

**CLERK OF COURTS
LAKE COUNTY, FLORIDA
Semi Annual Investment Report for FY 07-08
June 30, 2008**

I. INTRODUCTION

In accordance with the investment ordinance adopted 7/19/05, an investment report is submitted to the Board of County Commissioners semiannually.

II. INVESTMENT OBJECTIVES

To ensure that excess funds of the Board of County Commissioners are invested in a manner to maximize yield and at the same time minimize risk, maintain liquidity and demonstrate legal compliance.

III. CASH AND INVESTMENT BALANCES AT JUNE 30, 2008

Cash and investments held by the County consist of: an interest-bearing checking account at Wachovia, four accounts at the Florida Local Government Surplus Funds Trust Fund investment pool administered by the State Board of Administration (commonly referred to as the SBA), certificates of deposit, U.S. Agency Securities, US Treasury Notes, an interest bearing NOW account at SunTrust, and the Florida Government Investment Trust Fund (FLGIT).

Funds invested include excess operating funds and proceeds from borrowings. At June 30, 2008, cash and investments amounted to \$317,456,289 compared to \$360,140,607, at June 30, 2007. A detail listing of these balances and the current yield is attached as Exhibit A.

IV. MATURITY DISTRIBUTION OF PORTFOLIO

Exhibit B demonstrates the maturity distribution of cash and investments held at June 30, 2008. This graph indicates that about 57% of our cash is invested in securities maturing within six months. The weighted average maturity of the portfolio at 6/30/2008 is 356 days or .98 years (Exhibit C). Our investment policy requires a weighted average maturity of less than two years.

V. MARKET AND INVESTMENT CONDITIONS:

The following is a summary of recent rates from prior reports compared to current rates:

Type of Investment:	<u>6/30/08</u>	<u>12/31/07</u>	<u>6/30/07</u>	<u>12/31/06</u>
Six month Treasury Bill	2.13%	3.32%	4.77%	4.87%
Two year Treasury Note	2.63%	2.88%	4.86%	4.71%
SBA	2.43%	4.79%	5.39%	5.34%

Interest rates have decreased since December, 2007. In addition, the Fed Funds rate has decreased from 5.25% in June, 2006 to 2% on April 30, 2008. This rate determines the interest we receive on our Wachovia account. With interest rates at these levels, we will concentrate our investments in the 2 year range. The weighted average maturity of our portfolio is almost one year and the weighted average interest rate is 4.0%.

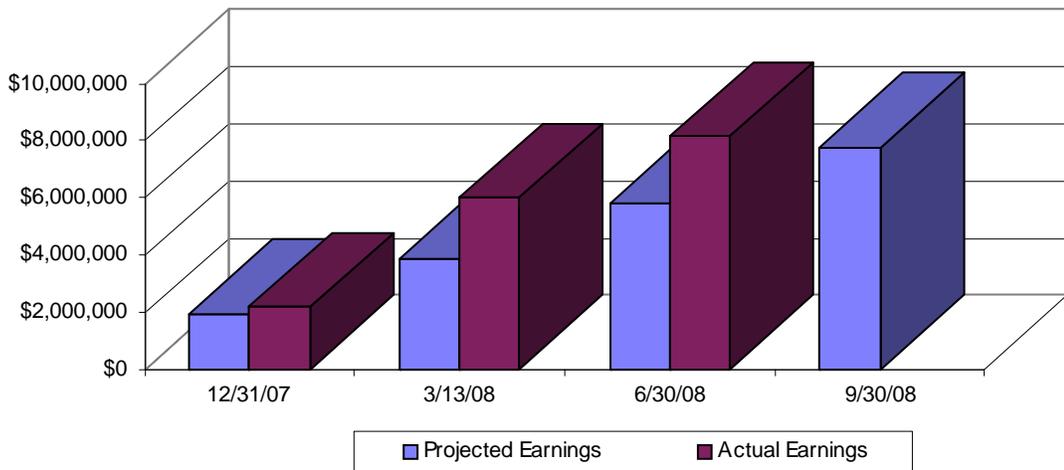
VI. ECONOMIC DEVELOPMENTS

The GDP grew at a rate of 1.0% in the first quarter of 2008, compared to 4.9% in the third quarter of 2007. The CPI was 5% for the unadjusted 12 months ending June, 2008.

VII. INTEREST EARNED TO DATE VS PROJECTED EARNINGS

Our budget for interest income for 2008 is \$7,786,458. At June 30, 2008, our actual earnings were approximately \$8,188,112. The significant earnings over budget are primarily from the investment of bond proceeds in higher yielding treasuries.

**INTEREST EARNED TO DATE
 VS PROJECTED EARNINGS**



VIII. PORTFOLIO GROWTH

The following is a comparison of the investment portfolio at the date indicated:

Type of Investment:	6/30/2008	12/31/2007	6/30/2007	12/31/2006
SBA	\$ 4,064	\$ 4,000	\$ 212,772,964	\$ 141,397,609
FLGIT	14,457,467	14,339,841	13,795,649	12,942,649
Certificates of Deposit	91,000,000	81,000,000	65,000,000	62,000,000
U. S. Agencies	27,008,880	63,248,456	57,440,517	47,113,130
SunTrust NOW Acct	11,565,100	11,408,004	11,131,477	10,845,360
US Treasuries	87,301,134	62,452,414	-	-
Wachovia	86,119,644	147,329,656	-	-
Total	\$317,456,289	\$ 379,782,371	\$ 360,140,607	\$ 274,298,748

Portfolio requirements from our investment policy:

- No more than 60% invested in certificates of deposit
- No more than 30% invested in US government agencies
- No more than 30% in any one institution

June 30, 2008 portfolio balance:	\$317,456,289
60% equals	\$190,473,773
30% equals	\$ 95,236,887

Amount invested in certificates of deposit: \$ 91,000,000 which is less than \$190,473,773

Amount invested in US agencies: \$27,008,880 which is less than \$95,236,887

Amount at any one institution: Wachovia \$86,119,644 which is less than \$95,236,887

We are in compliance with our policy for portfolio limits.

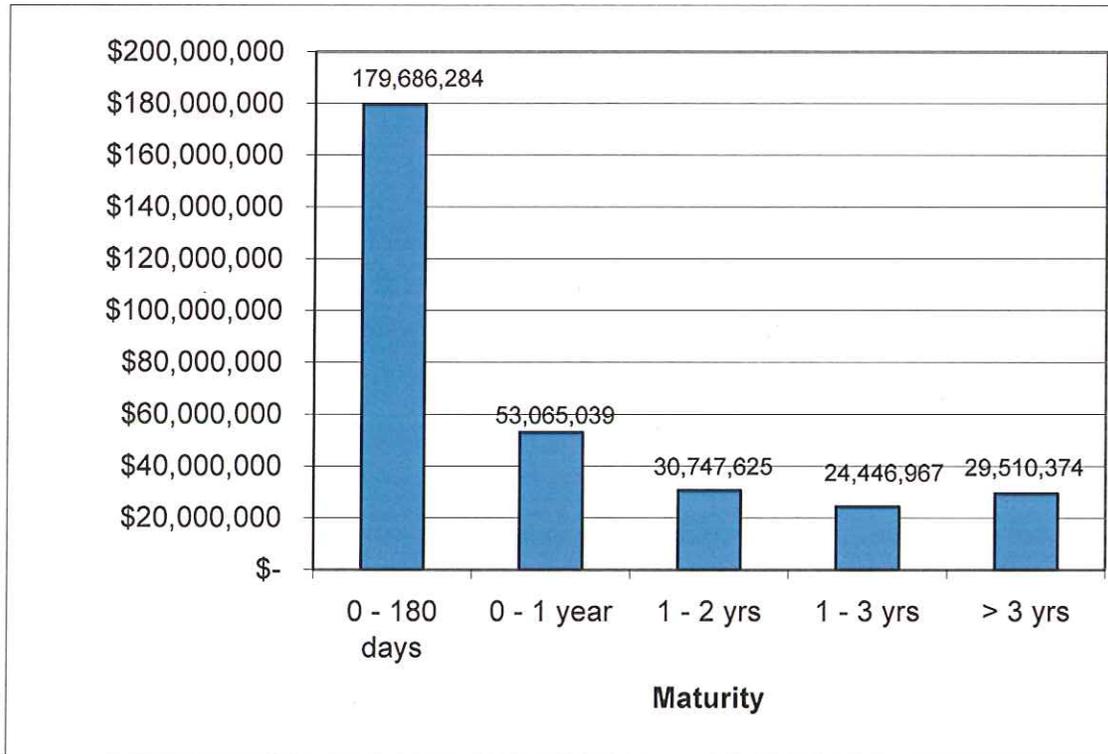
**CLERK OF COURTS
LAKE COUNTY, FLORIDA
Cash and Investments
June 30, 2008
Exhibit A**

Maturity Date	Type of Investment	Cost at 6/30/08	Market Value at 6/30/08	Yield
Short term Investments:				
N/A	SBA-All Accounts	\$ 4,064	\$ 4,064	2.38%
	Wachovia Demand Account	86,119,644	86,119,644	1.85%
	SunTrust NOW Account	11,565,100	11,565,100	1.94%
		<u>97,688,808</u>	<u>97,688,808</u>	
Certificates of Deposit:				
06/30/08	Colonial Bank	5,000,000	5,000,000	5.31%
07/01/08	Colonial Bank	1,000,000	1,000,000	5.65%
07/16/08	Colonial Bank	2,000,000	2,000,000	5.50%
07/24/08	Colonial Bank	2,000,000	2,000,000	5.15%
11/12/08	Colonial Bank	5,000,000	5,000,000	4.75%
11/12/08	Colonial Bank	5,000,000	5,000,000	4.75%
11/12/08	Colonial Bank	5,000,000	5,000,000	4.75%
01/31/09	Colonial Bank	8,000,000	8,000,000	3.75%
02/26/09	Colonial Bank	2,000,000	2,000,000	2.61%
02/26/09	Colonial Bank	1,000,000	1,000,000	2.61%
03/03/09	Colonial Bank	3,500,000	3,500,000	2.61%
04/18/10	Colonial Bank	2,500,000	2,500,000	3.03%
05/12/10	Colonial Bank	5,000,000	5,000,000	3.14%
09/07/11	Colonial Bank	2,500,000	2,500,000	4.70%
09/18/11	Colonial Bank	2,000,000	2,000,000	4.70%
09/24/11	Colonial Bank	1,000,000	1,000,000	4.79%
09/26/11	Colonial Bank	2,000,000	2,000,000	4.79%
		<u>54,500,000</u>	<u>54,500,000</u>	
09/20/08	Riverside Bank (Bond Funds)	15,000,000	15,000,000	3.93%
04/19/10	Riverside Bank	2,500,000	2,500,000	3.50%
06/20/11	Riverside Bank	4,000,000	4,000,000	3.25%
		<u>21,500,000</u>	<u>21,500,000</u>	
04/10/09	RBC Bank	5,000,000	5,000,000	3.50%
06/27/09	RBC Bank	5,000,000	5,000,000	3.34%
12/27/09	RBC Bank	5,000,000	5,000,000	3.45%
		<u>15,000,000</u>	<u>15,000,000</u>	
		91,000,000	91,000,000	
US Agency Securities:				
08/15/08	3 year note	FHLMC 2,998,920	3,007,350	4.63%
09/22/08	3 year note	FHLB 2,998,140	3,013,140	4.54%
06/04/10	2 year note	FNMA 2,982,000	2,994,390	3.13%
06/24/11	3 year note	FNMA 2,997,000	3,014,070	4.00%
06/24/11	3 year note	FHLB 2,992,500	3,006,570	3.85%
09/24/12	5 year note	FFCB 3,012,180	3,017,820	5.37%
09/26/12	5 year note	FNMA 6,028,140	6,037,500	5.35%
10/02/12	5 year note	FHLMC 3,000,000	3,019,380	5.30%
		<u>27,008,880</u>	<u>27,110,220</u>	

CLERK OF COURTS
LAKE COUNTY, FLORIDA
Cash and Investments
June 30, 2008
Exhibit A

	US Treasuries: (excess operating funds)			
08/21/08	6 month bill	4,948,433	5,000,000	2.10%
09/11/08	6 month bill	4,963,347	5,000,000	1.48%
09/18/08	6 month bill	4,966,886	5,000,000	1.34%
03/31/13	5 year note	4,977,860	5,000,000	2.60%
04/30/13	5 year note	4,992,194	5,000,000	3.16%
		<u>24,848,720</u>	<u>25,000,000</u>	
	US Treasuries: (All bond funds)			
12/31/08	1 year note	21,121,750	21,064,784	4.75%
03/15/09	1.25 year note	14,910,351	15,039,900	2.65%
06/30/09	1.5 year note	6,154,688	6,146,700	4.88%
09/15/09	1.75 year note	15,065,625	15,193,350	3.38%
11/30/09	2 year note	5,200,000	5,254,028	3.13%
		<u>62,452,414</u>	<u>62,698,762</u>	
	Subtotal-Treasuries	87,301,134	87,698,762	
Various	FI Local Govt Invstmnt Trust	<u>14,457,467</u>	<u>14,497,607</u>	4.90%
	TOTAL	<u>\$ 317,456,289</u>	<u>\$ 317,995,397</u>	

**CLERK OF COURTS
LAKE COUNTY, FLORIDA
Cash and Investments-Maturity Distribution of Portfolio
June 30, 2008
Exhibit B**



Description	Time to Maturity	Amount
SBA	0 - 180 days	\$ 4,064
SunTrust NOW	0 - 180 days	11,565,100
Certificates of Deposit	0 - 180 days	40,000,000
US Agencies	0 - 180 days	5,997,060
US Treasuries	0 - 180 days	36,000,416
Wachovia	0 - 180 days	86,119,644
Certificates of Deposit	0 - one year	32,000,000
US Treasuries	0 - one year	21,065,039
Certificates of Deposit	One to two years	7,500,000
US Agencies	One to two years	2,982,000
US Treasuries	One to two years	20,265,625
Certificates of Deposit	One to three years	4,000,000
FLGIT	One to three years	14,457,467
US Agencies	One to three years	5,989,500
US Agencies	Over three years	12,040,320
US Treasuries	Over three years	9,970,054
Certificates of Deposit	Over three years	7,500,000
		<u>\$ 317,456,289</u>

**CLERK OF COURTS
LAKE COUNTY, FLORIDA
Average Maturity at June 30, 2008
Exhibit C**

<u>Maturity Date</u>	<u>Type of Investment</u>	<u>Cost at 6/30/2008</u>	<u>(From 6/30/08) Days Outstanding</u>	<u>Weighted Average</u>	<u>Interest Rate</u>	<u>Weighted Average Interest</u>
Short term Investments:						
N/A	SBA-All Accounts	\$ 4,064	90	365,760	2.38%	8,705
	Wachovia Demand Account	86,119,644	1	86,119,644	1.85%	1,593,213
	SunTrust NOW Account	11,565,100	90	1,040,859,000	1.94%	20,192,665
		<u>97,688,808</u>		<u>1,127,344,404</u>		<u>21,794,583</u>
						1.93%
Certificates of Deposit:						
06/30/08	Colonial Bank	5,000,000	0	-	5.31%	-
07/01/08	Colonial Bank	1,000,000	1	1,000,000	5.65%	56,500
07/16/08	Colonial Bank	2,000,000	16	32,000,000	5.50%	1,760,000
07/24/08	Colonial Bank	2,000,000	24	48,000,000	5.15%	2,472,000
09/20/08	Riverside Bank (Bond Funds)	15,000,000	82	1,230,000,000	3.93%	48,339,000
11/12/08	Colonial Bank	5,000,000	135	675,000,000	4.75%	32,062,500
11/12/08	Colonial Bank	5,000,000	135	675,000,000	4.75%	32,062,500
11/12/08	Colonial Bank	5,000,000	135	675,000,000	4.75%	32,062,500
01/31/09	Colonial Bank	8,000,000	215	1,720,000,000	3.75%	64,500,000
02/26/09	Colonial Bank	2,000,000	241	482,000,000	2.61%	12,580,200
02/26/09	Colonial Bank	1,000,000	241	241,000,000	2.61%	6,290,100
03/03/09	Colonial Bank	3,500,000	246	861,000,000	2.61%	22,472,100
04/10/09	RBC Bank	5,000,000	284	1,420,000,000	3.50%	49,700,000
06/27/09	RBC Bank	5,000,000	362	1,810,000,000	3.34%	60,454,000
12/27/09	RBC Bank	5,000,000	545	2,725,000,000	3.45%	94,012,500
04/18/10	Colonial Bank	2,500,000	657	1,642,500,000	3.03%	49,767,750
04/19/10	Riverside Bank	2,500,000	658	1,645,000,000	3.50%	57,575,000
05/12/10	Colonial Bank	5,000,000	681	3,405,000,000	3.14%	106,917,000
06/20/11	Riverside Bank (Bond Funds)	4,000,000	1085	4,340,000,000	3.25%	141,050,000
09/07/11	Colonial Bank	2,500,000	1164	2,910,000,000	4.70%	136,770,000
09/18/11	Colonial Bank	2,000,000	1175	2,350,000,000	4.70%	110,450,000
09/24/11	Colonial Bank	1,000,000	1181	1,181,000,000	4.79%	56,569,900
09/26/11	Colonial Bank	2,000,000	1183	2,366,000,000	4.79%	113,331,400
		<u>91,000,000</u>		<u>32,434,500,000</u>		<u>1,231,254,950</u>
						3.80%
US Agency Securities:						
08/15/08	3 year note FHLMC	2,998,920	46	137,950,320	4.63%	6,380,202
09/22/08	3 year note FHLB	2,998,140	84	251,843,760	4.54%	11,433,707
06/04/10	2 year note FNMA	2,982,000	704	2,099,328,000	3.13%	65,708,966
06/24/11	3 year note FNMA	2,997,000	1089	3,263,733,000	4.00%	130,549,320
06/24/11	3 year note FHLB	2,992,500	1089	3,258,832,500	3.85%	125,465,051
09/24/12	5 year note FFCB	3,012,180	1547	4,659,842,460	5.37%	250,233,540
09/26/12	5 year note FNMA	6,028,140	1549	9,337,588,860	5.35%	499,561,004
10/02/12	5 year note FHLMC	3,000,000	1555	4,665,000,000	5.30%	247,245,000
		<u>27,008,880</u>		<u>27,674,118,900</u>		<u>1,336,576,791</u>
						4.83%

**CLERK OF COURTS
LAKE COUNTY, FLORIDA
Average Maturity at June 30, 2008
Exhibit C**

<u>Maturity Date</u>	<u>Type of Investment</u>	<u>Cost at 6/30/2008</u>	<u>(From 6/30/08) Days Outstanding</u>	<u>Weighted Average</u>	<u>Interest Rate</u>	<u>Weighted Average Interest</u>
US Treasuries: (excess operating funds)						
08/21/08	6 month bill	4,948,433	52	257,318,516	2.10%	5,393,396
09/11/08	6 month bill	4,963,347	73	362,324,331	1.48%	5,376,893
09/18/08	6 month bill	4,966,886	80	397,350,880	1.34%	5,312,581
03/31/13	5 year note	4,977,860	1735	8,636,587,100	2.60%	224,119,435
04/30/13	5 year note	4,992,194	1765	8,811,222,410	3.16%	278,346,516
		<u>24,848,720</u>		<u>18,464,803,237</u>		<u>518,548,822</u> 2.81%
US Treasuries: (All bond funds)						
12/31/08	1 year note	21,121,750	184	3,886,402,000	4.75%	184,604,095
03/15/09	1.25 year note	14,910,351	258	3,846,870,558	2.65%	101,942,070
06/30/09	1.5 year note	6,154,688	365	2,246,461,120	4.88%	109,514,980
09/15/09	1.75 year note	15,065,625	442	6,659,006,250	3.38%	224,741,461
11/30/09	2 year note	5,200,000	518	2,693,600,000	3.13%	84,175,000
		<u>62,452,414</u>		<u>19,332,339,928</u>		<u>704,977,605</u> 3.65%
Various	FI Local Govt Invstmnt Trust	14,457,467	971	14,036,754,710	5.64%	791,111,495
	TOTAL	<u>\$ 317,456,289</u>		<u>\$ 113,069,861,179</u>		<u>4,604,264,246</u>
	Weighted Avg Maturity	356.17	Days	Weighted average		
		0.98	Years	interest rate =		4.072%