Mayor and Members of
the Town Commission
Town of Lady Lake, Florida

We have audited the basic financial statements of the Town of Lady Lake, Florida as of and for the year ended September 30, 2013, and have issued our report thereon dated March 14, 2014.

The following comments and recommendations are provide as required by Chapter10.550, Section 10.554(1)(i) *Rules of the Auditor General*, which govern the conduct of local government entity audits performed in the State of Florida.

1. There were no significant findings or recommendations made in the preceding annual financial audit.

2. The Town is in compliance with Section 218.415 *Florida Statutes* regarding the investment of public funds.

3. We have made no recommendations to improve the Town's present financial management, accounting procedures, and internal controls.

4. We did not discover any violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse that have an effect on the financial statements that warrants the attention of those charged with governance.

5. The name of the primary government is the Town of Lady Lake, Florida, creased by special act of the Florida Legislature, Chapter 12956, Laws of Florida, 1927. There are no component units included within the reporting entity.

6a. The town has not met any of the financial emergency conditions described in Section 218.503(1), *Florida Statutes*.

6b. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes* is in agreement with the annual financial audit report for the year ended September 30, 2013.

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6c. Financial condition assessment procedures pursuant to Rule 10.556(7) were applied during the audit of the basic financial statements. The Town is not, and during the fiscal year, was not experiencing deteriorating financial conditions which may cause a financial emergency described in Section 218.503(1), *Florida Statutes*. Accordingly, we have made no recommendations addressing deteriorating financial conditions in accordance with Rule 10.557(4)(d).

This report is intended solely for the use of management, the Town commission, and the state of Florida Auditor General and is not intended and should not be used by anyone other than these specified parties.

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

AFFIDAVIT

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

1. I am the Finance Director of the Town of Lady Lake which is a local governmental entity of the State of Florida.

2. The Town of Lady Lake adopted Ordinance Nos. 2008-29, 2008-30, and 2009-04 implementing new and updating existing impact fees.

3. The Town of Lady Lake has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Jeannine Michaud

Jeannine Michaud, Finance Director

STATE OF FLORIDA
COUNTY OF LAKE

SWORN TO AND SUBSCRIBED before me this 24th day of March, 2014.

AUBREY L. CASH
NOTARY PUBLIC
STATE OF FLORIDA
Comm# EE874900
Expires 3/30/2017

Aubrey L. Cash

NOTARY PUBLIC
Print Name: Aubrey L. Cash

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires: March 30, 2017

4

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Lady Lake

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO