

Waterman Village  
**Town Hall Meeting**  
Garden of Life Fellowship Hall  
Wednesday, June 26, 2024

**Present:** Andrew Dujon, President and CEO

After the Pledge of Allegiance recital, Andrew Dujon began the question-and-answer period in the order they were received. Following the question-and-answer period, there was a presentation of current Waterman Village financial statistics. The floor was open to the residents in the audience to ask questions.

Questions Answered by Andrew Dujon

My biggest concern is the inability to meet the current year's budget. If you cannot plan 12 months out, it is very troubling to me.

- Ans. The task of meeting the budget starts with the departmental managers, and at the onset of this fiscal year, we determined that not all our managers were equipped to do the job, so we changed those positions. On top of that, we had some significant expenses that came into effect right out of the gate. Our property insurance, for example, renews in October. Our budgets were finalized in August. When that came through in October after premium adjustments, there was a half-million-dollar impact on us. There are things you must adjust for on the fly, and sometimes you can and sometimes can't.

What did Sodexo receive in return for their million-dollar investment?

- Ans. They signed a long-term agreement with us as our food and facilities partner.

In your memo of 5/30, you mention in your last paragraph, "rate increases are inevitable." That statement lays the groundwork for another rate increase in FY 2025. FY 2023 had a rate increase of 6.5% coupled with an assessment of \$900.00 - \$1080.00 depending on household members. FY 2024 had a rate increase of 5.5%, and FY 2025 will likely have a yet-to-be-determined (published) rate increase. Also, in your memo, you say, "We will remain focused on keeping the organization running as efficiently as possible." That statement is general and has no specific steps that the administration plans to implement to gain the efficiency you speak of and share the financial burden with the residents. Can you please provide us with those specific steps?

- Ans. We hired an outside firm to analyze our organization and they look at efficiencies and specific steps. They look at things like cost per meal served based on labor, and cost per meal based on raw food, meals generated per labor hours, square footage cleaned by housekeepers, and the same for maintenance workers, cost of agency labor, percent of overtime per department. So, I cannot get into the full details of everything that we do to be able to track these things, as there are formulas we follow. We are looking to try to help this organization be as efficient as possible. All these metrics are based on industry standards, and we try to exceed those standards to make sure we are being as efficient as we can.

Concerning the monthly fees collected from independent-living residents for a recent quarter, how were the Oaks and Lakeside incomes budgeted, and how were the incomes spent for various categories of expenses including departments like culinary, housekeeping, etc.

- Ans. Revenues by each area are calculated by the average number of units occupied, and then it is adjusted for the potential growth of each of those areas. Then this is allocated monthly or it could be on a per day basis. Then the expenses are budgeted for each individual department and allocated in the same fashion, while taking into consideration that some months are more expensive than others; like December when there are many festivities. Considering the fees for a life interest in an independent living dwelling, what were the incomes for the Oaks and Lakeside in a recent quarter, and what their expenditures were, I did this based on the year-to-date averages that we have for now. Independent Living revenues are approximately \$16 million, with approximately \$12 million in expenses. There are no overhead allocations assigned to this now. Expenditures are for general administrative costs, culinary facilities, housekeeping, transportation, security, etc.

There is a rumor that Waterman Village is on the market and is for sale, and prospective buyers have been touring the property recently. Is this rumor true?

- Ans. No.

Could you please explain the reserve funding process?

a. How do we maintain or replenish the Reserve Fund?

- Ans. A portion of your Life Lease fees goes toward that fund.

b. Is there a certain percentage of our monthly fee applied?

- Ans. No

c. What is the approximate amount currently in our reserves?

- Ans. \$10 million

d. Is a certain amount or percentage required to maintain the fund?

- Ans. No

The roof replacement at Bridgewater generated much discussion regarding its financial impact. Was no reserve fund established for the aging facility, and should such expenses be expected?

What about future renovations at Edgewater and other planned and needed projects?

- Ans. We have general capital needs reserves that were not specific to the Bridgewater roof. Expenses like this should be expected, and we can do a better job of projecting and planning them. We are currently working on projecting the potential upcoming expenses and capital expenditures for the budget for next year and the future.

A resident told me that when you leave after you sell the unit, you go on a waiting list to get your money back. We thought that money was set aside, like Escrow, maybe you use that money instead. Please clarify.

- Ans. Most contracts state that you will receive your refund when the next unit is sold and occupied. Some state the same unit must be sold and occupied. Refunds are then made within 60 days.

July 2024 is the start of our third year at Waterman Village at Lakeside. Our monthly fee increased by 12%, plus a \$1,000 assessment during the last two years. This was after we conducted our due diligence and were informed that Waterman Village kept its monthly fee increases in the 3% range before us moving in.

- Ans. There will be a slide about this in the presentation. But prior to COVID, the average annual rate increase was 2.6% for 18 years. So, I think it is fair to say that when marketing was advising our average rate increase was 3%, it was fairly reasonable. If any of you could have predicted what COVID was going to do to the economy as a whole, not just at Waterman, you would be the greatest prognosticator on earth, no one could have predicted the impact. This has been a challenge that we have had to face since that time.

Based on the Federal Planning Bureau, the inflation rate is forecasted to be at a 3.1% rate in 2024 and 2.0% in 2025 — down from 4.06% in 2023 and 9.59% in 2022. Given the projected reduction in inflation, will we see a reduction in our monthly fee for 2025? If not, what are the specifics that will preclude a decrease?

- Ans. Again, the question I have just answered regarding rate increases, if you go back before COVID, there were times when we gave 0% rate increases. We do our best to keep rates as low as possible for everyone. I want folks to understand that we do not get any joy coming up here and telling you we have to dig into your pockets any deeper than what we do. We want to keep it as fair and equitable to everyone as we possibly can. Quite frankly, I think we have done that to the detriment of our organization. We should have been digging deeper in years prior, so this is the challenge we face. When we decide how we are going to adjust rates moving forward, we are going to look at actual expenditures that we have incurred and what we are forecasting. I think we are starting to see stabilization in the overall economy, particularly in the labor force, which again we will show you how much of that has drastically impacted our ability to perform. That alone should help us maintain something more stable.

Can you elaborate on the financial health of Waterman Village by reflecting on key parameters such as:

a. Does Waterman Village undergo a yearly financial audit by a fully independent accountancy firm? What were the latest audit findings requiring corrective action(s)? Have these corrective issues been positively addressed/corrected? What were they?

- Ans. Yes, we have a fully independent accounting firm that audits us every year. Independent accounting firms do not come in and provide you with guidance on what you should do with your operation. They provide us with guidance on how we should better provide internal controls for our organization. All the things they have made recommendations for we have followed and implemented as quickly as we could. An example is they wanted to make sure that all managers are signing off on invoices that come in through their departments. We are moving towards an automated system that will allow for expenditures to occur and be uploaded into the accounting system automatically after they have been approved.

b. What is the ratio of Current Assets to Current Liabilities (including Obligations)?

- Ans. Our current ratio is 2.6

c. What is the Net Operating Margin — Ability to generate operating surpluses to provide for ongoing and future expenses (with our present level of monthly fees). Is that ratio within the range of similar communities to Waterman Village? What is the ratio?

- Ans. Our net operating margin is 12.1%. Industry standard for a type C community, which is what we are, the 75<sup>th</sup> percentile ranking is 9.35%.

d. What are the Days of Cash on Hand (to maintain adequate and uninterrupted operation flexibility)? Is the number within the safe margin expected in an industry like Waterman Village? What is the number?

- Ans. Days cash on hand was 136 at 5/31. To be in the 75<sup>th</sup> percentile would be 396. Our bond covenants require us to be at 110 at 9/30/24. And then we have to have annual growth. We also hold \$6.2 million in cash in the debt reserve fund that is not allowed to be used in this calculation, however, that would equate to about an additional 50 days cash on hand.

e. What is the Debt Coverage Ratio — Net operational revenues versus debt payments obligations (including endowment support). Is that ratio within the range of similar communities to Waterman Village? What is the ratio?

- Ans. That was 1.38 at 5/31. For 75<sup>th</sup> percentile would be 3.07. our bond covenant requires 1.20.

f. With the numerous "hiccup" issues experienced during the launch of the new Lakeside facilities/campus, what is management doing to maintain a positive and attractive image in the eyes of future customers/residents? Has the rate of inquiring future residents remained the same since the opening of Lakeside? Has it increased or declined?

- Ans. It has increased. We now have over 300 people on the waitlist for all of Independent Living. First impressions are impactful. What we found during our marketing efforts as we tour, the bigger impression is when they get to experience the engagement of coming across residents or staff.

It has been noted that several people at Waterman Village are on the Sodexo payroll. How can such people be supervised by Waterman Village management when they are not employees? It would seem that their loyalty would be to Sodexo and not Waterman Village

- Ans. If their performance is not successful, then that contract would be terminated, therefore their loyalty lies in ensuring that the organization is happy with their performance.

What exactly is Sodexo's relationship with Waterman Village? Why is a "for-profit" corporation willing to invest in a "non-profit" corporation?

- Ans. Sodexo is a contracted business partner. They are in business with for profits and not for profits. They do it because they want to make money.

Regarding the Sunday breakfast club, you cannot get breakfast to go. Sometimes, a resident would like to grab breakfast and return to their unit to enjoy. Why is this not possible?

- Ans. We are going to test to-go offerings.

The Director of Culinary, in discussion with us at dinner, let us know a pastry chef was being hired at Savor to ensure that all our deserts would be consistent in size. After she left our table,

we were a little troubled in anticipation of a high rent increase for next year, is this a wise use of our money?

- Ans. Pastry chef is a backfill position from within. No additional staff are being hired. We are moving around our internal staff to maximize their talent and potential.

Where are you planning to locate the dog park at Lakeside?

- Ans. We are going to place it just past the Lake House East in the open field.

What location are you considering for the pickleball court?

- Ans. It is going to be between Donnelly Street and the Springwater along the road by the gate.

Who will clean up all the grass clippings left behind around Lake Margaret?

- Ans. We will talk to TNT about this.

Recorder comment: A resident submitted a comment about Christmas lights. Andrew will be addressing this comment with the Resident Council to comment at a later time.

How long must we wait for the steps to be put in at the mailbox? Also, the sidewalk around the lake.

- Ans. We do not have a set time for the steps yet. The sidewalks will be completed this calendar year.

Cleaning staff are informing residents that they will no longer be able to perform some tasks they used to do. i.e., vacuuming lanais, cleaning windows, and other tasks residents had relied on them to do. This is a significant change, and I question why middle or senior management wouldn't make that announcement. It's putting the cleaning staff in a challenging position and doing nothing to instill confidence in management.

- Ans. Housekeeping changes are not fully in place. Certain tasks will be changing when a full checklist is provided. They are going to come up with specific things that we are going to do, but some of the duties that they are being asked to do are delaying them from getting to their next job. We are trying to come up with specifics and assign some outside tasks to our utilities team. There are no final decisions made yet. That is why you have not heard anything from management. Information is coming soon.

Why is the air conditioning in the common areas of the Grand set so low?

- Ans. We keep adjusting the temperature, it is a good system. If we adjust too low it will be hard to overcome the high heat we are experiencing each day. Alvin will try to adjust it again.

The Lake Margaret fountain is out of commission for a while, when will it be operating again?

- Ans. It is repaired and working today.

Can we call to check on a project's status?

- Ans. I recommend Wendy at x251 so she can route you to the right person.

How long should we wait to hear from someone after submitting a work order? Should we submit a second order if we don't hear anything?

- Ans. Work orders on a weekday should be responded to within 24-48 hours. If specified, they will contact you, and you should not need to put in a second work order. We have recently purchased maintenance cards to start leaving them as work is completed.

What happened to the old fencing that would be used for the dog park?

- Ans. It is in storage waiting to be installed.

Thanks for enhancing the appearance appeal of the exterior court between the spa/saloon and the gym. Can the appearance of that court be enhanced by adding some other plants of different colors like the court to the side of the pool/spa?

- Ans. When we finish some of the upgrades that we want to do, we will investigate this.

Can the garden of weeds at the exit from door #10 to the porch of the Savor be upgraded with decorating stones and plants like the court by the pool?

- Ans. We are looking into this.

When can the outside/inside doors from the Grand be fixed to ensure that the doors are locked for entry except for qualified residents with a security card?

- Ans. All the doors except for one to our knowledge are working appropriately. The door that is not working is being addressed, it has a hardware issue that is complicated to repair. It is actively being addressed.

Previously, it was suggested that several residents had expressed an interest in changing our bylaws from three-year to two-year terms. At our age, two years are much simpler and more appealing than long-term commitments. We have not heard any comments.

- Ans. I will bring this up at the Resident Council meeting, this is not a management decision.

Communication between residents and workers seems to be a problem. Sometimes, it is a language issue; sometimes, it is a matter of the workers leaving without letting the residents know why or when they will return. What can we do to keep communication running smoothly?

- Ans. Communication is a continuous work in progress. I stressed to our managers this morning that we must do better and continuously strive to do better. As mentioned, Alvin and his team have purchased follow up cards that they will leave if you are not there.

I understand we have a board of directors. Who are they, and what are their credentials related to our mission and fiscal responsibility?

- Ans. We have an insurance agent, owner, banker, accountant, clergyman, former Mount Dora Mayor, and a retired attorney all committed to the success of Waterman.

Why is the essential expansion of outpatient therapy taking so long?

- Ans. We are being cautious about what we are trying to do with the space to accommodate everybody there.

There are complaints about the on and off troubles with the local irrigation throughout the community that remain unresolved.

- Ans. This will continue to be a work in progress because some capex projects take precedence, and we continue to invest in it because it is an extremely expensive endeavor to just replace completely.

Umbrellas outside of the Cafe are an embarrassment. They cannot sustain wind. No one seems to have the assignment of opening and closing them to preserve them.

- Ans. I cannot disagree. I had a meeting with the managers this morning and shared my disappointment that no one from culinary or plant ops have taken ownership of this, and this is something that needs to be taken care of.

Why don't we give up on the strawberries outside of the Cafe?

- Ans. We are going to move them around and see if we can get them to grow better, they are exposed to too much sun. If they can't then we will get rid of them.

It is very sad to watch the cutting of our live oak trees. By law when you remove a tree you must plant a replacement.

- Ans. The trees are only removed if we find one that is a danger to person or property. If a tree is removed due to being a hazard, it does not require a replacement.

#### Questions Answered by David Larson

What actions are being taken to get on budget, develop operating gains and to deal with the net asset \$33 million deficit?

- Ans. This number does not represent just one year, it is a combination of 38 years of operating activity. There are only three things a company can do to overcome this. You can either increase revenue, decrease expenses, or increase capacity. When the company looked like it was reaching maturity in the May 2015-2017 era, they started hitting a plateau. There would be a profit one year and then a loss another. It was like a maturing of the community. Lakeside was expected to bring Waterman to a breakeven by 2026, according to the forecast, and it was formulated at least two years before COVID. It was projected we would lose money during the fill-up. So, to answer the question about the \$33 million, it will be the same thing. Increase revenue, decrease expense or build capacity.

Could Waterman's financials and financial audit be periodically posted to the Waterman portal? Also, an annual presentation with financial struggles, forecasts and opportunities?

- Ans. Short answer, yes to the resident portal. We do post our financials to EMMA, the bond reporting company. We can give you the website and the CUSIP number, there we post our quarterly financials as well. You can sign up for a free account and activate alerts so when we post something new you are notified. Feel free to email me or Emma Stockman for the information.

We did not see a reserve fund for capital improvements on the balance sheet. Perhaps this was an oversight in the March 24 financial report. If so, is it recognizing the Oaks is approaching 40 years?

- Ans. The reserve fund is our savings and investments, plus operating surpluses. Around \$10 million rounded. There is another line on the balance sheet titled “assets whose use is limited” which is not included, those are debt service reserves.

Do you do a long-range forecast 3-5 years out and what do they look like?

- Ans. We did a forecast out to 2026 for Lakeside. If there is a major project, you will go out 5 years. Typically, 3 years is more predictable. We do this during budget processes.

While waterman is a not for profit, what do you consider a reasonable operating margin for our industry?

- Ans. Our margin is 12%, what is reasonable is north of 15%.

Residents deposits are a major concern, how are they used, is use restricted and what is the criteria for distribution when a resident leaves?

- Ans. The Life Lease Funds are used to pay contract refunds, debt service, unit refurbishment, capital improvement if needed, and operating shortfalls. Use is not restricted. The exiting resident is queued on a first in first-out basis depending on the unit, but most are “equal or greater”. Meaning, a Life Lease Fund must be received in full that is equal or greater than the one paid. This is why it is important to raise them every year. Who is queued on the list to be paid a refund depends on the latter date the unit is relinquished or the termination notice period. There is no time specific, I have seen anywhere between one month and 8 months.

Is cash flow currently stressed and does Waterman have a working line of credit?

- Ans. Waterman has a working line of credit in the form of corporate credit cards. Our available balance with Seacoast Bank is \$350,000, and our cash flow is not stressed.

Can you explain a couple lines on the finance sheet, being, refunds payable and deferred revenue?

- Ans. Refunds payable are the 5 contract refunds (Life Lease Funds) due. Deferred revenue is the culmination of all the Life Lease Funds outstanding of residents who are here.

**Recorder comment:** A financial presentation was presented to the audience. Those slides will be added at the end of the minutes for reference. The presentation is also on the Waterman Village website’s portal under Administration, then Town Hall, labeled “Waterman Village Town Hall – 6.26 -AD, DL.”

#### Other Points During Presentation

- \$40 million in debt has been retired, coming down from \$120 million in the matter of a year's time from the start of Lakeside.



- Price per household is the quantity of independent living homes and assisted living. Skilled nursing is not included in that sum as it is governed by outside sources such as Medicare and Medicaid, which we do not control.
- Liability insurance costs are still being tabulated for next year. All but one lawsuit has been settled. There is a projection of a 25%-30% increase (\$160,000-\$240,000). Other mitigation strategies are being explored.
- The City of Mount Dora has seen a 9% increase in their property and casualty insurance, \$151 per household, which affects our homes here as well.
- Our number revealed on the last slide may not be the exact increase you will see. We are not telling you as of yet that there will be this specific increase, although possible. There may be modifications to drive costs down by modifying the services we provide, without losing any. A specific rate increase has not been realized as we are still working on bringing any cost down.

### Questions from Resident Audience

The biggest issue we have as a group is trying to analyze the net asset deficit. This is an overwhelming number, and seems almost impossible to recover through normal operation.

- Ans. The net deficit is the balance sheet equity which is a culmination of 38 years. Although 2018 it was \$8 million and now it is \$33 million. This is not a number we need to overcome in one year, it took 38 years to get there. As long as we are cash positive this number can grow, this is not a measurement for the bond, it is just on the balance sheet. Bondholders are focused on the future.

The company that destroyed the irrigation system, is that up to them to fix?

- Ans. Yes, it is their responsibility. It is helpful when you all send us information to tell us where there is damage. If we need to repair it right away, we will back charge them.

Would it be possible to have periodic state of Waterman meetings?

- Ans. We will be more proactive on bringing this transparency to you, we may look at a quarterly meeting.

Did I understand some contracts are different than others in terms of wording between domiciles?

- Ans. Yes, we did move to a uniform contract with Lakeside. Manors started as Lifeleases, then we started doing them through the Villas. Current contracts will not change. They were different at the time, and we are phasing them out to make contracts uniform going forward.

What is the business model going forward industry wise that says this arrangement can continue to be a sustainable business?

- Ans. There are a lot of shifts coming to the industry. A big shift is eliminating skilled nursing facilities in communities such as ours. That is where a lot of cost and labor come from. There is lack of care regarding skilled nursing facilities until the day you find you need to use them. We have toyed with the idea of selling some beds, they want the whole building and not a portion. We will see a change in demographics as Baby Boomers continue to age and require that level of care. There is potential to develop some more

land near Lakeside. As you drive up volume, you drive margin. The outlook is overall positive.

David Larson's comment: Most communities I have worked with, their skilled nursing loses money. Here, there is not a negative margin. Edgewater contributes to the organization.

Behind the lake houses there is construction going on. There has been a lot of dirt brought in. I am concerned about potential runoff that may impact my home. Is there any way this can be addressed?

- Ans. From a construction standpoint, they would have had to put up a silt barrier. I do not mind calling the City if I do not see this in that area. This is out of our control, but I will look into this.

Are there active buyers looking at Waterman Village?

- Ans. There was a time in 2013 when we had 9 days cash on hand and there was a company exploring acquiring us. The Board decided we would not change ownership and continue our property. We are in a startup phase; it takes time to grow. COVID has been a big challenge. There are no buyers looking at us. We are all committed to making this work and being successful.

Is it correct we can expect on lease renewal, a significant increase, with the hope of returning to normal rate increases down the road?

- Ans. Yes, absolutely.

Part of the equation is the employees necessary. Most of us see a decrease, will this get worse?

- Ans. There were 463 employees when I ran this report. When I last spoke to HR, we had 489. I believe this is more than enough. I do not believe in throwing more people at a problem as a solution. We need to look at how we are doing the work, rather than gaining an extra person. This is why we are looking at efficiencies.

One option we have is increasing capacity. We have a long waiting list, which shows there is interest. Is that being considered?

- Ans. Marketing is polling the wait list now. The estate homes behind the Chapel were not financed. They were treated as a construction draw using residents' payments. We will definitely entertain this thought.

By Springwater, there is parking equipment in the parking lot. A golf cart has not moved from there in a month belonging to Waterman.

- Ans. If that is a temporary staging ground, that is one thing. I will look at this, as that is not what it sounds like.

For housekeeping, will we be able to pick and choose what we want them to focus on?

- Ans. This is what we want to do, create a list of things available. You get the time and then you choose what you want them to do during that time.

TNT has been blowing clippings into our lanais and they are hard to clean. Weed whackers are also causing damage.

- Ans. We will have that discussion with them.

There is a drainage pond across from the Chapel. This has been clogged and created standing water. A resident was walking a dog and fell into this area. When will this be fixed?

- Ans. I will investigate this.

**Our standard business model:  
Two streams of income**

LIVING  
YOUR  
BEST  
LIFE

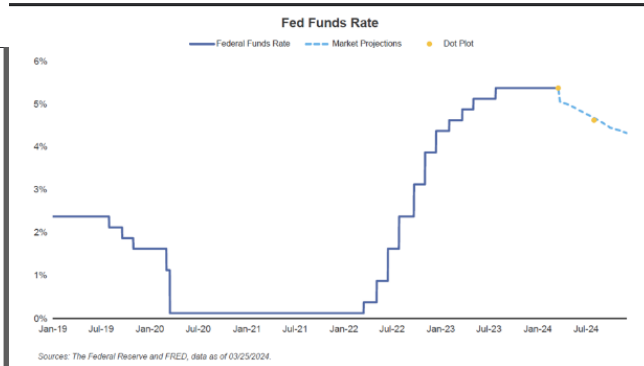
**Life Lease Fees pay for:**

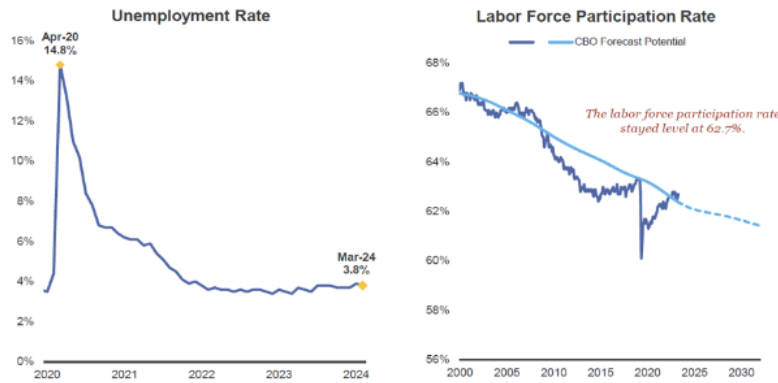
1. Contract refunds
2. Debt service (P&I)
3. Capital Expenditures – Unit Refurbishments

**Monthly Fees pay for:**

1. Operating activities
2. Programing
3. Dining
4. Maintenance capital
5. Reserves

**Reality:** where one stream is short, the other compensates.





## Where are we and what got us here (millions)

|                   | PreCovid 2017 | Covid 2021   | Post Covid 2023   | Projected 2024    | Fill-up           |
|-------------------|---------------|--------------|-------------------|-------------------|-------------------|
|                   | <b>Audit</b>  | <b>Audit</b> | <b>Audit</b>      | <b>Interim</b>    |                   |
| Revenue           | 31.1          | 29.9         | 42.2              | 46.7              |                   |
| Expense           | 29.9          | 31.6         | 52.3              | 53.4              |                   |
| Net Inc/<br>-Loss | 1.2           | -1.7         | -10.1             | -6.7              |                   |
| <b>Forecast</b>   |               |              | <b>Fcast 2022</b> | <b>Fcast 2024</b> | <b>Fcast 2026</b> |
| Revenue           | n/a           | 33.0         | 35.5              | 48.3              | 53.8              |
| Expense           | n/a           | 35.1         | 44.7              | 51.2              | 53.1              |
| Net Inc/<br>-Loss |               | -2.1         | -9.2              | -2.9              | 0.7               |

### The other side of the coin – Cash & Investments (millions)

|                    | PreCovid 2017 | Covid 2021 | Post Covid 2023 | Projected 2024 |
|--------------------|---------------|------------|-----------------|----------------|
| <b>Cash</b>        | 2.6           | 10.0       | 6.9             | 6.8            |
| <b>Investments</b> | 1.1           | 11.4       | 12.7            | 9.9            |
| <b>Subtotal</b>    | 3.7           | 21.4       | 19.6            | 16.7           |
| <b>Minimum</b>     | n/a           | n/a        | 11.3            | 13.8           |

### Labor Cost Growth

- In the last four years WV has seen a 41% growth in labor cost. Part of this is attributable to new positions created due to Lakeside. Average number of employees in 2021 = 337 as compared to 463 in 2024. Average wage in 2021 = \$18.64 as compared to \$26.11 in 2024. Taking volume out of the equation, using the base of 337 employees, the expense growth is approximately \$5.2mm or \$2500 per household.

### Employee Health Insurance Cost

- AON, the second largest brokerage firm in the world, is a global professional services firm providing a broad range of risk, retirement and health solutions. They projected employee health costs to increase 10.1% from 2023 to 2024. Waterman Village saw an increase of 28.7%, or \$355k, which equates to \$684 per household.

### Insurance Cost Growth

- Property Insurance 2023 = \$603k / 2024 = \$1.1mm
- Liability Insurance 2023 = \$680k / 2024 = \$800k
- Worker's Comp 2023 = \$235k / 2024 = \$285k
- **Total Growth = \$667,000**
- Equates to a 43.9% increase or \$1,285 per household

### Tax Growth

- Mount Dora has projected a 9% increase to their property and casualty insurance after a 16% increase from same time last year. The expectation is a slight increase in the millage rate costing the average home \$151 per year.

### Historical Rate Increase

- 2024 – 5.5%
- 2023 – 6.5%\*
- 2022 – 3.0%
- 2021 – 3.0%
- 2020 – 3.0%
- 2019 – 3.0%
- 2018 – 3.0%
- 2017 – 3.0%
- 2016 – 0.0%
- 2015 – 2.0%

\*A surcharge was also applied this year

### Household Impact Summary - Annual

|                           |            |
|---------------------------|------------|
| • Labor Cost Growth       | \$2,500    |
| • Health Insurance Growth | 684        |
| • Insurance Growth        | 1,285      |
| • Tax Growth              | <u>151</u> |
| • Total                   | \$4,620    |

Respectfully submitted,  
Katherine Cortez, Admin Assistant/ Recorder