

LAKE COUNTY FLORIDA

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2005

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LAKE COUNTY, FLORIDA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Year Ended
September 30, 2005**

**James C. Watkins
Clerk of the Circuit Court**

COUNTY FINANCE DEPARTMENT

**Barbara F. Lehman, CPA
Chief Deputy Clerk**

**Kristy L. Mullane, CPA
Accounting Director**

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**PRINCIPAL OFFICIALS
LAKE COUNTY, FLORIDA**

BOARD OF COUNTY COMMISSIONERS

Jennifer Hill, Chairman..... District 1
Robert A. Pool..... District 2
Debbie Stivender District 3
Catherine C. Hanson, Vice Chairman District 4
Welton G. Cadwell District 5

ELECTED COUNTY OFFICIALS

James C. Watkins Clerk of the Circuit Court
Ed Havill..... Property Appraiser
Chris Daniels..... Sheriff
Emogene W. Stegall Supervisor of Elections
Bob McKee Tax Collector

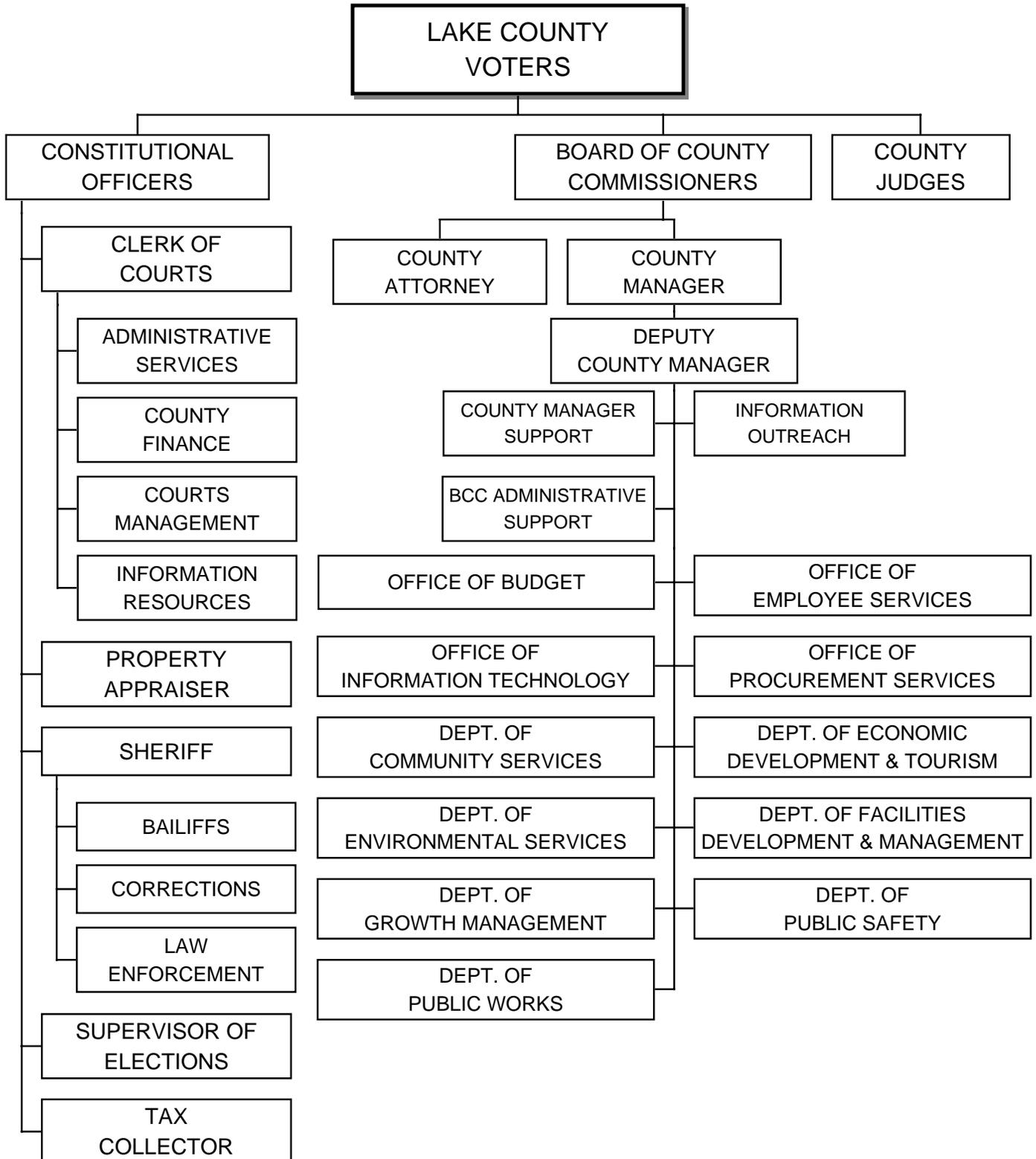
APPOINTED COUNTY OFFICIALS

Cindy Hall..... County Manager
Sanford A. Minkoff County Attorney

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ORGANIZATIONAL CHART

LAKE COUNTY ORGANIZATIONAL CHART LAKE COUNTY, FLORIDA September 30, 2005



LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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LETTERS OF TRANSMITTAL

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Clerk of the Circuit Court

March 31, 2006

The Honorable Board of County Commissioners
Lake County, Florida

The Comprehensive Annual Financial Report of Lake County, Florida, as of September 30, 2005, and for the 2004-2005 fiscal year is hereby transmitted. The accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, is the responsibility of the County. Management believes that the presented data is materially accurate and is designed to report the financial position and the results of operations as measured by the financial activity of the County's various funds. The necessary disclosures to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

The development and evaluation of the County's accounting system must consider the adequacy of internal control. I believe that the County's internal control, as discussed in the accompanying transmittal letter, adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially with high standards of public financial reporting, including accounting principles generally accepted in the United States. Lake County was awarded a Certificate of Achievement for its annual financial report for the 2004 fiscal year. The Certificate of Achievement program requires the inclusion of all funds of the County. The financial statements for the year ended September 30, 2005, include all of the Constitutional Officers, dependent special districts, and other agencies of the County. It is my belief that the accompanying fiscal year 2005 financial report will meet program standards and it will be submitted to the GFOA for review.

James C. Watkins

Clerk of the Circuit Court • County Court • Board of County Commissioners
550 West Main Street • Post Office Box 7800 • Tavares, Florida • 32778-7800
(352) 742-4100

March 31, 2006
Page Two

In accordance with the above mentioned guidelines, the accompanying report consists of five parts:

1. Introductory Section, including the letter of transmittal;
2. Financial Section, including management's discussion and analysis, the financial statements, notes to the financial statements, and supplemental data of the County accompanied by our independent certified public accountants' report;
3. Statistical Section, including a number of tables of unaudited data depicting the financial history of the County for the past 10 years, information on overlapping governments, and demographic and other miscellaneous information;
4. Single Audit, including the Schedule of Expenditures of Federal Awards and State Financial Assistance; and
5. Other Reports, including the report of the independent certified public accountants on internal control over financial reporting and on compliance and other matters, and the management letter.

State law requires that the financial statements of the County be audited by an independent certified public accountant selected by the Board. This requirement has been complied with and our independent certified public accountants' opinion is included in the Financial Section of this report.

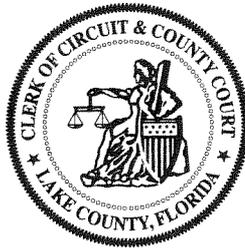
The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated efforts of the Chief Deputy Clerk-County Finance, the Accounting Director and the Finance Department staff. Their efforts over the past years toward upgrading the accounting and financial reporting system of the County have led substantially to the improved quality of the information being reported to the County Commission, state oversight boards, and the citizens of Lake County.

Respectfully submitted,



James C. Watkins
Clerk of Circuit Court

Attachment



Reply to:
County Finance Department
(352)343-9808

Clerk of the Circuit Court

315 West Main Street
Post Office Box 7800
Tavares, Florida 32778-7800

March 31, 2006

The Honorable Board of
County Commissioners and
Citizens of Lake County, Florida

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Lake County, Florida, for the fiscal year ended September 30, 2005. This report was prepared by the County Finance Department under the direction of the Clerk of Courts in his capacity as County Comptroller.

This report consists of management's representations concerning the finances of Lake County, Florida. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, Lake County's management has established a comprehensive internal control framework that is designed to protect the County's assets from loss, theft, or misuse and to compile the County's financial statements in conformity with accounting principles generally accepted in the United States (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's internal control framework has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. As management, we assert that to the best of our knowledge and belief, this financial report is accurate and complete in all material respects.

In accordance with Chapter 218, Florida Statutes, Lake County's financial statements have been audited by independent certified public accountants. The independent auditor's report has been included in the financial section of this report. 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. Based upon the results of the audit, the auditors concluded that there was a reasonable basis for rendering an unqualified opinion that Lake County's financial statements for the fiscal year ended September 30, 2005 are fairly presented in conformity with GAAP. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the State of Florida and

James C. Watkins

*Clerk of the Circuit Court • County Court • Board of County Commissioners
550 West Main Street • Post Office Box 7800 • Tavares, Florida 32778-7800
(352) 742-4100*

Federal Single Audit Acts. The standards governing single audit engagements require the independent auditor to report on the government's internal controls and compliance with legal requirements with special emphasis on the administration of federal and state awards. Information related to the single audit, including schedules of federal and state financial assistance and the independent auditor's reports thereon are included in this report.

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 the MD&A and should be read in conjunction with it. Lake County's MD&A can be found immediately following the report of the independent certified public accountants.

Profile of Lake County

Lake County is located in the center of the state approximately 65 miles from the east and west coasts at the northwestern edge of central Florida. The County was created in June, 1887, by the Florida legislature and encompasses 954 square miles of land and over 200 square miles of lakes. The current estimated population is 256,696. There are fourteen municipalities located within the County including: Astatula, Clermont, Eustis, Fruitland Park, Groveland, Howey-in-the-Hills, Lady Lake, Leesburg, Mascotte, Minneola, Montverde, Mount Dora, Tavares and Umatilla.

The County is a political subdivision of the State of Florida pursuant to Article VIII, Section (1), Constitution of the State of Florida. The Board of County Commissioners (the Board) is the principal legislative and governing body of the County, as provided by the Florida Constitution and Chapter 125, Florida Statutes. The Board consists of five members elected county-wide by district for staggered terms, with a chairman elected by the commissioners for a one-year term to serve as the presiding officer. In addition to the Board, there are five elected Constitutional Officers serving four year terms: the Tax Collector, Property Appraiser, Clerk of the Circuit Court (Clerk), Sheriff and Supervisor of Elections.

The County provides a full range of services contemplated by statute and ordinance, including general governmental services, public safety, physical environment, transportation, economic environment, human services, culture and recreation and court-related services.

The chief administrative official of the County is the County Manager. The County Manager is hired by the Board and is responsible to them for the administration and operation of all Board departments and the execution of all Board policies. The County Manager is also responsible to the Board for the

preparation of the annual budget and for the control of Board expenditures during the year.

The annual budget serves as the foundation of the County's planning and control of revenues and expenditures. The Board funds a portion, or in certain instances all, of the operating budgets of the County's Constitutional Officers. Constitutional Officers, except the Tax Collector and Property Appraiser, are required to submit their budget requests to the Board by June 1. The Tax Collector and Property Appraiser must submit their budgets to the State of Florida Department of Revenue. A tentative proposed budget is presented to the Board in mid-July. The budget is adopted after two advertised public hearings held in September. At the end of the fiscal year, Florida Statutes require that any budget excess of the constitutional officers be returned to the Board.

The budget is prepared by fund, department, and object code. After the budget is adopted, no transfers can be made between funds without a public hearing. Certain transfers within a department may be approved by the County Manager or by the Board, depending on the dollar amount. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget is adopted. For the general fund, this comparison is on page 42 as part of the basic financial statements for governmental funds. For other governmental funds, the comparison for each fund for which a budget has been adopted is presented on pages 44, 45 and 102 to 135.

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 Lake County operates.

Local Economy. Lake County currently enjoys a favorable economic environment and local indicators point to continued stability. The County's location in the central part of the state and its proximity to the Florida Turnpike and Interstate 75 have made it an attractive location for large distributors such as Carroll Fulmer Trucking, Marriott Distribution Services, Domino's Pizza, Circuit City, Sprint North Supply and Goodyear Tire and Rubber Company. These companies are located in the Christopher C. Ford Commerce Park developed by the County. The park is located at the intersection of U. S. 27 and Florida's Turnpike. Lake County has enacted the Job Growth Investment Trust Fund, which awards a qualified company up to \$4,000 for each new job depending upon the average median wage. The County also offers a deferral plan for the payment of transportation impact fees for qualified projects and a Fasttrack Permitting process for industrial and manufacturing projects.

The County's labor force stands at over 108,000 with County unemployment at 4.0%. Both Florida and the National unemployment rates are higher at 4.1% and 5.2%, respectively. Educational institutions in the area such as Lake-Sumter

Community College and the University of Central Florida assist in supplying a skilled labor force.

The cost of living for the region is below the national average. There is no personal income tax, either locally or state-wide. Sales tax, currently at 6%, is not charged on food or medicine. There is a local additional one cent sales tax charged within the county limited to \$50 per transaction (1% of \$5,000). As discussed in the MD&A, this additional penny sales tax must be used for infrastructure including roads, buildings, land, land improvements and certain equipment.

Overall, economic projections for 2006 point to continued growth.

Relevant financial policies. The County has established an economic stabilization reserve policy to ensure that sufficient cash is available in the following year to meet the County's obligations until anticipated revenues are available and to protect the County's essential service programs during periods of economic downturn or unforeseen catastrophic events. One of the goals of this policy is for the General Fund to maintain an unreserved fund balance of no less than 10% of the total budget. At September 30, 2005, the unreserved fund balance of \$37,495,636 met this goal.

Another financial policy the Board has adopted addresses shortfalls in budgeted revenues. During the course of the year, if actual revenues are expected to fall short of the budgeted amount, expenditures are reduced to ensure that a shortage of funds or a significant use of fund balance doesn't occur.

Long-term Financial Planning. As a part of the budget and planning process, the County has prepared a master space and facilities plan. Two objectives of the space plan were to ensure maximum use of existing County-owned facilities and to propose cost effective solutions for new space and infrastructure. The study estimated that the County will need an additional 200,000 square feet of space by 2010. Additional workshops are scheduled to discuss the study and develop a long range plan.

The County also adopts a five year capital improvements program which includes requests from Board departments and Constitutional Offices. Each request includes a proposed funding source and estimated operating costs. The following projects are planned for in the near term with the estimated cost indicated:

- Citrus Ridge Library-\$5,483,000
- Conceptual design for the expansion of the Judicial Center, the construction of a downtown parking garage and the South Tavares Complex-\$4,000,000
- Improvements to the Fairgrounds-\$6,000,000

Funding for these projects will come from infrastructure sales taxes for eligible projects or from general fund revenues. The County secured a line of credit of \$15,000,000 with a local bank to provide interim funding for road and building projects. No draws were made during 2005 or 2004. Grant funding will be requested where such funds are available.

Major Initiatives. Another long term issue that is of major concern to the County is the completion of the County's Comprehensive Plan. The County is in the process of a full revision of its comprehensive plan for the first time since its original adoption in 1991. Upon completion, the new plan, entitled "Planning Horizon 2025" will stipulate the ultimate goals of efficient transportation, adequate employment, affordable housing, needed capital improvements and access to clean air, water and open space for the next 20 years.

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 Lake County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2004. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such CAFR must satisfy accounting principles generally accepted in the United States.

A Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last 24 consecutive years. We believe our current report continues to conform to Certificate of Achievement Program requirements and we are submitting it to GFOA for review.

In addition, both the Board and Clerk's Office participate in GFOA's Distinguished Budget Award program. In order to qualify for the Distinguished Budget Presentation Award, a budget document must be judged proficient in several categories including policy documentation, financial planning and organization. The Board has received this award for 6 fiscal years and the Clerk's Office for the last 14 fiscal years.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated efforts of the County Finance Department under the Clerk of the Circuit Court of Lake County as auditor and comptroller to the Board of County Commissioners. In addition, without the support of the Board of County Commissioners, Constitutional Officers, County Manager, and

their respective staffs, as well as our external auditors, Ernst & Young LLP, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Barbara F. Lehman". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Barbara F. Lehman, CPA
Chief Deputy Clerk - County Finance

CERTIFICATE OF ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lake County,
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Carla E. Perry

President

Jeffrey R. Emmer

Executive Director

Report of Independent Certified Public Accountants

The Honorable Members of the Board
of County Commissioners
Lake County, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Lake County, Florida (the County), as of and for the year ended September 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of County management. 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 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. We were not engaged to perform an audit of the County's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly we express no such opinion. An audit includes 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, each major fund and the aggregate remaining fund information of Lake County, Florida as of September 30, 2005, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison information for the general fund, road impact fees fund, and county sales tax fund for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2006 on our consideration of the County's internal control over financial reporting and on 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 the internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 17 through 29 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the method of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections of this report have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



February 14, 2006

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of Lake County, Florida, (County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Lake County government for the fiscal year ended September 30, 2005. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the letters of transmittal, which can be found at pages 3 to 10 of this report.

Financial Highlights

- Lake County's assets exceeded its liabilities at September 30, 2005 by \$383,321,391 (net assets). Of this amount, \$48,135,172 (unrestricted net assets) may be used to meet the County's ongoing obligations to its citizens and creditors.
- The County's total net assets increased \$49,038,591 over the previous year with \$52,632,955 of the increase resulting from governmental activities offset by a loss of \$3,594,364 from business-type activity.
- At September 30, Lake County's governmental fund statements report combined ending fund balances of \$155,042,985, an increase of \$40,714,272 over the previous fiscal year. Of this amount, \$138,053,587 remains in the various fund types of the County as unreserved.
- The General Fund, the County's primary operating fund, reported an unreserved fund balance of \$37,495,636, and an increase in total fund balance from the last fiscal year of \$15,358,722. The unreserved general fund balance of \$37,495,636 represents 35% of total general fund expenditures.
- Total bonded debt outstanding at year-end amounted to \$4,005,000. There were no new borrowings in 2005. During FY 2004, the County secured a \$15 million line of credit with a local bank to provide interim funding for sales tax projects. No draws were made in 2004 or 2005.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Lake County's basic financial statements. The County'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. There is additional supplementary information following the financial statements that may be of interest to the reader.

Government-wide financial statements

Government-wide financial statements are designed to provide the reader with a broad overview of the County's financial position, in a manner similar to a private-sector business. They include a **Statement of Net Assets** and a **Statement of Activities**. These statements appear on pages 31 to 33 of the report.

The **Statement of Net Assets** presents the County's assets less its liabilities at year end. The difference between these assets and liabilities is reported as net assets. Changes in net assets over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The **Statement of Activities** presents information showing how the County's net assets changed during the fiscal year. All changes in net assets 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 (for example, accounts payable and earned but unused vacation leave.)

Both statements attempt to distinguish functions of the County 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 activity). Governmental activities include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court-related expenses. Business-type activity includes a solid waste system, which uses an incinerator and landfills to dispose of solid waste.

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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the County's funds 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 the County'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 County maintains 36 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, Road Impact Fees and County Sales Tax Special Revenue Funds, and the Sales Tax Capital Projects Fund, all of which are considered to be major funds. Data from the other 32 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Each Constitutional Officer adopts an annual appropriated budget for its general fund. The general funds of the Board and Constitutional Officers are then combined and eliminations of intergovernmental receivables, payables and operating transfers are made. A budgetary comparison statement of this consolidated general fund has been provided to demonstrate compliance with the Countywide adopted budget.

The basic governmental fund financial statements can be found on pages 34 to 45 of this report.

Proprietary funds. The County maintains and presents two types of proprietary funds: enterprise and internal service, which can be found on pages 46 to 49 of this report.

Enterprise funds are used to report the same functions presented as business-type activity in the government-wide financial statements. The County has one enterprise fund which is used to account for the activities of its solid waste management system.

Internal service funds are an accounting tool used to accumulate and allocate costs internally among various functions. The County uses internal service funds to account for its fleet of vehicles, and for its self-insured health and general liability programs. Because both of these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Landfill Enterprise Fund is considered to be a major fund of the County.

Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in 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 statements because the resources of those funds are *not* available to support the County's own programs.

The basic fiduciary fund financial statement can be found on page 50 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51 to 77 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 86 to 166 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. In the case of Lake County, governmental activities net assets exceed liabilities by \$372,752,964 at September 30, 2005.

By far the largest portion of the County's governmental activities net assets (59%) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in 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.

The following is a summary of Lake County net assets for governmental and business-type activities for 2005 and 2004, with amounts expressed in thousands.

LAKE COUNTY'S NET ASSETS (amounts expressed in thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activity</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Current and other assets	\$ 183,495	\$ 147,092	\$ 12,871	\$ 21,393	\$ 196,366	\$ 168,485
Capital Assets	220,716	201,925	10,922	7,268	231,638	209,193
Total Assets	<u>404,211</u>	<u>349,017</u>	<u>23,793</u>	<u>28,661</u>	<u>428,004</u>	<u>377,678</u>
Long-term liabilities outstanding	7,640	7,213	10,893	11,409	18,533	18,622
Other liabilities	23,818	21,684	2,331	3,089	26,149	24,773
Total Liabilities	<u>31,458</u>	<u>28,897</u>	<u>13,224</u>	<u>14,498</u>	<u>44,682</u>	<u>43,395</u>
Net Assets:						
Invested in capital assets, net of related debt	218,964	201,843	3,335	3,338	222,300	205,182
Restricted	111,617	87,460	1,270	941	112,887	88,401
Unrestricted	<u>42,172</u>	<u>30,817</u>	<u>5,963</u>	<u>9,884</u>	<u>48,134</u>	<u>40,700</u>
Total net assets	<u>\$ 372,753</u>	<u>\$ 320,120</u>	<u>\$ 10,568</u>	<u>\$ 14,163</u>	<u>\$ 383,321</u>	<u>\$ 334,283</u>

An additional portion of the County's governmental activities net assets (30%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted governmental activities net assets (\$42,172,148) may be used to meet the County's ongoing obligations to citizens and creditors.

External restrictions may be imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Enabling legislation may include ordinances passed by the County which requires that revenues collected be spent for particular purposes. Some examples of these restrictions include revenues from gas taxes, road impact fees, fire special assessments, infrastructure sales tax and ad valorem taxes collected for stormwater management.

Restricted net assets in the Landfill Fund (Business-type Activity) consist of the amount invested in capital assets net of related debt (32%) and amounts restricted for landfill closure and post closure care costs (12%). Unrestricted net assets of \$5,963,024 may be used to meet ongoing solid waste obligations.

Governmental activities

Governmental activities account for 97% of the County's net assets. One of the major components of general revenue collected by governmental activities is property taxes. In 2005, property taxes were assessed at a millage rate of 5.817 mills for the general fund, a .1 mill decrease from 2004. Property taxes collected amounted to \$76,775,834 an increase of \$10,411,710 over the prior year. This

increase was due to an increase of approximately 13% in assessed valuation. Other taxes amounted to \$21,219,435 and include infrastructure sales tax (\$10,598,936), gas taxes (\$6,946,030), communications services taxes (\$1,605,641) and tourist development taxes (\$2,068,828).

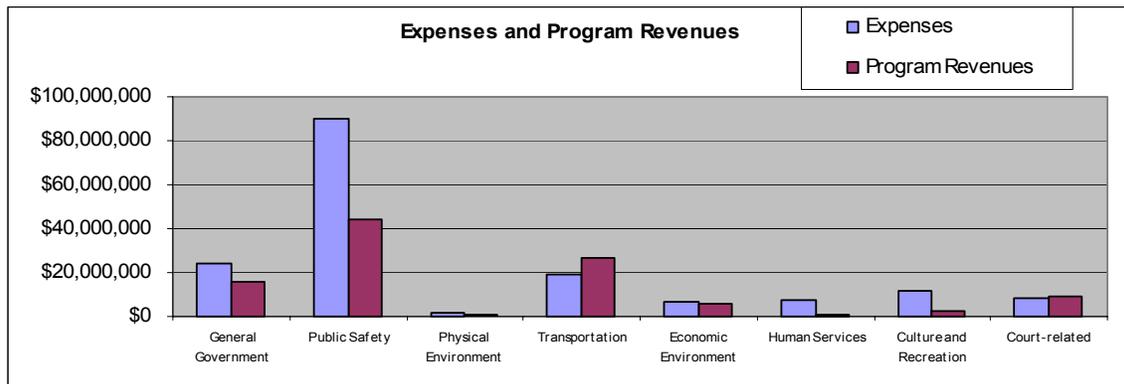
Other variances in governmental activities include:

- Other ad valorem taxes include the Stormwater Management Fund and the Lake County Ambulance Fund. The tax rate for stormwater management was .5 mills in both 2004 and 2005. The Ambulance fund adopted the same millage rate as last year, .5289 mills. Additional collections from these two taxes amounted to about \$1.4 million.
- Charges for services were about \$6.9 million higher in 2005. This increase includes fees collected for support of the court system. FY 2005 marked the first full year of operations since the passage of Revision 7 to Article V of the state constitution. Under this revision, an additional \$2 was collected for documents recorded in the public records for court technology and other court fees were increased in an effort to make the court system self supporting.
- Operating and capital grants increased approximately \$12.7 million over 2004. This increase consists primarily of funds received from FEMA and the state of Florida for reimbursement of hurricane expenses.
- Capital grants include \$5.6 million received from a Florida Forever Grant and a grant from Florida Communities Trust in 2005. These funds were used to purchase a 200 acre parcel near Lake Apopka called the Ferndale Preserve and another parcel known as the PEAR Park – Gateway parcel. These purchases account for most of the \$6.2 million increase in culture and recreation expenses in 2005.
- Public safety expenses were higher by \$20.1 million in 2005. About \$15.2 million of this increase includes expenses incurred for hurricane preparation and debris removal for the three hurricanes the County experienced in August and September of 2004. In addition, Sheriff expenses were \$3.0 million higher in 2005 for the addition of personnel and equipment.
- The General Fund transferred out to the Landfill Fund .73 mills of ad valorem taxes or \$6,987,525. These funds were needed for operating expenses and debt service, further discussed under business activities.

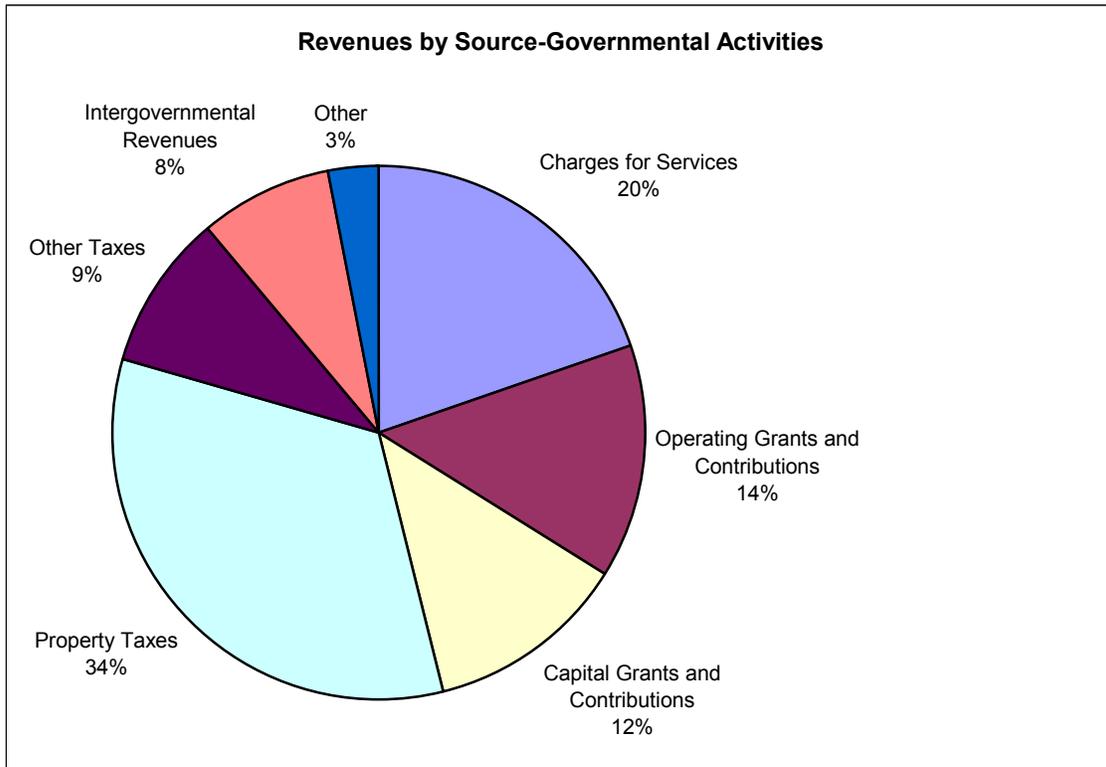
The following is a summary of Lake County governmental and business-type activities for 2005 and 2004, including revenues and expenses, with amounts expressed in thousands:

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 45,327	\$ 38,421	\$ 15,250	\$ 15,189	\$ 60,577	\$ 53,610
Operating grants and contributions	32,557	19,814	-	24	32,557	19,838
Capital grants and contributions	27,679	19,332	-	-	27,679	19,332
General Revenues:						
Property taxes	76,776	66,364	-	-	76,776	66,364
Other taxes	21,219	18,811	-	-	21,219	18,811
Intergovernmental	18,305	16,280	-	-	18,305	16,280
Other	7,307	4,370	1,239	1,044	8,546	5,414
Total Revenues	229,170	183,392	16,489	16,257	245,659	199,649
Expenses:						
General government	23,869	27,344	-	-	23,869	27,344
Public safety	90,105	69,980	-	-	90,105	69,980
Physical environment	1,938	1,756	-	-	1,938	1,756
Transportation	19,184	17,561	-	-	19,184	17,561
Economic environment	6,744	6,271	-	-	6,744	6,271
Human Services	7,123	5,100	-	-	7,123	5,100
Culture and recreation	11,975	5,735	-	-	11,975	5,735
Court-related	8,385	7,302	-	-	8,385	7,302
Interest on long-term debt	226	226	-	-	226	226
Landfill	-	-	27,072	18,918	27,072	18,918
Total Expenses	169,549	141,275	27,072	18,918	196,621	160,193
Change in net assets						
before transfers	59,621	42,117	(10,583)	(2,661)	49,038	39,456
Transfers	(6,988)	(8,074)	6,988	8,074	-	-
Change in net assets	52,633	34,043	(3,595)	5,413	49,038	39,456
Net Assets beginning	320,120	286,077	14,163	8,750	334,283	294,827
Net Assets ending	\$ 372,753	\$ 320,120	\$ 10,568	\$ 14,163	\$ 383,321	\$ 334,283

The following graph is a comparison of program revenues and program expenses for all governmental activities. This chart is intended to give the reader an idea of the degree to which governmental activities are self-supporting.



The following pie chart illustrates the composition of governmental activities revenue and its percent in relation to total governmental revenues:



Business-type activity

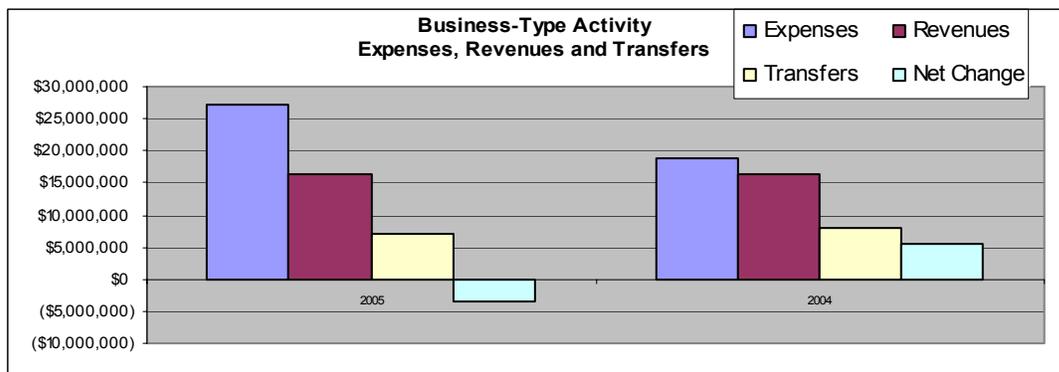
The County has only one business-type activity which is the solid waste management system. The system consists of an incinerator operated by an outside vendor, one operating landfill and five closed landfills. The operating landfill is the Phase II landfill. The five closed landfills are located in Astatula, Umatilla, Lady Lake and Clermont.

The County has a service agreement with Covanta, Inc. for the operation of the incinerator mentioned above. The County had been in litigation with Covanta for several years. However, in December 2004, the County settled its dispute regarding service fee payments and entered into a new waste disposal agreement for the operation of the plant. The new agreement will save the County about \$26 million over the next 10 years. In addition, the bonds used to construct the plant were refunded resulting in a net present value savings of \$4,731,800. The refunding bond of \$55,515,196 was issued by a local bank at a rate of 4.16% and a term of 10 years. The bond is recorded on the books of Covanta, Inc. The County's obligation is to pay the debt service through the waste disposal agreement.

The activities of the solid waste management system are reported in the Landfill Fund. The fund finished the year with a decrease in net assets of \$3,594,364 compared to an increase of \$5,412,373 in 2004. Operating Expenses in the Landfill Fund increased by \$8,494,248 from the prior year. As a part of the settlement with Covanta, the County was required to pay \$5.8 million in withheld service fee payments. In addition, the estimated closing and long term care costs for the County's operating and closed landfills increased by \$1,388,839. Other expenses were consistent with the prior year.

Tipping fees were reduced from about \$90 per ton to \$45 per ton in 2003 in an effort to encourage cities within the county to use the system. This decrease in tipping fees was offset by the transfer ad valorem taxes from the General Fund of \$6,987,525 mentioned above. This is a decrease of about \$1 million from the prior year.

The following chart is a comparison of expenses, revenues and transfers by year for business-type activities.



Financial Analysis of the County's Funds

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

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

The combined ending fund balance for all governmental funds at September 30, 2005 was \$155,042,985. Of this amount, \$138,053,587 was included in unreserved fund balance with the remainder of \$16,989,398 reserved for encumbrances, inventories, and prepaid items. The combined ending fund balance at the end of 2004 was \$114,328,713, a net increase in 2005 of \$40,714,272.

The County's chief operating fund is the general fund. The general fund as presented in the accompanying financial statements includes the general funds of the Board of County Commissioners, Clerk, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. Eliminations have been made in combining these funds so that intergovernmental transactions have been eliminated.

The unreserved fund balance in the General Fund at September 30, 2005 was \$37,495,636 compared to \$22,862,698 at the end of 2004. This increase can be attributed to an increase in ad valorem taxes and from revenues received in 2005 for expenses incurred in 2004 (\$5.2 million) for debris removal after the County suffered damages from three hurricanes.

The County has three governmental funds that are considered major funds under criteria set forth by GASB Statement Number 34. Those funds include the Road Impact Fees and County Sales Tax Special Revenue Funds and the Sales Tax Capital Projects Fund. A brief discussion of these funds follows:

Road Impact Fees: This fund is used to account for impact fees collected from the issuance of building permits in the County. Funds collected must be used for new road construction or reconstruction in the district in which collected within six years of collection. This period can be extended under certain circumstances. Road impact fees increased approximately 12% over the prior year, from increased construction activity as the rates were essentially the same for both years. Collections were \$18,342,968 in 2005 and \$16,336,704 in 2004. Expenditures were higher in 2005, \$9,891,245 compared to \$6,285,257 in 2004. Two large projects, county roads 439 and 46A, were in process in 2005 resulting in the increase to expenditures.

County Sales Tax: This fund is used to account for the extra penny sales tax that was authorized for an additional fifteen years by the voters of Lake County in November, 2001, with the revenues being divided equally among the County, cities and school district. These funds must be used for infrastructure projects or public safety equipment with a useful life in excess of five years or on debt issued to finance the above. The revenue for 2005 amounted to \$10,598,937 compared to \$9,017,709 in 2004. These funds were transferred to the Sales Tax Capital Projects funds discussed below.

Sales Tax Capital Projects: This fund is used to account for capital projects constructed using sales tax revenues discussed above. Projects completed during 2005 are discussed under the section entitled "Capital Asset and Debt Administration."

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

detail. The County's only enterprise fund is the Landfill Fund, and financial highlights are discussed above, at business-type activity.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were \$30,166,348 (increase in appropriations for expenditures) and can be briefly summarized as follows:

- Public safety increases in the amount of \$22,311,581 primarily for hurricane preparation, supplies and debris removal.
- Culture and recreation increase of \$5,749,612 primarily for the purchase of the Ferndale Preserve and PEAR Park-Gateway parcel.

These variances were offset by increases to intergovernmental revenues for reimbursement of hurricane expenditures by FEMA and the State of Florida and for the receipt of grant revenue for the land purchases.

Actual expenditures in the General Fund were under budget by \$12,079,278. A brief description of these differences follows:

- General government decreases of \$3,371,579 consisting primarily of \$1,530,000 for savings in repairs and maintenance and energy management; \$551,000 for lower costs than expected for administrative services and growth management and \$575,000 in funds returned by constitutional officers.
- Public safety decreases of \$4,686,839 primarily from hurricane expenditures of \$3,745,800 which were not as high as anticipated and other decreases of \$614,000 by the Sheriff.
- Human services decreases of \$1,362,010 resulting primarily from funds not spent by the Healthy Communities Access Program.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activity as of September 30, 2005, amounts to \$227,545,591 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, and roads completed and put into use during the period from fiscal year 1980 to 2005.

The County has a locally imposed a one-cent sales tax that can be used for infrastructure and certain public safety equipment. The projects below were funded by this tax:

- Construction of roads and countywide resurfacing projects-\$3,231,829
- Matching contribution for the acquisition of the Ferndale Preserve property-\$603,025
- Equipment including vehicles for the Sheriff's Office and voting machines-\$947,131

The following is a summary of Lake County's capital assets for governmental and business-type activities for 2005 and 2004, net of accumulated depreciation, with amounts expressed in thousands.

LAKE COUNTY'S CAPITAL ASSETS (amounts expressed in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activity</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Land	\$ 16,902	\$ 7,729	\$ 2,913	\$ 2,913	\$ 19,815	\$ 10,642
Buildings	62,339	63,938	1,429	1,515	63,768	65,453
Improvements other than buildings	7,704	7,018	1,154	1,618	8,858	8,636
Machinery and equipment	16,808	15,834	852	1,152	17,660	16,986
Infrastructure	95,916	96,252	-	-	95,916	96,252
Construction in progress	21,047	11,154	481	70	21,528	11,224
Total	<u>\$ 220,716</u>	<u>\$ 201,925</u>	<u>\$ 6,829</u>	<u>\$ 7,268</u>	<u>\$ 227,545</u>	<u>\$ 209,193</u>

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-Term debt

At September 30, 2005 Lake County had bonded debt outstanding of \$4,005,000 consisting of Pari-mutuel Revenues Replacement bonds. These bonds were issued in 2001 to fund county-wide recreation projects. They are secured by sales tax revenues which are paid to the County by the State of Florida as a replacement for funds previously distributed from pari-mutuel wagering revenues. The bonds are rated "AAA" by Standard and Poor's Ratings Services Group and Fitch, Inc.

Other debt outstanding consists of a note payable in the Landfill Fund that amounted to \$8,000,000 at year end. The note is due in annual payments of \$1,000,000 for nine years at an interest rate of 3.69%.

Additional information on debt can be found in the Notes to the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the area is estimated at 4.0% compared to 4.1% for the state and 5.2% for the nation. Last year's rate for the County was 3.8%.
- Inflation nationally as indicated by the consumer price index is 4.3%.
- Return on investments for the upcoming year will be higher as interest rates are starting to increase. Short term (less than 90 days) interest rates are about 3.76% compared to 1.70% at the end of last fiscal year.

All of these factors were considered in preparing the County's budget for the 2006 fiscal year. In addition, at its final budget hearing on September 20, 2005, the Board adopted the following millage rates:

- General Fund: 5.797 mills.
- Stormwater: .5 mills
- Lake County Ambulance Fund: .5289 mills.

Requests for Information

This financial report is designed to provide a general overview of the Lake County finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Finance Department, 315 West Main Street, Tavares, Florida 32778.

In addition, financial statements for the Lake County Industrial Development Authority, a component unit of the County, may be obtained from the above address.

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LAKE COUNTY, FLORIDA
STATEMENT OF NET ASSETS
September 30, 2005

Assets	Governmental Activities	Business-Type Activity	Total
Current Assets:			
Cash and Cash Equivalents	\$ 157,711,551	\$ 11,998,649	\$ 169,710,200
Other Investments	4,242,694	-	4,242,694
Restricted Cash and Cash Equivalents	-	77,876	77,876
Accounts Receivable	271,173	793,121	1,064,294
Due from Other Governments	19,745,210	1,044	19,746,254
Inventories	1,175,234	-	1,175,234
Prepaid Items	81,925	-	81,925
Total Current Assets	183,227,787	12,870,690	196,098,477
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	-	3,037,283	3,037,283
Assessments Receivable	201,109	-	201,109
Deferred Charge	66,151	1,055,308	1,121,459
Land and Other Nondepreciable Assets	37,949,126	3,394,156	41,343,282
Capital Assets, Net of Accumulated Depreciation	182,767,235	3,435,074	186,202,309
Total Noncurrent Assets	220,983,621	10,921,821	231,905,442
Total Assets	404,211,408	23,792,511	428,003,919
Liabilities			
Current Liabilities:			
Accounts Payable	6,949,203	978,683	7,927,886
Retainage Payable	2,049,528	-	2,049,528
Accrued Liabilities	2,602,576	156,583	2,759,159
Due to Other Governments	2,433,857	-	2,433,857
Deposits	3,389,375	52,677	3,442,052
Estimated Claims Payable	2,808,521	-	2,808,521
Current Portion of Long Term Obligations	3,585,507	1,143,512	4,729,019
Total Current Liabilities	23,818,567	2,331,455	26,150,022
Noncurrent Liabilities:			
Noncurrent Portion of Long Term Obligations	7,639,877	53,703	7,693,580
Note Payable	-	7,000,000	7,000,000
Landfill Closure and Post Closure Care Costs	-	3,838,926	3,838,926
Total Noncurrent Liabilities	7,639,877	10,892,629	18,532,506
Total Liabilities	31,458,444	13,224,084	44,682,528
Net Assets			
Invested in Capital Assets, Net of Related Debt	218,963,917	3,335,440	222,299,357
Restricted for Closure and Post Closure Care Costs	-	1,269,963	1,269,963
Restricted for Transportation Expenses	48,706,707	-	48,706,707
Restricted for Capital Projects	22,703,154	-	22,703,154
Restricted for Public Safety	15,645,280	-	15,645,280
Restricted for Debt Service	2,193,335	-	2,193,335
Restricted for Other Purposes	22,368,423	-	22,368,423
Unrestricted	42,172,148	5,963,024	48,135,172
Total Net Assets	\$ 372,752,964	\$ 10,568,427	\$ 383,321,391

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

**LAKE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2005**

Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 23,869,192	\$ 10,160,482	\$ 3,000	\$ 5,906,648
Public Safety	90,105,344	25,328,608	17,460,563	1,294,736
Physical Environment	1,938,321	378,740	103,704	-
Transportation	19,184,118	1,427,096	6,741,720	18,654,883
Economic Environment	6,743,722	-	5,746,113	-
Human Services	7,123,288	126,179	351,042	-
Culture and Recreation	11,975,008	399,858	453,147	1,822,831
Court-Related	8,384,806	7,505,702	1,399,676	-
Interest on Long-Term Debt	225,394	-	297,667	-
Total Governmental Activities	169,549,193	45,326,665	32,556,632	27,679,098
Business-Type Activity:				
Landfill	27,071,896	15,249,635	-	-
Total	\$ 196,621,089	\$ 60,576,300	\$ 32,556,632	\$ 27,679,098

General Revenues

Taxes:

Property Taxes

Sales Taxes

Gas Taxes

Communication Services Tax

Other

Intergovernmental Revenues, unrestricted

Investment Income

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

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

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Business-Type Activity	Total
\$ (7,799,062)	\$ -	\$ (7,799,062)
(46,021,437)	-	(46,021,437)
(1,455,877)	-	(1,455,877)
7,639,581	-	7,639,581
(997,609)	-	(997,609)
(6,646,067)	-	(6,646,067)
(9,299,172)	-	(9,299,172)
520,572	-	520,572
72,273	-	72,273
(63,986,798)	-	(63,986,798)
-	(11,822,261)	(11,822,261)
(63,986,798)	(11,822,261)	(75,809,059)
76,775,834	-	76,775,834
10,598,936	-	10,598,936
6,946,030	-	6,946,030
1,605,641	-	1,605,641
2,068,828	-	2,068,828
18,305,159	-	18,305,159
4,263,922	692,806	4,956,728
3,042,928	547,566	3,590,494
(6,987,525)	6,987,525	-
116,619,753	8,227,897	124,847,650
52,632,955	(3,594,364)	49,038,591
320,120,009	14,162,791	334,282,800
\$ 372,752,964	\$ 10,568,427	\$ 383,321,391

**LAKE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2005**

<u>Assets</u>	<u>Major Special Revenue Funds</u>		
	<u>General Fund</u>	<u>Road Impact Fees</u>	<u>County Sales Tax</u>
Cash	\$ 3,297,052	\$ -	\$ -
Pooled Cash and Investments	30,786,106	41,732,005	387,692
Other Investments	-	-	-
Accounts Receivable	86,619	-	-
Assessments Receivable	-	-	-
Due from Other Funds	191,485	-	-
Intragovernmental Receivables	641,580	-	-
Due from Other Governments	14,719,748	1,084,033	1,132,951
Inventories	194,321	-	-
Prepaid Expenditures	15,714	-	-
Total Assets	<u>\$ 49,932,625</u>	<u>\$ 42,816,038</u>	<u>\$ 1,520,643</u>
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts Payable	\$ 2,632,368	\$ 1,769,458	\$ -
Retainage Payable	1,263,622	560,393	-
Accrued Liabilities	1,568,362	-	-
Due to Other Funds	-	-	-
Intragovernmental Payables	359,761	-	-
Due to Other Governments	955,324	1,153	-
Deferred Revenue	99,145	-	-
Deposits	3,278,936	-	-
Total Liabilities	<u>10,157,518</u>	<u>2,331,004</u>	<u>-</u>
Fund Balances:			
Reserved for Encumbrances	2,093,311	7,836,998	-
Reserved for Inventories	170,446	-	-
Reserved for Prepaid Expenditures	15,714	-	-
Unreserved, reported in			
General Fund	37,495,636	-	-
Special Revenue Funds	-	32,648,036	1,520,643
Debt Service Funds	-	-	-
Capital Projects Funds	-	-	-
Total Fund Balances	<u>39,775,107</u>	<u>40,485,034</u>	<u>1,520,643</u>
Total Liabilities and Fund Balances	<u>\$ 49,932,625</u>	<u>\$ 42,816,038</u>	<u>\$ 1,520,643</u>

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

<u>Major Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Sales Tax Capital Projects</u>		
\$ -	\$ 4,059	\$ 3,301,111
21,605,435	51,440,635	145,951,873
-	2,132,997	2,132,997
-	128,807	215,426
-	201,109	201,109
-	-	191,485
-	338,981	980,561
-	2,192,547	19,129,279
-	746,808	941,129
-	8,400	24,114
\$ 21,605,435	\$ 57,194,343	\$ 173,069,084
\$ 481,737	\$ 1,882,743	\$ 6,766,306
170,090	55,423	2,049,528
-	1,018,195	2,586,557
-	191,485	191,485
-	68,901	428,662
-	1,456,600	2,413,077
-	201,109	300,254
-	11,294	3,290,230
651,827	4,885,750	18,026,099
2,929,744	3,187,977	16,048,030
-	746,808	917,254
-	8,400	24,114
-	-	37,495,636
-	45,943,170	80,111,849
-	2,193,335	2,193,335
18,023,864	228,903	18,252,767
20,953,608	52,308,593	155,042,985
\$ 21,605,435	\$ 57,194,343	\$ 173,069,084

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LAKE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE NET ASSETS OF GOVERNMENTAL ACTIVITIES
September 30, 2005

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

Fund balances-total governmental funds	\$	155,042,985
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This is the amount of capital assets net of accumulated depreciation, excluding the capital assets of the internal service funds.		220,628,032
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Long-term revenues for which recognition is deferred in the governmental funds are recorded as revenue in the statement of activities.		201,109
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Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		7,983,628
--	--	-----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(11,102,790)
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Net assets of governmental activities	\$	<u>372,752,964</u>
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The notes to the financial statements are an integral part of this statement.

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2005

	<u>General</u>	<u>Major Special Revenue Funds</u>	
		<u>Road Impact Fees</u>	<u>County Sales Tax</u>
Revenues			
Taxes	\$ 68,974,731	\$ -	\$ 10,598,937
Licenses and Permits	553,803	-	-
Intergovernmental	46,560,428	221,162	-
Charges for Services	13,015,559	-	-
Fines and Forfeitures	1,256,513	-	-
Special Assessments	-	18,342,968	-
Investment Income	1,145,273	1,020,437	26,456
Miscellaneous	1,386,675	-	-
Total Revenues	132,892,982	19,584,567	10,625,393
Expenditures			
Current:			
General Government	27,398,965	-	-
Public Safety	62,318,430	-	-
Physical Environment	1,482,566	-	-
Transportation	73,027	9,891,245	-
Economic Environment	834,211	-	-
Human Services	6,338,228	-	-
Culture and Recreation	7,361,065	-	-
Court-Related Expenditures	930,966	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	106,737,458	9,891,245	-
Excess of Revenues Over (Under) Expenditures	26,155,524	9,693,322	10,625,393
Other Financing Sources (Uses)			
Transfers In	6,241,377	-	-
Transfers Out	(16,976,451)	(730,476)	(11,160,206)
Total Other Financing Sources (Uses)	(10,735,074)	(730,476)	(11,160,206)
Net Change in Fund Balances	15,420,450	8,962,846	(534,813)
Fund Balances at Beginning of Year	24,416,385	31,522,188	2,055,456
Inventory Reserve Increase (Decrease)	(61,728)	-	-
Fund Balances at End of Year	\$ 39,775,107	\$ 40,485,034	\$ 1,520,643

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

Major Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Sales Tax Capital Projects		
\$ -	\$ 18,421,602	\$ 97,995,270
-	6,363,257	6,917,060
-	14,752,927	61,534,517
-	6,932,534	19,948,093
-	3,308,165	4,564,678
-	16,155,425	34,498,393
462,185	1,335,608	3,989,959
-	3,887,385	5,274,060
462,185	71,156,903	234,722,030
-	1,246,206	28,645,171
-	25,390,682	87,709,112
-	2,146,973	3,629,539
-	14,645,775	24,610,047
-	6,267,242	7,101,453
-	928,468	7,266,696
-	4,477,544	11,838,609
-	6,752,516	7,683,482
-	80,000	80,000
-	221,030	221,030
5,897,181	1,818,753	7,715,934
5,897,181	63,975,189	186,501,073
(5,434,996)	7,181,714	48,220,957
11,600,283	8,259,619	26,101,279
-	(4,709,897)	(33,577,030)
11,600,283	3,549,722	(7,475,751)
6,165,287	10,731,436	40,745,206
14,788,321	41,546,363	114,328,713
-	30,794	(30,934)
\$ 20,953,608	\$ 52,308,593	\$ 155,042,985

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LAKE COUNTY, 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, 2005

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

Net change in fund balances-total governmental funds **\$ 40,745,206**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$35,713,660 exceeded depreciation of \$12,568,495 in the current period. 23,145,165

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (4,335,034)

Long-term revenues for which recognition is deferred in the governmental funds are recorded as revenue in the statement of activities. (5,357,210)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 75,636

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,101,662)

Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. (539,146)

Change in net assets of governmental activities **\$ 52,632,955**

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

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Taxes	\$ 69,202,893	\$ 69,202,893	\$ 68,974,731	\$ (228,162)
Licenses and Permits	440,000	440,000	553,803	113,803
Intergovernmental	13,026,270	40,448,816	46,560,428	6,111,612
Charges for Services	9,978,127	10,306,497	13,015,559	2,709,062
Fines and Forfeitures	660,800	660,800	1,256,513	595,713
Investment Income	592,500	592,500	1,145,273	552,773
Miscellaneous	702,322	750,835	1,386,675	635,840
Less: Statutory Requirement	(4,446,193)	(4,446,193)	-	4,446,193
Total Revenues	<u>90,156,719</u>	<u>117,956,148</u>	<u>132,892,982</u>	<u>14,936,834</u>
Expenditures				
Current:				
General Government:				
Legislative Offices	460,090	448,566	446,129	2,437
Executive Offices	1,535,695	1,650,174	1,604,433	45,741
Administrative Services	3,784,095	3,807,511	3,256,156	551,355
Facilities Development	6,681,865	6,531,924	5,001,624	1,530,300
Growth Management	2,985,588	2,995,017	2,653,397	341,620
Community Services	80,760	80,760	79,691	1,069
Emergency Services	1,000	1,000	250	750
Constitutional Officers	492,107	479,833	463,661	16,172
Clerk of the Circuit Court	5,375,826	5,600,826	5,347,889	252,937
Property Appraiser	2,068,874	2,068,874	1,960,887	107,987
Tax Collector	3,646,031	3,646,031	3,486,948	159,083
Supervisor of Elections	1,216,513	1,277,115	1,238,149	38,966
Non-Departmental	2,147,234	2,182,913	1,859,751	323,162
Total General Government	<u>30,475,678</u>	<u>30,770,544</u>	<u>27,398,965</u>	<u>3,371,579</u>
Public Safety:				
Growth Management	630,613	630,613	557,601	73,012
Community Services	521,128	528,328	475,767	52,561
Emergency Services	572,816	628,471	454,385	174,086
Sheriff	39,781,236	39,972,094	39,357,546	614,548
Judicial Support	-	214,515	212,766	1,749
Constitutional Officers	2,609,698	3,155,074	3,130,053	25,021
Non-Departmental	578,197	21,876,174	18,130,312	3,745,862
Total Public Safety	<u>44,693,688</u>	<u>67,005,269</u>	<u>62,318,430</u>	<u>4,686,839</u>
Physical Environment:				
Community Services	830,302	829,608	754,776	74,832
Environmental Services	692,428	738,512	727,790	10,722
Total Physical Environment	<u>1,522,730</u>	<u>1,568,120</u>	<u>1,482,566</u>	<u>85,554</u>
Transportation				
Public Works	175,000	210,019	73,027	136,992
Total Transportation	<u>175,000</u>	<u>210,019</u>	<u>73,027</u>	<u>136,992</u>

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

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures (Contd.)				
Current:				
Economic Environment:				
Tourism	1,641,970	1,584,470	653,650	930,820
Community Services	179,361	180,562	180,561	1
Total Economic Environment	<u>1,821,331</u>	<u>1,765,032</u>	<u>834,211</u>	<u>930,821</u>
Human Services:				
Community Services	5,168,207	6,572,229	5,243,614	1,328,615
Emergency Services	1,128,009	1,128,009	1,094,614	33,395
Total Human Services	<u>6,296,216</u>	<u>7,700,238</u>	<u>6,338,228</u>	<u>1,362,010</u>
Culture and Recreation:				
Community Services	43,280	43,280	12,886	30,394
Public Works	2,376,459	2,213,828	1,171,315	1,042,513
Tourism	346,195	364,790	283,216	81,574
Non-Departmental	-	5,893,648	5,893,648	-
Total Culture and Recreation	<u>2,765,934</u>	<u>8,515,546</u>	<u>7,361,065</u>	<u>1,154,481</u>
Court-Related Expenditures:				
Judicial Support	686,830	961,188	666,653	294,535
State Attorney	123,364	144,463	118,000	26,463
Public Defender	84,370	115,267	107,708	7,559
Community Services	5,247	61,050	38,605	22,445
Total Court-Related Expenditures	<u>899,811</u>	<u>1,281,968</u>	<u>930,966</u>	<u>351,002</u>
Total Expenditures	<u>88,650,388</u>	<u>118,816,736</u>	<u>106,737,458</u>	<u>12,079,278</u>
Excess of Revenues Over (Under) Expenditures	1,506,331	(860,588)	26,155,524	27,016,112
Other Financing Sources (Uses):				
Transfers In	6,081,527	5,954,270	6,241,378	287,108
Transfers Out	(16,615,281)	(16,712,292)	(16,976,452)	(264,160)
Reserve for Contingencies	(14,546,562)	(12,565,601)	-	12,565,601
Total Other Financing Sources (Uses):	<u>(25,080,316)</u>	<u>(23,323,623)</u>	<u>(10,735,074)</u>	<u>12,588,549</u>
Net Change in Fund Balances	(23,573,985)	(24,184,211)	15,420,450	39,604,661
Fund Balances at Beginning of Year	23,573,985	24,184,211	24,416,385	232,174
Inventory Reserve Decrease	-	-	(61,728)	(61,728)
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,775,107</u>	<u>\$ 39,775,107</u>

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - ROAD IMPACT FEES
For the Year Ended September 30, 2005

	<u>Road Impact Fees</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Special Assessments	\$ 10,446,417	\$ 10,446,417	\$ 18,342,968	\$ 7,896,551
Intergovernmental	-	221,162	221,162	-
Investment Income	300,000	300,000	1,020,437	720,437
Less: Statutory Requirement	(537,321)	(537,321)	-	537,321
Total Revenues	10,209,096	10,430,258	19,584,567	9,154,309
Expenditures				
Current:				
Transportation	32,467,985	41,187,432	9,891,245	31,296,187
Total Expenditures	32,467,985	41,187,432	9,891,245	31,296,187
Excess of Revenues Over (Under)				
Expenditures	(22,258,889)	(30,757,174)	9,693,322	40,450,496
Other Financing Uses				
Transfers Out	(515,014)	(765,014)	(730,476)	34,538
Total Other Financing Uses	(515,014)	(765,014)	(730,476)	34,538
Net Change in Fund Balances	(22,773,903)	(31,522,188)	8,962,846	40,485,034
Fund Balances at Beginning of Year	22,773,903	31,522,188	31,522,188	-
Fund Balances at End of Year	\$ -	\$ -	\$ 40,485,034	\$ 40,485,034

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

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - COUNTY SALES TAX
For the Year Ended September 30, 2005

	<u>County Sales Tax</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Taxes	\$ 8,000,000	\$ 10,000,000	\$ 10,598,937	\$ 598,937
Investment Income	5,000	5,000	26,456	21,456
Less: Statutory Requirement	(400,250)	(400,250)	-	400,250
Total Revenues	7,604,750	9,604,750	10,625,393	1,020,643
Expenditures				
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	7,604,750	9,604,750	10,625,393	1,020,643
Other Financing Uses				
Transfers Out	(8,639,110)	(11,660,206)	(11,160,206)	500,000
Total Other Financing Uses	(8,639,110)	(11,660,206)	(11,160,206)	500,000
Net Change in Fund Balances	(1,034,360)	(2,055,456)	(534,813)	1,520,643
Fund Balances at Beginning of Year	1,034,360	2,055,456	2,055,456	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,520,643	\$ 1,520,643

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

LAKE COUNTY, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2005

<u>Assets</u>	<u>Business-Type Activity Landfill Fund</u>	<u>Governmental Activities Internal Service Funds</u>
Current Assets:		
Cash	\$ 1,150	\$ -
Pooled Cash and Investments	11,997,499	8,376,477
Cash with Fiscal Agent	-	82,090
Other Investments	-	2,109,697
Restricted Cash and Investments	77,876	-
Accounts Receivable	793,121	55,747
Prepaid Expenses	-	57,811
Intragovernmental Receivables	1,044	20,780
Due from Other Governments	-	22,472
Inventory	-	234,105
Total Current Assets	<u>12,870,690</u>	<u>10,959,179</u>
Noncurrent Assets:		
Restricted Cash and Investments	3,037,283	-
Deferred Charge	1,055,308	-
Capital Assets:		
Land	2,913,017	-
Buildings	2,211,665	-
Equipment	4,211,990	319,367
Improvements Other Than Buildings	6,894,402	-
Construction Work in Progress	481,139	-
Less: Accumulated Depreciation	(9,882,983)	(231,038)
Total Capital Assets	<u>6,829,230</u>	<u>88,329</u>
Total Noncurrent Assets	<u>10,921,821</u>	<u>88,329</u>
Total Assets	<u>\$ 23,792,511</u>	<u>\$ 11,047,508</u>
 Liabilities		
Current Liabilities:		
Accounts Payable	\$ 978,683	\$ 182,897
Accrued Liabilities	156,583	16,019
Estimated Insurance Claims Payable	-	2,808,521
Deposits	52,677	-
Current Portion of Long Term Obligations	<u>1,143,512</u>	<u>28,786</u>
Total Current Liabilities	<u>2,331,455</u>	<u>3,036,223</u>
Noncurrent Liabilities:		
Accrued Benefits Payable	53,703	27,657
Note Payable	7,000,000	-
Landfill Closure and Post Closure Care Costs	<u>3,838,926</u>	<u>-</u>
Total Noncurrent Liabilities	<u>10,892,629</u>	<u>27,657</u>
Total Liabilities	<u>\$ 13,224,084</u>	<u>\$ 3,063,880</u>
 Net Assets		
Invested in Capital Assets, Net of Related Debt	\$ 3,335,440	\$ 88,329
Restricted for Closure and Post Closure Care Costs	1,269,963	-
Unrestricted Net Assets	<u>5,963,024</u>	<u>7,895,299</u>
Total Net Assets	<u>\$ 10,568,427</u>	<u>\$ 7,983,628</u>

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

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2005

	<u>Business-Type Activity Landfill Fund</u>	<u>Governmental Activities Internal Service Funds</u>
Operating Revenues:		
Charges for Services	\$ 15,249,635	\$ 11,541,424
Miscellaneous	<u>518,169</u>	<u>346,802</u>
Total Operating Revenues	<u>15,767,804</u>	<u>11,888,226</u>
 Operating Expenses:		
Benefit Payments and Claims	-	9,564,644
Personal Services	1,800,724	506,484
Contracted Services	22,747,587	10,357
Supplies and Materials	208,159	1,266,136
Repairs and Maintenance	209,357	514,414
Utilities	24,124	15,067
Other Charges and Services	250,560	1,293,507
Depreciation and Amortization	918,122	25,853
Landfill Closure and Post Closure Care Costs	<u>508,375</u>	<u>-</u>
Total Operating Expenses	<u>26,667,008</u>	<u>13,196,462</u>
 Operating Loss	(10,899,204)	(1,308,236)
 Non-Operating Revenues (Expenses):		
Interest Revenue	692,806	273,958
Interest and Financing Costs	(304,767)	-
Recycling and Other Grants	-	-
Aid to Government Agencies	(100,121)	-
Net Gain on Disposal of Capital Assets	<u>29,397</u>	<u>6,906</u>
Total Non-Operating Revenues (Expenses)	<u>317,315</u>	<u>280,864</u>
 Loss Before Transfers	(10,581,889)	(1,027,372)
 Transfers In	7,953,891	762,941
Transfers Out	<u>(966,366)</u>	<u>(274,715)</u>
Total Transfers	<u>6,987,525</u>	<u>488,226</u>
 Change in Net Assets	(3,594,364)	(539,146)
Total Net Assets at Beginning of Year	<u>14,162,791</u>	<u>8,522,774</u>
Total Net Assets at End of Year	<u>\$ 10,568,427</u>	<u>\$ 7,983,628</u>

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

LAKE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2005

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:		
Cash Received from Customers, and Contributions		
Including Cash Deposits	\$ 15,815,121	\$ 11,513,731
Cash Paid to Suppliers and for Claims	(23,967,028)	(11,763,482)
Cash Paid to Employees	(1,521,802)	(421,768)
Cash Paid to Internal Service Fund	(302,349)	(94,747)
Net Cash Used by Operating Activities	(9,976,058)	(766,266)
Cash Flows from NonCapital Financing Activities:		
Cash Received for NonCapital Grants	4,603	-
Payments to Government Agencies	(100,121)	-
Cash Transfers from Other Funds	7,953,891	762,941
Cash Transfers to Other Funds	(966,366)	(274,715)
Net Cash Provided by NonCapital Financing Activities	6,892,007	488,226
Cash Flows From Capital And Related Financing Activities:		
Payment on Note Payable	(1,000,000)	-
Interest and Financing Costs Paid on Note Payable	(304,767)	-
Additions to Capital Assets	(289,675)	-
Net Cash Used by Capital and Related Financing Activities	(1,594,442)	-
Cash Flows from Investing Activities:		
Interest Received	692,806	273,958
Net Cash Provided by Investing Activities	692,806	273,958
Net Change in Cash And Cash Equivalents	(3,985,687)	(4,082)
Cash and Cash Equivalents at October 1	19,099,495	10,572,346
Cash and Cash Equivalents at September 30	\$ 15,113,808	\$ 10,568,264

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

LAKE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2005

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Reconciliation of Operating Loss to Net Cash Used by Operating Activities		
Operating Loss	\$ (10,899,204)	\$ (1,308,236)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization Expense	918,122	25,853
Change in Accounts Receivable	57,686	(50,451)
Change in Prepaid Expenses	-	(48,767)
Change in Intragovernmental Receivables	2,110	858
Change in Due from Other Governments	-	21,898
Change in Inventory	-	(34,686)
Change in Deferred Charge	219,251	-
Change in Accounts Payable	(737,781)	(40,076)
Change in Accrued Liabilities	(31,419)	(2,234)
Change in Estimated Claims Payable	-	677,372
Change in Accrued Benefits Payable	7,992	(7,797)
Change in Closure and Post Closure Costs	486,185	-
Change in Deposits	1,000	-
Total Adjustments	923,146	541,970
Net Cash Used by Operating Activities	\$ (9,976,058)	\$ (766,266)
<u>Noncash Investing, Capital and Financing Activities</u>		
Gain on Disposition of Capital Assets	29,397	6,906
Accrued Interest Payable Reported in Accrued Liabilities	98,400	-
Interest Revenue Reported in Accounts Receivable	17,290	-

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

LAKE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2005

		<u>Agency Funds</u>
<u>Assets</u>		
Cash	\$	2,979,108
Pooled Cash and Investments		6,777,212
Restricted Cash and Investments		543,116
Accounts Receivable		<u>2,508</u>
Total Assets	\$	<u><u>10,301,944</u></u>
 <u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$	439,763
Intragovernmental Payables		573,723
Due to Other Governments		3,540,453
Deposits		3,497,752
Taxes Collected in Advance		1,588,008
Cash Bonds Payable		<u>662,245</u>
Total Liabilities	\$	<u><u>10,301,944</u></u>

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Lake County, Florida, (the County), have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity:

Lake County is a political subdivision of the State of Florida pursuant to Article VIII, Section (1), Constitution of the State of Florida. It is guided by an elected Board of County Commissioners (the Board) which is governed by state statutes. In addition to the members of the Board, there are five elected Constitutional Officers: the Tax Collector, Property Appraiser, Clerk of the Circuit Court (Clerk), Sheriff and the Supervisor of Elections. The entities controlled by these officials are combined and comprise the primary government.

The Board funds a portion, or in certain instances all, of the operating budgets of the County's Constitutional Officers. The payments by the Board to fund the operations of the Constitutional Officers are recorded as "Transfers Out" on the financial statements of the Board and as "Transfers In" on the financial statements of the Constitutional Officers. Florida Statutes require the applicable budget excess of the Constitutional Officers to be returned to the Board at the close of the fiscal year. Accordingly, such amounts are recorded as "Transfers Out" by the Constitutional Officers and "Transfers In" by the Board.

Information is reported for each of the County's Constitutional Officers within the General Fund. Eliminations of intragovernmental receivables, payables, and transfers have been made and are reported in the financial statements.

The accompanying financial statements present Lake County (the primary government described above) and its component units. A component unit is a legally separate organization for which the County is financially accountable. Blended component units, although legally separate entities, are in substance, part of the County's operations. A description of the County's component units and the criteria for their inclusion in the County's financial statements follows:

Blended Component Units:

Lake County Municipal Taxing Unit for Fire Protection; Greater Hills Municipal Service Benefit Unit; Greater Groves Municipal Service Benefit Unit; Village Green Street Lighting; Greater Pines Municipal Services; Picciola Island Street Lighting; and Valencia Terrace Street Lighting: These funds are supported by fees collected from the residents who benefit from these services; however,

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

pursuant to Florida Statutes, the Board of County Commissioners is the governing body of these organizations.

These funds are included as Special Revenue Funds.

Discretely Presented Component Unit:

Lake County Industrial Development Authority (Authority): The Authority was created by resolution of the Board pursuant to Florida Statutes for the purpose of financing public projects and fostering economic development in the County. The County contracts with the Economic Development Commission of Mid-Florida, Inc. to provide these services. The Authority is funded by the County and by fees collected from the issuance of bonds. The bonds issued by the Authority constitute "no-commitment debt", and are, therefore, not reported as liabilities of the Authority. The Authority had no assets, liabilities, fund equity, revenues or expenditures for the year ended September 30, 2005. The Authority publishes annual audited financial statements. Those statements may be obtained by contacting the Office of the Clerk of Courts, 315 West Main Street, Post Office Box 7800, Tavares, Florida 32778, 352-343-9808.

The following is a listing of the name and legal authority for each component unit of Lake County, Florida.

<u>Name</u>	<u>Legal Authority</u>
Lake County Municipal Taxing Unit for Fire Protection	County Ordinances 1985-13, 1990-24, 29; 1991-18,1998-64
Greater Hills Municipal Service Benefit Unit	County Ordinance 1990-28
Greater Groves Municipal Service Benefit Unit	County Ordinance 1991-11
Village Green Street Lighting	County Resolution 1993-224
Greater Pines Municipal Services	County Resolution 1993-227
Picciola Island Street Lighting	County Resolution 1997-167
Valencia Terrace Street Lighting	County Resolution 1999-147
Lake County Industrial Development Authority	County Resolution 1987-8

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

Joint Ventures:

District Five Medical Examiner: Lake County is a participant in an interlocal agreement with Citrus, Hernando, Marion and Sumter counties to share the operating costs of the District Five Medical Examiner's Office (Medical Examiner). The Medical Examiner is governed by a committee consisting of one county commissioner from each county. The committee approves the annual budget and the method for dividing costs among the five counties. Lake County is the Administrative Coordinator for the Medical Examiner and is responsible for hiring employees, managing funds, and providing support services. Lake County receives a fee of 5% of expenditures to cover these support services. In addition, Lake County provided the facility that is used for the operation of the office. The costs of maintenance, repair, upkeep and subsequent capital expenditures of and for the facility, however, are considered costs of the joint venture. Any one of the counties has the right to terminate its participation by giving 60 days notice to the other counties and paying its share of the costs up to the date of termination. The termination of the interlocal agreement by one county does not affect the validity of the agreement for the other non-terminating counties.

The District Five Medical Examiner publishes annual audited financial statements. Those statements may be obtained by contacting the Office of the Clerk of Courts, 315 West Main Street, Post Office Box 7800, Tavares, Florida 32778, 352-343-9808.

Lake-Sumter Emergency Medical Services, Inc. (LSEMS): Lake County is a participant in an interlocal agreement with Sumter County to provide ambulance services to the citizens of each county through the creation of a non-profit corporation. The corporation is governed by a Board of Directors consisting of: one member each from the Sumter and Lake County Board of County Commissioners, one member each from a city commission within each county, one citizen from each county, and a representative from a hospital whose service area includes either county. Officers are elected by the Board except for the Treasurer which shall be the Lake County Clerk of Courts for the duration of the corporation's existence. As Treasurer, the Clerk is responsible for all funds of the corporation, including the receipt and disbursement of all cash. The Clerk receives an administrative fee for this service. The Board employs an executive director who is responsible for the daily operation of the ambulance service, including carrying out the Board's directives, hiring and firing employees, and preparing an annual operating budget. Funding is provided by Lake and Sumter Counties. All costs and expenses are prorated between the two counties based upon the number of transports each county received for the prior fiscal year. For fiscal year 2004-05, Lake County is responsible for 83% of such costs and expenses and Sumter County is responsible for 17% of such costs and expenses. During the year ended September 30, 2005, Lake County provided funding of \$5,023,695. Upon notification by the Treasurer that a budget deficit exists, both Counties shall prorate the amount of deficit in accordance with the

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

above allocation and remit such payment to the Treasurer.

Lake-Sumter Emergency Medical Services, Inc. publishes annual audited financial statements. Those statements may be obtained by contacting the Office of the Clerk of Courts, 315 West Main Street, Post Office Box 7800, Tavares, Florida 32778, 352-343-9808.

B. Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of Lake County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the County's Landfill Fund, a business-type activity, which relies primarily on user fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, such as general government, public safety, transportation, physical and economic environment, human services, culture and recreation and court related expenses, 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 or a particular function or segment. Taxes and other items, including unrestricted intergovernmental revenues, 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 fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the Landfill fund 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 statements. The fiduciary fund financial statements, which include only agency funds, are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

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

Property taxes, special assessments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general funds of the Clerk, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are included in the County's General Fund.

The Road Impact Fees Special Revenue Fund accounts for revenues and expenditures for road improvements pursuant to County Ordinance.

The County Sales Tax Special Revenue Fund accounts for revenues collected from the discretionary infrastructure sales surtax pursuant to Chapter 212, Part I, Florida Statutes. This one cent levy was originally approved November 3, 1987, for a period of 15 years. An extension for another 15 years was approved by referendum November 6, 2001.

The Sales Tax Capital Projects Fund accounts for the construction of projects financed by the discretionary infrastructure sales surtax.

Lake County has the following major proprietary fund:

The Landfill Fund accounts for the operating of the County's landfills and the Waste to Energy Facility operated by a private vendor.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

Additionally, Lake County has the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds account for the accumulation of resources for and the payment of principal and interest on the Pari-Mutuel Revenues Replacement Bonds and the Sales Tax Renewal Line of Credit.

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities.

Internal Service Funds account for the provision of health and general liability insurance coverage and fleet maintenance services provided to other County departments or outside agencies and other governments, on a cost reimbursement basis.

Agency Funds account for situations where the County's role in handling funds is purely custodial, such as the receipt, temporary investment and subsequent payment to individuals, agencies or other governments. Activities of the agency funds are primarily related to the collection and payment of taxes, educational impact fees, and court registry deposits.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's Landfill Fund and various other functions of the 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.

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 connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the landfill enterprise fund, and of the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

expenses not meeting this definition are reported as non-operating revenues and expenses.

Proprietary funds also distinguish between restricted and unrestricted resources. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred.

The Landfill Fund does not apply all Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989.

D. Deposits and Investments:

Cash and cash equivalents consist of cash in the State Board of Administration (SBA) cash management pool which has the general characteristic of a demand deposit account in that the County may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

Section 218.415, Florida Statutes, gives the County the authority to invest surplus funds in:

- (a) The Local Government Surplus Funds Trust Fund (SBA).
- (b) Direct obligations of the United States Treasury.
- (c) Interest-bearing time deposits or savings accounts in qualified public depositories.
- (d) Federal agencies and instrumentalities.

All investments are stated at fair value. Investment income includes interest earnings and realized and unrealized gains and losses on investments.

E. Inventories:

Inventories are stated at cost, using the first-in, first-out (FIFO) method. For the "consumption method" of accounting for inventories, the cost of an item is recorded as an expenditure at the time the item is used. The "purchases method" of accounting for inventories records the cost of an inventory item when it is purchased. Inventories reported under the purchases method for all Governmental Funds are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

In the governmental fund financial statements, all governmental fund inventories are accounted for using the purchases method except for postage in the General

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

Fund, which is accounted for using the consumption method. In the government-wide statements, all inventories are reported using the consumption method.

F. Property Taxes – Lien and Levy Dates

All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified by the County Property Appraiser. The Tax Collector mails a notice of taxes levied by the various governmental entities in the County to each property owner on the assessment roll. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. All unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were assessed.

Prior to May 1 of each year, a list of delinquent personal property taxpayers is advertised. Warrants are issued directing seizure and sale of the personal property of the taxpayer if the delinquent taxes are not paid before May 1. On or before June 1 of the year following the year in which taxes were assessed, tax certificates are sold on all real estate parcels with outstanding taxes. These parcels are advertised once a week for four weeks prior to the tax certificate sale.

The key dates in the property tax cycle are as follows:

Assessment date	January 1
Assessment roll validated	July 1
Millage Resolution approved	By September 30
Beginning of fiscal year for which taxes have been levied	October 1
Tax bills rendered and due	November 1
Property taxes payable:	
Maximum Discount	November 30
Delinquent	April 1
Tax Certificates Sold	May 31

Collections of County, municipal, and independent taxing district taxes and remittances are accounted for in the Tax Collector's Tax Collections Trust Fund.

G. Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets, (see below), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 (equipment) or \$25,000 (land, building and infrastructure), and an estimated useful life in excess of one year. Such assets are recorded at historical cost or

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of infrastructure assets, including road, bridges, curbs and gutters, streets, sidewalks, drainage systems and lighting systems, acquired during the period from October 1, 1979 to September 30, 2005 are recorded in the government-wide financial statements.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized in 2005.

Property, plant, and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Improvements other than building	10
Infrastructure	10-50
Vehicles/Computer equipment	6
Furniture/Office equipment	10
Heavy equipment	20

H. Budgets and Budgetary Accounting:

Chapters 129 and 200, Florida Statutes, govern the County's annual budgetary process. The total of the estimated receipts, including balances brought forward, must equal the total of the appropriations and reserves, therefore enabling a balanced budget.

Pursuant to legal requirements, an annual appropriated budget is adopted by resolution subject to public hearing. Such resolution sets the budget appropriations on a fund by fund basis for the Board Governmental Fund Types and the Proprietary Fund Types. However, other Board approved policies, more fully discussed below, set the legal level of control at the major object level within a department. Since reporting budget to actual comparisons at the major object level would significantly increase the size of the Comprehensive Annual Financial Report, aggregation of such account classifications through revenue "source" and expenditure "function" is presented in this report, which represents a higher level of summarization than the legal level of control for the Board. In addition, a detailed report comparing budgeted to actual expenditures is generated monthly and at year end and is made available to interested parties.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

The Constitutional Officers submit, at various times, to the Lake County Board of County Commissioners, and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The tentative budget is reviewed and/or modified by the Board, after which public hearings are conducted pursuant to Section 200.065, Florida Statutes. Prior to October 1, the budget is legally enacted by approval of the Board of County Commissioners. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser included in the General Fund. The Clerk's Court Fund budget included in the Special Revenue Funds is approved by the Florida Clerk of Courts Operation Corporation (CCOC), and is limited to the amount approved in total by the CCOC.

In addition to the legal requirements discussed above, the Board has adopted management control and approval guidelines for expenditures and budget amendments. Key components of these management guidelines are as follows:

- (1) Transfers of budgeted amounts between major object codes of a department within a fund must be approved by the Board if they exceed \$25,000.
- (2) Transfers of budgeted amounts between departments or between funds must be approved by the Board following a public hearing.
- (3) No expenditure or encumbrance may occur without a sufficient budgetary balance.
- (4) All encumbered and unencumbered appropriations lapse at the close of the fiscal year. Encumbered amounts must be re-appropriated in the next fiscal year.

For the fiscal year 2004-2005, the Board of County Commissioners adopted budgets for the following funds and fund types: All Governmental Fund types, Landfill Fund and Internal Service Funds. The original budget is adopted before final audited beginning fund balances are available, resulting in differences between the beginning fund balance for the original and the final budget presentation in the governmental funds.

Except for the Landfill Fund and Fleet Maintenance Fund (Proprietary Fund Types), all budgets are prepared on a basis consistent with GAAP. The budget for these funds is prepared on an accrual basis and is in conformance with GAAP except that capital outlay expenses are budgeted for management purposes and subsequently recorded as assets as year end.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

I. Deferred Charge:

The deferred charge recorded in the Landfill Fund represents amounts paid for capital improvements at the solid waste disposal/resource recovery facility, owned and operated by Covanta Lake, Inc. (Covanta), as more fully described in Note 7E. The County is contractually obligated under the terms of a service agreement with Covanta to provide these improvements which will be amortized over the life of the agreement. The service agreement expires July 1, 2014.

J. Accrued Benefits Payable:

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements.

K. Fund Equity/Restricted Net Assets:

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

Net assets are restricted when constraints are placed on their use by external creditors such as through debt covenants, grantors, and donors or imposed by law such as through constitutional provisions or enabling legislation. The majority of the restrictions placed on net assets for the County are those imposed by enabling legislation such as the use of gas taxes, road impact fees, infrastructure sales taxes and fire special assessments.

L. Long-term Obligations:

In the government-wide financial statements, and for 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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds, using the straight line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

M. Use of Estimates:

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

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. The Governmental Fund Balance Sheet includes a reconciliation between Fund Balance - Total Governmental Funds and Net Assets – Governmental Activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$11,102,790 difference are as follows:

Bonds Payable	\$ 4,005,000
Less: Deferred Charge for Issuance Costs	(66,151)
Less: Issuance Discount	(42,937)
Compensated Absences (excluding internal service fund \$56,443)	7,206,878
Net Adjustment	\$ <u>11,102,790</u>

B. The Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance includes a reconciliation between Net Change in Fund Balances – Total Governmental Funds, and Change in Net Assets of Governmental Activities. One element of the reconciliation explains that “Long-term revenues for which recognition is deferred in the governmental funds are recorded as revenue in the statement of activities.” This reconciling difference includes \$5,270,352 of FEMA revenue recorded in the government-wide statements in 2004 but in the fund statements in 2005. This amount represents 95% (90% federal, 5% state) of expenses incurred in preparation before and debris removal afterwards for Hurricanes Charley, Frances and Jeanne which struck Lake County in August and September, 2004.

3. DEPOSITS AND INVESTMENTS

Pooled cash accounts are maintained for each fund of the Board of County Commissioners, Sheriff, and Clerk. Each fund’s portion of this pool is displayed on the fund financial statement balance sheets as “Pooled Cash and Investments”, and is included in the cash and cash equivalents on the Statement of Net Assets. Interest earned from investments with pooled cash is allocated to each of the funds based on the fund’s average daily equity balance. Each of the

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

Constitutional Officers, with the exception of the Supervisor of Elections, maintains various cash deposit and investment accounts.

Deposits

The County's deposits consisted of interest bearing demand accounts and certificates of deposit, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the County maintain deposits only in "qualified public depositories". All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the County.

Investments

The Board of County Commissioners and the Clerk are members of the Local Government Surplus Funds Trust Fund (LGSF) that is administered by the State Board of Administration of Florida (SBA).

The LGSF is not a registrant with the Securities and Exchange Commission (SEC); however, its Board has adopted operating procedures consistent with the requirements for a 2a-7 fund. In accordance with these requirements, the method used to determine participants' shares sold and redeemed is the amortized cost method. Amortized cost includes accrued income and is a method of calculating an investment's value by adjusting its acquisition cost for the amortization of discount or premium over the period from purchase to maturity. Thus, the County's account balance in the fund is its fair value.

Pursuant to a resolution and execution of a joinder agreement, the County is also authorized to invest in the Florida Local Government Investment Trust (FLGIT). This fund was established in 1992 by the Florida Association of Court Clerks and the Florida Association of Counties to provide local governments with a professionally managed, longer term investment pool. The County's investment in this fund is recorded at fair value.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

As of September 30, the County had the following investments. All investments are held in an internal investment pool except the repurchase agreement.

<u>Investment Type</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
State Investment Pool (SBA)	0.24	\$ 45,587,460
Florida Local Government Investment Trust (FLGIT)	2.18	12,942,649
U. S. Agencies	2.57	37,456,622
Repurchase Agreement	N/A	<u>215,092</u>
 Total Fair Value		 \$ <u><u>96,201,823</u></u>
 Portfolio Weighted Average Maturity	 1.41	

Interest Rate Risk – In an effort to minimize interest rate risk, the County’s investment policy requires that the weighted average maturity of the portfolio in total not exceed two years. In addition, no individual security can have a maturity greater than five years.

Credit Risk – Authorized investments include only those securities with the highest credit ratings. The U. S. Agency securities are rated Aaa/AAA by Moody’s and Standard & Poor’s rating services. FLGIT has an investment rating of AA Af by Standard & Poor’s. This rating indicates the fund portfolio holdings provide extremely strong protection against losses from credit defaults. The state investment pool is not rated.

A reconciliation of cash and investments as shown on the Statement of Net Assets follows:

	<u>Total</u>
Cash on Hand and Carrying Amount of Deposits	\$ 91,165,666
Carrying Amount of Investments	<u>96,201,823</u>
Total	<u>\$ 187,367,489</u>

	<u>Gov't-Wide</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 169,710,200	\$ 9,756,320	\$ 179,466,520
Current Restricted			
Cash and Cash Equivalents	77,876	543,116	620,992
Other Investments	4,242,694	-	4,242,694
Noncurrent Restricted			
Cash and Cash Equivalents	<u>3,037,283</u>	-	<u>3,037,283</u>
Total	<u>\$ 177,068,053</u>	<u>\$ 10,299,436</u>	<u>\$ 187,367,489</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

4. ASSESSMENTS RECEIVABLE

Assessments receivable at September 30, 2004 consist primarily of \$201,109 in secondary roads, of which \$13,754 is current, \$126,065 is deferred and \$61,290 is past due.

These assessments are reported in the County Transportation Trust Fund and are administered by the Board. Assessments to the fund become due and payable thirty days after the final assessment roll is approved by the Board. All assessments not paid within the period are paid in equal installments over a seven-year period, with interest ranging from 6.5% to 12% per annum. Any assessments payable in installments may be paid at any time, together with accrued interest to date.

5. CAPITAL ASSETS

A summary of governmental activities capital assets follows:

	<u>Balance Oct 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Sept 30, 2005</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 7,729,232	\$ 9,204,843	\$ (32,321)	\$ 16,901,754
Construction work in progress	11,154,291	13,752,108	(3,859,027)	21,047,372
Total	<u>18,883,523</u>	<u>22,956,951</u>	<u>(3,891,348)</u>	<u>37,949,126</u>
Capital assets being depreciated:				
Buildings	89,670,912	-	-	89,670,912
Improvements	7,202,641	1,344,634	-	8,547,275
Machinery and equipment	39,155,975	5,587,552	(2,905,697)	41,837,830
Infrastructure	155,745,227	5,833,429	-	161,578,656
Total	<u>291,774,755</u>	<u>12,765,615</u>	<u>(2,905,697)</u>	<u>301,634,673</u>
Less accumulated depreciation:				
Buildings	(25,733,022)	(1,598,329)	-	(27,331,351)
Improvements	(184,616)	(658,201)	-	(842,817)
Machinery and equipment	(23,322,409)	(4,167,796)	2,460,011	(25,030,194)
Infrastructure	(59,493,054)	(6,170,022)	-	(65,663,076)
Total	<u>(108,733,101)</u>	<u>(12,594,348)</u>	<u>2,460,011</u>	<u>(118,867,438)</u>
Total capital assets being depreciated, net	<u>183,041,654</u>	<u>171,267</u>	<u>(445,686)</u>	<u>182,767,235</u>
Governmental activities capital assets, net	<u>\$ 201,925,177</u>	<u>\$ 23,128,218</u>	<u>\$ (4,337,034)</u>	<u>\$ 220,716,361</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Depreciation expense for governmental activities was charged to functions as follows:

Governmental activities:	
General government	\$ 1,126,303
Public safety	3,855,251
Physical environment	37,530
Transportation	6,760,096
Economic environment	4,964
Human services	140,342
Culture and recreation	289,704
Court-related expenses	354,305
	<u>12,568,495</u>
Capital assets held by the internal service funds are charged to various functions based on their usage of the assets	25,853
Total depreciation expense	<u>\$ 12,594,348</u>

A summary of business activities capital assets follows:

	<u>Balance</u> <u>Oct 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Sept 30, 2005</u>
Business-type activities:				
Capital assets not depreciated:				
Land	\$ 2,913,017	\$ -	\$ -	\$ 2,913,017
Construction work in progress	70,232	410,907	-	481,139
Total	<u>2,983,249</u>	<u>410,907</u>	<u>-</u>	<u>3,394,156</u>
Capital assets being depreciated:				
Buildings	2,211,665	-	-	2,211,665
Improvements other than buildings	6,890,893	3,509	-	6,894,402
Machinery and equipment	4,717,925	32,149	(538,084)	4,211,990
Total	<u>13,820,483</u>	<u>35,658</u>	<u>(538,084)</u>	<u>13,318,057</u>
Less accumulated depreciation for:				
Buildings	(696,569)	(85,824)	-	(782,393)
Improvements other than buildings	(5,272,423)	(467,663)	-	(5,740,086)
Machinery and equipment	(3,565,992)	(232,192)	437,680	(3,360,504)
Total	<u>(9,534,984)</u>	<u>(785,679)</u>	<u>437,680</u>	<u>(9,882,983)</u>
Total capital assets being depreciated, net	<u>4,285,499</u>	<u>(750,021)</u>	<u>(100,404)</u>	<u>3,435,074</u>
Business-type activities capital assets, net	<u>\$ 7,268,748</u>	<u>\$ (339,114)</u>	<u>\$ (100,404)</u>	<u>\$ 6,829,230</u>

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
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6. LONG-TERM DEBT

6(a). LAKE COUNTY, FLORIDA, BOARD OF COUNTY COMMISSIONERS SALES TAX REVENUE BONDS (PARI-MUTUEL REVENUES REPLACEMENT PROGRAM, 2000)

The County issued \$4,400,000 in bonds to provide funds to finance the cost of acquisition, construction and equipping of certain capital improvements to be made within the County including the acquisition of land for a regional park and various walking and biking trails. The bonds are secured by a pledge of sales tax revenues received by the County as a replacement of the funds previously distributed under Chapter 550, Florida Statutes, from racetrack and jai alai fronton revenues. Bond principal payments are due in annual installments beginning October 1, 2001 continuing until October 1, 2019 with \$2,390,000 in term bonds due October 1, 2030. The serial bonds bear interest at rates ranging from 4.50% to 5.30%. The term bonds bear interest at 5.50%.

The annual requirements to amortize the Pari-Mutuel Revenues Replacement Bonds at September 30, 2005 are as follows:

Fiscal Year Ended	Principal	Interest	Total
2006	\$ 85,000	\$ 211,388	\$ 296,388
2007	90,000	207,563	297,563
2008	90,000	203,513	293,513
2009	95,000	199,373	294,373
2010	100,000	194,979	294,979
2011-2015	575,000	898,644	1,473,644
2016-2020	745,000	735,680	1,480,680
2021-2025	965,000	511,500	1,476,500
2026-2030	1,260,000	215,325	1,475,325
Total	\$ <u>4,005,000</u>	\$ <u>3,377,965</u>	\$ <u>7,382,965</u>

6(b) LANDFILL ENTERPRISE FUND DEBT

On November 20, 2002 the County refinanced the previously outstanding \$10 million Solid Waste Line of Credit Note for a ten year period at a fixed interest rate of 3.69%. Principal payments of \$1 million are payable annually in December and interest is payable semiannually in June and December, with the final payment due December 1, 2012. The bonds are secured by solid waste system net revenues and a covenant by the County to budget and appropriate a sufficient amount to pay the debt service when due. Interest expense paid during 2005 amounted to \$304,767.

6(c) SALES TAX LINE OF CREDIT

The County obtained a non-revolving line of credit with a local bank in the amount of \$15,000,000 to provide interim financing for projects to be funded with infrastructure sales tax collected after January 1, 2002. The County has

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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the ability to draw upon the line through June 1, 2007. Thereafter any outstanding balance must be converted into a term loan maturing no later than June 1, 2014. Interest on draws is due semi-annually at a variable rate. Draws may be prepaid at any time. No draws have been made on this line of credit as of September 30, 2005.

6(d) CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2005, is as follows:

<u>Govt Activities</u>	<u>Balance Oct 1, 2004</u>	<u>Additions</u>	<u>Payments and Reductions</u>	<u>Balance Sept 30, 2005</u>	<u>Due Within One Year</u>
Pari-mutuel Revenues					
Replacement Bonds	\$ 4,085,000	\$ -	\$ 80,000	\$ 4,005,000	\$ 85,000
Less Bond Discount	(44,654)	-	(1,718)	(42,936)	-
Total Bonds Payable	<u>4,040,346</u>	<u>-</u>	<u>78,282</u>	<u>3,962,064</u>	<u>85,000</u>
Accrued Benefits Payable	<u>6,200,389</u>	<u>6,223,800</u>	<u>5,160,869</u>	<u>7,263,320</u>	<u>3,500,507</u>
Total - Govt Activities	<u>\$ 10,240,735</u>	<u>\$ 6,223,800</u>	<u>\$ 5,239,151</u>	<u>\$ 11,225,384</u>	<u>\$ 3,585,507</u>
<u>Business Activities</u>	<u>Balance Oct 1, 2004</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance Sept 30, 2005</u>	<u>Due Within One Year</u>
Note Payable	\$ 9,000,000	\$ -	\$ 1,000,000	\$ 8,000,000	\$ 1,000,000
Accrued Benefits Payable	<u>111,347</u>	<u>73,628</u>	<u>65,636</u>	<u>119,339</u>	<u>65,636</u>
Total - Bus Activities	<u>\$ 9,111,347</u>	<u>\$ 73,628</u>	<u>\$ 1,065,636</u>	<u>\$ 8,119,339</u>	<u>\$ 1,065,636</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$56,443 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

The government-wide statements of net assets for business type activities include \$77,876 for the current portion and \$3,838,926 for the long-term portion of closing and long term care costs.

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

7. COMMITMENTS AND CONTINGENCIES

A. Various suits and claims, arising in the ordinary course of County operations, are pending against the County. The ultimate effect of such litigation cannot be ascertained at this time. It is the opinion of management and the County's legal counsel that the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the changes in its financial position.

B. Pursuant to County Ordinance, road impact fees are collected by the County based on the transportation impact of new development. Fees and expenditures are segregated by six districts.

Any funds not expended or encumbered by the end of the calendar quarter immediately following six (6) years from the date the road impact fee was paid, shall, upon application of the feepayer, be returned to him with interest at the rate of six (6) percent per annum. This six year period may be extended for up to an additional three (3) years by action of the Board.

The following is a summary of impact fees which may be subject to refunds within the time limitations:

Year Deadline	District 1	District 2	District 3	District 4	District 5	District 6
09/30/2006	-	-	-	-	-	-
09/30/2007	-	-	-	324,422	-	180,572
09/30/2008	-	-	-	590,085	-	959,509
09/30/2009	92,026	1,136,534	151,567	571,544	2,529,597	1,214,932
09/30/2010	317,939	3,882,013	2,954,256	700,085	8,088,066	1,095,098
09/30/2011	976,571	4,674,805	4,373,333	1,050,151	6,752,758	2,188,290

C. Pursuant to County Ordinance, fire services impact fees are collected by the Board to accommodate new development without decreasing the current level of fire services. Any funds not expended or encumbered by the end of the calendar quarter immediately following six (6) years from the date the fire services impact fee monies were paid shall be returned to the landowner without interest, provided an application for refund is presented within one hundred eighty days (180) from the expiration of the six year period. This six (6) year period may be extended by action of the Board for up to additional three (3) years. The amount of fire services impact fees which may be subject to refund is \$1,945,732, of which \$695,590 and \$1,250,142 are subject to refund in the years ended September 30, 2010 and 2011, respectively.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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D. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Effective October 1, 1985, the Board of County Commissioners elected to self-insure its general liability. In addition, effective October 1, 1989, the County elected to self-insure its automobile, workers' compensation and property liabilities. Effective October 1, 1999 the County elected to self-insure its medical coverage.

The County established an Insurance Fund (an internal service fund) to account for its uninsured risks of loss. Under this program, the Insurance Fund provides coverage for up to a maximum of \$100,000 per occurrence for each property claim, \$50,000 for each general liability claim, \$150,000 for each workers' compensation claim, and \$75,000 for each medical claim. The County purchases commercial insurance for claims in excess of coverage provided by the Fund.

Effective January 1, 1994, the Clerk began to self-insure its medical coverage. The Clerk established an Insurance Fund to account for its uninsured risks of loss. Specific stop loss reinsurance has been obtained for all medical claims exceeding \$50,000 per individual per year.

Each participating entity of the County and Clerk makes payments to the Insurance Fund based on actuarial estimates as well as historical data for the amounts needed to pay prior and current year claims. The latest actuarial estimate, based on industry standards, relates to the fiscal year ended September 30, 2005.

Claims expenses and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (\$1,642,000 for general liability, \$859,638 for County medical and \$306,883 for Clerk medical).

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Changes in the reported liability since October 1, 2003 resulted from the following:

	<u>Liability Balance Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Liability Balance End of Year</u>
<u>2003-2004</u>				
County:				
General Liability	\$ 1,170,000	\$ 1,588,107	\$ (1,614,607)	\$ 1,143,500
County:				
Health	647,140	3,976,967	(3,946,007)	678,100
Clerk:				
Health	<u>277,997</u>	<u>1,147,772</u>	<u>(1,116,220)</u>	<u>309,549</u>
Total	<u>\$ 2,095,137</u>	<u>\$ 6,712,846</u>	<u>\$ (6,676,834)</u>	<u>\$ 2,131,149</u>
<u>2004-2005</u>				
County:				
General Liability	\$ 1,143,500	\$ 1,689,936	\$ (1,191,436)	\$ 1,642,000
County:				
Health	678,100	6,442,511	(6,260,973)	859,638
Clerk:				
Health	<u>309,549</u>	<u>1,432,197</u>	<u>(1,434,863)</u>	<u>306,883</u>
Total	<u>\$ 2,131,149</u>	<u>\$ 9,564,644</u>	<u>\$ (8,887,272)</u>	<u>\$ 2,808,521</u>

All other coverages continue to be insured through commercial carriers and no settlements in excess of claims have been incurred during Fiscal 2003, 2004, or 2005.

E. In 1989, the County issued industrial development revenue bonds in the amount of \$79,000,000 for the construction of a solid waste disposal/resource recovery facility located in the county and owned and operated by NRG/Recovery Group, Inc. (now Covanta, Inc.). The bonds were issued pursuant to the Florida Industrial Development Financing Act and do not constitute a debt, obligation or a pledge of the faith and credit of the County. The proceeds of the bonds were loaned to Covanta for the construction of the facility, and the facility was mortgaged to the County to secure the loan agreement. The County, through a service agreement, pays a service fee which includes the operating and debt service costs of the facility. In 1993, the original bonds were refunded and refunding bonds in the amount of \$77,550,000 (\$69,915,000 tax exempt and \$7,935,000 in taxable bonds) were issued. The outstanding balance on these bonds (included on Covanta's books) at September 30, 2005 was \$53,255,000.

LAKE COUNTY, FLORIDA
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On December 15, 2004 the County settled a lawsuit with Covanta Energy, Inc. As a result of the settlement, the County agreed to pay approximately \$5,827,300 in withheld service fee payments discussed above. At the same time, the County executed a current refunding of the \$69,615,000 Series 1993A Resource Recovery Industrial Development Refunding Revenue Bonds by borrowing \$55,515,196 in a fixed rate bond held by a bank for a ten year period at a rate of 4.16% and using other funds. The refunding of the bonds resulted in a net present value savings of \$4,731,800. In addition, the County entered into a new Waste Disposal Agreement with Covanta (replacing the service agreement mentioned above) for the operation of the resource recovery facility. As discussed above, the debt is not an obligation of Lake County. However, the County is responsible for the debt service payments through the former Service Agreement and the new Waste Disposal Agreement.

8. CONDUIT DEBT

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State of Florida, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2005, there were fourteen series of Industrial Revenue Bonds outstanding, excluding the resource recovery bonds mentioned above. The aggregate principal amount for the bonds issued in prior years could not be determined; however, their original issue amounts totaled \$35,725,000.

9. PENSION PLANS

A. Florida Retirement System

Substantially all County full-time employees participate in the State of Florida Retirement System ("System"), a cost sharing multiple-employer public employee retirement system (PERS). The System offers a choice between a defined benefit plan ("Pension Plan") and a defined contribution plan ("Investment Plan") for all state, county, district school board, community college and university employees, and is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement.

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
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The Pension Plan provides for vesting of benefits after 6 years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with 6 years or more of service. Early retirement is available after 6 years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation and years-of-service credit, where average compensation is computed based on an individual's five highest years of earnings. Benefits also include a post-retirement health insurance subsidy as well as disability and survivor's benefits, as established by Florida Statutes.

The Investment plan provides for vesting after one year of creditable service. Under this plan, the employer makes contributions to a participant's account and the participant directs where the contributions are invested among the plan's investment funds. Upon termination, vested participants receive amounts accumulated in their investment accounts.

Participating employer contributions are based upon actuarially determined State-wide rates established by the State of Florida. Expressed as percentages of annual covered payroll, employer contribution rates are applied to employee salaries as follows:

<u>Membership Category</u>	<u>July 1, 2005 Employer's Contribution Rates</u>	<u>July 1, 2004 Employer's Contribution Rates</u>
Regular	7.83%	7.39%
Special Risk (Fire and Police)	18.53%	18.53%
Senior Management	10.45%	9.37%
Elected State Officer (Includes County Officials)	15.23%	15.23%

The County's contribution to the plan for the years ended September 30, 2005, 2004, and 2003 was \$7,451,920, \$6,827,932, and \$5,621,664, respectively, equal to the required contributions for each year. There are no employee contributions to the plan.

Pension Plan members may participate in a Deferred Retirement Option Plan (DROP), after reaching eligibility for normal retirement or through the available deferral period for eligible members. This plan allows employees to defer receipt of retirement benefits while continuing employment for a System employer for a period up to sixty months. Accumulated system benefits earn 6.5% interest compounded monthly. The employer continues to contribute to the System on behalf of the employee at a rate of 9.33% of salary.

LAKE COUNTY, FLORIDA
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The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to Division of Retirement, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399-1560 or by calling 850-488-5706.

B. Post Employment Health Plan

In addition to the retirement plan described above, the Board, the Clerk and the Supervisor provide post employment health care benefits under plans established through Nationwide Retirement Solutions, Inc. (Nationwide). Each contributes 1% of annual salary for all employees with more than one year of service to a trust administered by Nationwide. Twenty-five percent of accrued sick pay for employees with less than 10 years of service and 50-75% for employees with ten years or more of service is paid into the trust upon termination, retirement or death. The maximum contribution is limited to 1440 hours. Contributions are invested according to instructions given by the employee and earnings accumulate tax exempt under section 501(c)(9) of the Internal Revenue Code. Upon separation of service, the account can be used to reimburse any qualified health insurance premiums paid by the employee.

10. INTERFUND BALANCES AND TRANSFERS

Interfund receivables and payables generally represent temporary loans between funds to cover operating expenditures. All balances are expected to be repaid within one year. Interfund transfers generally represent permanent transfers of funds for administrative costs paid to the General Fund, and for debt service payments and capital outlay.

The composition of interfund balances in the governmental fund financial statements as of September 30, 2005 is as follows:

Due to/from Other Funds:

Due to General Fund from Nonmajor Governmental Funds	\$ 191,485
Due from Other Funds - General Fund	\$ <u>191,485</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Intragovernmental receivables
and payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Govt Funds	\$ 68,901
General Fund	Agency Funds	572,679
Nonmajor Govt Funds	General Fund	338,981
Internal Service Funds	General Fund	20,780
Landfill Enterprise Fund	Agency Funds	<u>1,044</u>
Total		<u>\$ 1,002,385</u>

Interfund transfers for the year ended September 30, 2005 consist of the following:

Transfer out:	Transfers In:			Total
	<u>General Fund</u>	<u>Sales Tax Capital Projects Fund</u>	<u>Non Major Funds</u>	
General Fund	\$ -	\$ -	\$ 8,259,619	\$ 8,259,619
Road Impact Fees Fund	730,476	-	-	730,476
County Sales Tax Fund	946,923	10,213,283	-	11,160,206
Nonmajor Govt Funds	3,322,897	1,387,000	-	4,709,897
Internal Service Funds	274,715	-	-	274,715
Landfill Fund	966,366	-	-	966,366
Total	<u>\$ 6,241,377</u>	<u>\$ 11,600,283</u>	<u>\$ 8,259,619</u>	<u>26,101,279</u>
			Transfers out	<u>(33,577,030)</u>
			Net Transfers	<u>\$ (7,475,751)</u>

Transfers out exceed transfers in for transfers made to and from the Landfill Enterprise Fund and the Internal Service Funds as follows:

Landfill Fund transfer out to General Fund	\$ (966,366)
General Fund transfer out to Landfill Fund	7,953,891
Insurance Fund transfer out to General Fund	(274,715)
Insurance Fund transfer in from General Fund	762,941
Total Net Transfers Out	<u>\$ 7,475,751</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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11. LANDFILL CLOSURE AND POSTCLOSURE COSTS

The County is required by federal and state laws and regulations to place a final cover over its existing landfills after they stop accepting waste, and perform certain maintenance and monitoring functions for a period of 5 to 30 years after closure. In addition, new landfills must be constructed in accordance with federal and state requirements.

The County has estimated the closure and long-term care costs for each landfill and recorded a liability in the Landfill Enterprise Fund.

The following schedule reflects the changes in estimates and payments for the year ended September 30, 2005:

<u>Landfill</u>	<u>Balance October 1, 2004</u>	<u>Additions/ Changes in Estimates</u>	<u>Payments</u>	<u>Balance September 30, 2005</u>
Construction and Demolition	\$ 146,403	\$ 73,201	\$ -	\$ 219,604
Loghouse	117,184	(9,813)	2,784	104,587
Umatilla	155,419	(508)	10,795	144,116
Lady Lake	318,144	(9,319)	4,600	304,225
Astatula I	609,136	(12,048)	4,011	593,077
Phase II Landfill	2,084,331	466,862	-	2,551,193
Totals	<u>\$ 3,430,617</u>	<u>\$ 508,375</u>	<u>\$ 22,190</u>	<u>\$ 3,916,802</u>

Although closure and postclosure care costs will be paid only near or after the date that each landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense each year based on landfill capacity used as of each balance sheet date. At September 30, 2005 the Loghouse, Umatilla, Lady Lake and Astatula I landfills had no remaining capacity.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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The following schedule reflects the estimated closure and postclosure care costs for each landfill as of September 30, 2005:

<u>Landfill</u>	<u>Remaining Postclosure Care Period</u>	<u>Closure Costs</u>	<u>Postclosure Care</u>	<u>Total Liability</u>
Construction and Demolition	5 years	\$ 171,174	\$ 48,430	\$ 219,604
Loghouse	7 years	-	104,587	104,587
Umatilla	10 years	-	144,116	144,116
Lady Lake	15 years	-	304,225	304,225
Astatula I	21 years	-	593,077	593,077
Phase II Landfill	30 years	1,020,913	1,530,280	2,551,193
Totals		<u>\$ 1,192,087</u>	<u>\$ 2,724,715</u>	<u>\$ 3,916,802</u>

The estimated closure and postclosure care costs remaining to be recognized for the Phase II landfill which is still accepting waste are \$209,103 and \$313,431, respectively, based on 83% of the capacity used to date.

These amounts are based on what it would cost the County to perform all closure and postclosure care in 2005. Actual costs may be higher due to inflation, changes in technology or changes in regulations. Restricted cash and investments on the Statement of Net Assets of the Landfill Enterprise Fund includes \$3,115,159 for the payment of long term care and closing costs.

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

LIBRARY IMPACT FEE TRUST FUND

To account for revenues and expenditures for library impact fees collected pursuant to County Ordinance 2003-99.

PARK IMPACT FEE TRUST FUND

To account for revenues and expenditures for park impact fees collected pursuant to County Ordinance 2003-99.

COUNTY TRANSPORTATION TRUST FUND

To account for revenues and expenditures incurred to carry on all work on roads and bridges in the County in accordance with Section 336.022, Florida Statutes.

CHRISTOPHER C. FORD COMMERCE PARK FUND

To account for revenues (land sales and interest earned) and expenditures during the development of this county-owned property. The Lake County Industrial Development Authority is participating in oversight responsibilities pursuant to Chapter 159, Part III, Florida Statutes.

MOSQUITO MANAGEMENT FUND

To account for State Grants and local matching funds in accordance with Chapter 388, Florida Statutes and for the operation of the arthropod control program.

LAW LIBRARY FUND

To record the activity of the Lake County Law Library established by County Ordinance 72-7, effective January 1, 1973.

AQUATIC PLANT MANAGEMENT FUND

To account for state grants and local funding for the operations of the Aquatic Weed Control Program in accordance with Chapter 369, Part II, Florida Statutes.

FISH CONSERVATION TRUST FUND

To account for the revenues and expenditures for fish stocking and conservation in accordance with Chapter 67-1604, Laws of Florida.

COMMUNITY DEVELOPMENT FUND

To account for the revenues and expenditures in accordance with the Community Development Block Grant from the U.S. Department of Housing and Urban Development, under Title I of the Housing and Community Development Act.

PUBLIC TRANSPORTATION FUND

To account for the activities of the County as Community Transportation Coordinator, responsible for ensuring that coordinated transportation services are provided to the transportation disadvantaged residents of Lake County in accordance with Chapter 427, Florida Statutes.

LAKE COUNTY AMBULANCE FUND

To account for ad valorem tax revenues collected for the Lake County Municipal Service Taxing Unit for Ambulance and Emergency Medical Services in accordance with Ordinance 2000-35.

STORMWATER MANAGEMENT FUND

To account for ad valorem tax revenues and disbursements of the Stormwater Management Municipal Services Taxing Unit established by County Ordinance 1990-25, in accordance with Sections 125.0101 and 197.3632, Florida Statutes.

EMERGENCY 9-1-1 FUND

To account for revenues and expenditures for Emergency 9-1-1 telephone services in accordance with Section 365.171, Florida Statutes.

RESORT/DEVELOPMENT TAX FUND

To account for revenues and expenditures of the Tourist Development Tax in accordance with Section 125.0104, Florida Statutes and County Ordinance 1984-7. A majority vote of the qualified electors of the County approved this local option tax November 6, 1984.

AFFORDABLE HOUSING ASSISTANCE TRUST FUND

To account for revenues received from the State Housing Initiative Partnership Program pursuant to Sections 420.9072 - 420.9079, Florida Statutes.

SECTION 8 FUND

To account for revenues and expenditures for housing assistance to qualified persons in accordance with a grant from the U.S. Department of Housing and Urban Development.

HURRICANE HOUSING RECOVERY PROGRAM FUND

To account for revenues and expenditures for housing assistance to qualified persons in accordance with a grant from the Florida Housing Finance Corporation.

MUNICIPAL SERVICE BENEFIT UNITS/ SPECIAL ASSESSMENTS FUND

To account for the financing of public improvements and services deemed to benefit the properties against which special assessments are levied in accordance with Sections 125.0101 and 197.3632, Florida Statutes.

LAW ENFORCEMENT TRUST FUND

To account for the proceeds from the sale of confiscated property in accordance with Section 932.7055, Florida Statutes.

POLLUTION RECOVERY FUND

To account for revenues collected as civil penalties and through enforcement actions against violators of Chapters 6 and 9, Land Development Regulations. Monies obtained are to be used to restore the polluted area that was the subject of the violation to its former condition, enhance pollution control activities in Lake County, or purchase pollution control equipment for Lake County in accordance with Chapter 93-344, Laws of Florida.

CODE ENFORCEMENT LIENS FUND

To account for revenues collected for administrative fines and other noncriminal penalties imposed for the pending or repeated violation of a county ordinance. These revenues are used for the cleanup of county property acquired through code enforcement liens.

BUILDING SERVICES FUND

To account for revenues collected and expenditures for permitting, inspections and plans review for the building services of the County.

LAKE COUNTY MUNICIPAL TAXING UNIT FOR FIRE PROTECTION FUND

To account for the revenues and expenditures for county-wide consolidated fire protection. County Ordinance 1990-29 created this Municipal Taxing Unit.

FIRE RESCUE IMPACT FEE TRUST FUND

To account for revenues and expenditures for fire rescue impact fees collected pursuant to County Ordinance 2003-99.

COUNTY-WIDE LIBRARY FUND

To account for the State, Local and County revenues and expenditures received and disbursed on behalf of the County-Wide Library system.

ANIMAL SHELTER TRUST FUND

To account for the receipt and disbursement of contributions to the County's Animal Shelter.

EMPLOYEE BENEFIT FUND

To account for the collection of commissions received from vending machine sales in County buildings.

CLERK SPECIAL REVENUE FUNDS

To account for revenues collected by the Clerk of the Circuit Court for each instrument recorded in the official records of the County and to report expenditures for the modernization of the public records system pursuant to Section 28.24, Florida Statutes, and to account for the operations of the Courts portion of the Clerk's office.

SHERIFF'S SPECIAL REVENUE FUNDS

To account for revenues and expenditures of various Special Revenue projects of the Lake County Sheriff's Office, including marine patrol services provided to the Lake County Water Authority, school crossing guard services, and drug awareness and prevention programs, and to account for the operations of the Commissary operated for the benefit of County jail inmates.

DEBT SERVICE FUNDS

SALES TAX LINE OF CREDIT DEBT SERVICE FUND

To account for payments on the sales tax line of credit borrowings.

PARI-MUTUEL REVENUE BONDS DEBT SERVICE FUND

To accumulate monies for payment of the \$4,400,000 Pari-Mutuel Revenues Replacement Bonds, Series 2000. Financing is provided by sales tax revenues collected by the State pursuant to Chapter 212, Part 1, Florida Statutes. Beginning July 1, 2000, the State began using sales tax revenues to replace revenues formerly distributed to counties from racetrack and jai alai fronton monies.

CAPITAL PROJECTS FUND

PARKS CAPITAL PROJECTS FUND

To account for construction of various parks throughout Lake County.

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**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2005**

	<u>Special Revenue Funds</u>		
	<u>Library Impact Fee Trust</u>	<u>Park Impact Fee Trust</u>	<u>County Transportation Trust</u>
<u>Assets</u>			
Cash	\$ -	\$ -	\$ 400
Pooled Cash and Investments	1,539,787	1,243,213	7,074,907
Other Investments	-	-	-
Accounts Receivable	-	-	1,005
Assessments Receivable	-	-	201,109
Intragovernmental Receivables	-	-	-
Due from Other Governments	60,360	-	1,103,699
Inventories	-	-	654,032
Prepaid Expenditures	-	-	-
Total Assets	<u>\$ 1,600,147</u>	<u>\$ 1,243,213</u>	<u>\$ 9,035,152</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts Payable	\$ 39	\$ 8,614	\$ 451,910
Retainage Payable	-	-	47,509
Accrued Liabilities	-	-	338,095
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	201,109
Deposits	-	-	7,890
Total Liabilities	<u>39</u>	<u>8,614</u>	<u>1,046,513</u>
Fund Balances			
Reserved for Encumbrances	-	-	1,074,727
Reserved for Inventories	-	-	654,032
Reserved for Prepaid Expenditures	-	-	-
Unreserved - Undesignated	1,600,108	1,234,599	6,259,880
Total Fund Balances	<u>1,600,108</u>	<u>1,234,599</u>	<u>7,988,639</u>
Total Liabilities and Fund Balances	<u>\$ 1,600,147</u>	<u>\$ 1,243,213</u>	<u>\$ 9,035,152</u>

Special Revenue Funds, continued

Christopher C. Ford Commerce Park	Mosquito Management	Law Library Fund	Aquatic Plant Management	Fish Conservation Trust	Community Development
\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -
2,193,150	172,349	87,152	66,988	110,254	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	72	-	-	-
-	-	-	18,809	1,852	285,852
-	81,370	-	11,406	-	-
-	-	-	-	-	-
\$ 2,193,150	\$ 253,719	\$ 87,299	\$ 97,203	\$ 112,106	\$ 285,852
\$ 942	\$ 53,307	\$ 2,295	\$ 957	\$ -	\$ 86,902
-	-	-	-	-	-
-	21,315	-	7,515	-	5,888
-	-	-	-	-	188,670
-	-	17,086	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,404	-	-	-
942	74,622	22,785	8,472	-	281,460
-	-	-	-	79,872	130,084
-	81,370	-	11,406	-	-
-	-	-	-	-	-
2,192,208	97,727	64,514	77,325	32,234	(125,692)
2,192,208	179,097	64,514	88,731	112,106	4,392
\$ 2,193,150	\$ 253,719	\$ 87,299	\$ 97,203	\$ 112,106	\$ 285,852

Continued

LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
September 30, 2005

	Special Revenue Funds, continued		
<u>Assets</u>	Public Transportation	Lake County Ambulance	Stormwater Management
Cash	\$ -	\$ -	\$ -
Pooled Cash and Investments	466,695	2,584,452	6,538,123
Other Investments	-	-	-
Accounts Receivable	17,145	-	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	-	61,623	54,408
Due from Other Governments	332,450	-	160,183
Inventories	-	-	-
Prepaid Expenditures	-	-	-
Total Assets	\$ 816,290	\$ 2,646,075	\$ 6,752,714
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts Payable	\$ 579,546	\$ -	\$ 172,068
Retainage Payable	-	-	7,914
Accrued Liabilities	3,710	-	3,905
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Deposits	-	-	-
Total Liabilities	583,256	-	183,887
 Fund Balances			
Reserved for Encumbrances	54,833	-	645,455
Reserved for Inventories	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved - Undesignated	178,201	2,646,075	5,923,372
Total Fund Balances	233,034	2,646,075	6,568,827
Total Liabilities and Fund Balances	\$ 816,290	\$ 2,646,075	\$ 6,752,714

Special Revenue Funds, continued

Emergency 9-1-1	Resort/ Development Tax	Affordable Housing Assistance Trust	Section 8	Hurricane Recovery Program	Municipal Service Benefit Units/ Special Assessments
\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -
1,695,597	2,181,744	5,767,326	37,812	-	347,960
-	-	-	-	-	-
67,324	-	34,550	2,242	-	-
-	-	-	-	-	-
-	153,530	-	-	-	-
73,989	-	-	9,354	3,690	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,836,910	\$ 2,335,474	\$ 5,801,876	\$ 49,408	\$ 3,690	\$ 347,960
\$ 14,424	\$ 132,303	\$ 33,981	\$ 4,866	\$ 875	\$ 29,622
-	-	-	-	-	-
9,261	9,964	3,526	7,400	-	-
-	-	-	-	2,815	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,685	142,267	37,507	12,266	3,690	29,622
43,843	238,084	-	-	-	32,420
-	-	-	-	-	-
-	-	-	-	-	-
1,769,382	1,955,123	5,764,369	37,142	-	285,918
1,813,225	2,193,207	5,764,369	37,142	-	318,338
\$ 1,836,910	\$ 2,335,474	\$ 5,801,876	\$ 49,408	\$ 3,690	\$ 347,960

Continued

LAKE COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (Continued)
September 30, 2005

	Special Revenue Funds, continued		
<u>Assets</u>	Law Enforcement Trust	Pollution Recovery	Code Enforcement Liens
Cash	\$ -	\$ -	\$ -
Pooled Cash and Investments	46,898	155,363	127,170
Other Investments	-	-	-
Accounts Receivable	-	2,500	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	-	-	-
Due from Other Governments	-	-	-
Inventories	-	-	-
Prepaid Expenditures	-	-	-
Total Assets	\$ 46,898	\$ 157,863	\$ 127,170
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 607
Retainage Payable	-	-	-
Accrued Liabilities	-	-	-
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Deposits	-	-	-
Total Liabilities	-	-	607
 Fund Balances			
Reserved for Encumbrances	-	24,028	-
Reserved for Inventories	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved - Undesignated	46,898	133,835	126,563
Total Fund Balances	46,898	157,863	126,563
Total Liabilities and Fund Balances	\$ 46,898	\$ 157,863	\$ 127,170

Special Revenue Funds, continued

Building Services	Lake County MTU for Fire Protection	Fire Rescue Impact Fee Trust	County-Wide Library	Animal Shelter Trust	Employee Benefit
\$ 550	\$ -	\$ -	\$ 724	\$ -	\$ -
3,699,244	8,299,636	2,248,993	667,825	147,279	6,771
-	-	-	-	-	-
285	3,604	-	65	-	87
-	-	-	-	-	-
-	1,281	-	-	-	-
-	21,969	18,020	-	-	-
-	-	-	-	-	-
-	-	-	8,400	-	-
\$ 3,700,079	\$ 8,326,490	\$ 2,267,013	\$ 677,014	\$ 147,279	\$ 6,858
\$ 27,831	\$ 171,110	\$ 5,120	\$ 28,519	\$ -	\$ -
-	-	-	-	-	-
146,172	366,063	-	71,566	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
174,003	537,173	5,120	100,085	-	-
162,321	58,749	384,580	37,333	-	-
-	-	-	-	-	-
-	-	-	8,400	-	-
3,363,755	7,730,568	1,877,313	531,196	147,279	6,858
3,526,076	7,789,317	2,261,893	576,929	147,279	6,858
\$ 3,700,079	\$ 8,326,490	\$ 2,267,013	\$ 677,014	\$ 147,279	\$ 6,858

Continued

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
September 30, 2005**

	Special Revenue Funds, continued	
<u>Assets</u>	Clerk Special Revenue Funds	Sheriff Special Revenue Funds
Cash	\$ 2,110	\$ -
Pooled Cash and Investments	2,698,101	934,665
Other Investments	-	-
Accounts Receivable	-	-
Assessments Receivable	-	-
Intragovernmental Receivables	-	68,067
Due from Other Governments	62,833	39,487
Inventories	-	-
Prepaid Expenditures	-	-
Total Assets	\$ 2,763,044	\$ 1,042,219
 <u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts Payable	\$ 32,828	\$ 32,137
Retainage Payable	-	-
Accrued Liabilities	-	23,815
Due to Other Funds	-	-
Intragovernmental Payables	6,490	45,325
Due to Other Governments	1,456,251	349
Deferred Revenue	-	-
Deposits	-	-
Total Liabilities	1,495,569	101,626
 Fund Balances		
Reserved for Encumbrances	221,648	-
Reserved for Inventories	-	-
Reserved for Prepaid Expenditures	-	-
Unreserved - Undesignated	1,045,827	940,593
Total Fund Balances	1,267,475	940,593
Total Liabilities and Fund Balances	\$ 2,763,044	\$ 1,042,219

Debt Service Funds		Capital Projects Fund		Total
Sales Tax Line of Credit Debt Service	Pari-Mutuel Revenue Bonds Debt Service	Parks Capital Projects	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ -	\$ 4,059	
49,868	10,470	240,843	51,440,635	
-	2,132,997	-	2,132,997	
-	-	-	128,807	
-	-	-	201,109	
-	-	-	338,981	
-	-	-	2,192,547	
-	-	-	746,808	
-	-	-	8,400	
\$ 49,868	\$ 2,143,467	\$ 240,843	\$ 57,194,343	
\$ -	\$ -	\$ 11,940	\$ 1,882,743	
-	-	-	55,423	
-	-	-	1,018,195	
-	-	-	191,485	
-	-	-	68,901	
-	-	-	1,456,600	
-	-	-	201,109	
-	-	-	11,294	
-	-	11,940	4,885,750	
-	-	-	3,187,977	
-	-	-	746,808	
-	-	-	8,400	
49,868	2,143,467	228,903	48,365,408	
49,868	2,143,467	228,903	52,308,593	
\$ 49,868	\$ 2,143,467	\$ 240,843	\$ 57,194,343	

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2005

	<u>Special Revenue Funds</u>		
	<u>Library Impact Fee Trust</u>	<u>Park Impact Fee Trust</u>	<u>County Transportation Trust</u>
Revenues			
Taxes	\$ -	\$ -	\$ 6,946,030
Licenses and Permits	-	-	-
Intergovernmental	-	-	4,960,422
Charges for Services	-	-	714,562
Fines and Forfeitures	-	-	-
Special Assessments	1,077,652	745,179	104,584
Investment Income	28,415	24,252	160,478
Miscellaneous	-	-	18,646
Total Revenues	<u>1,106,067</u>	<u>769,431</u>	<u>12,904,722</u>
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	11,127,539
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	8,347	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>8,347</u>	<u>11,127,539</u>
Excess of Revenues Over (Under)			
Expenditures	<u>1,106,067</u>	<u>761,084</u>	<u>1,777,183</u>
Other Financing Sources (Uses)			
Transfers In	-	-	360,000
Transfers Out	(56,323)	(45,660)	(701,366)
Total Other Financing Sources (Uses)	<u>(56,323)</u>	<u>(45,660)</u>	<u>(341,366)</u>
Net Change in Fund Balances	1,049,744	715,424	1,435,817
Fund Balances at Beginning of Year	550,364	519,175	6,484,007
Inventory Reserve Increase	-	-	68,815
Fund Balances at End of Year	<u>\$ 1,600,108</u>	<u>\$ 1,234,599</u>	<u>\$ 7,988,639</u>

Special Revenue Funds, continued

Christopher C. Ford Commerce Park	Mosquito Management	Law Library Fund	Aquatic Plant Management	Fish Conservation Trust	Community Development
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	17,697	-
-	37,025	-	103,704	-	815,500
-	-	-	-	-	-
-	-	-	-	-	-
76,997	3,196	2,635	2,424	2,740	-
<u>2,007,910</u>	<u>2,868</u>	<u>53,505</u>	<u>1,065</u>	<u>-</u>	<u>4,392</u>
<u>2,084,907</u>	<u>43,089</u>	<u>56,140</u>	<u>107,193</u>	<u>20,437</u>	<u>819,892</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	246,105	3,825	-
-	-	-	-	-	-
127,609	-	-	-	-	667,766
-	780,088	-	-	-	147,734
-	-	-	-	-	-
-	-	234,015	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>127,609</u>	<u>780,088</u>	<u>234,015</u>	<u>246,105</u>	<u>3,825</u>	<u>815,500</u>
<u>1,957,298</u>	<u>(736,999)</u>	<u>(177,875)</u>	<u>(138,912)</u>	<u>16,612</u>	<u>4,392</u>
-	796,461	182,000	99,989	-	-
(2,095,483)	-	-	-	(950)	-
<u>(2,095,483)</u>	<u>796,461</u>	<u>182,000</u>	<u>99,989</u>	<u>(950)</u>	<u>-</u>
(138,185)	59,462	4,125	(38,923)	15,662	4,392
2,330,393	141,439	60,389	143,871	96,444	-
-	(21,804)	-	(16,217)	-	-
<u>-</u>	<u>(21,804)</u>	<u>-</u>	<u>(16,217)</u>	<u>-</u>	<u>-</u>
<u>\$ 2,192,208</u>	<u>\$ 179,097</u>	<u>\$ 64,514</u>	<u>\$ 88,731</u>	<u>\$ 112,106</u>	<u>\$ 4,392</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
For the Year Ended September 30, 2005

	Special Revenue Funds, continued		
	Public Transportation Fund	Lake County Ambulance	Stormwater Management
Revenues			
Taxes	\$ -	\$ 6,177,313	\$ 3,229,431
Licenses and Permits	-	-	-
Intergovernmental	1,352,856	-	306,669
Charges for Services	192,914	-	10,590
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Investment Income	6,503	79,992	177,531
Miscellaneous	408,141	-	-
Total Revenues	<u>1,960,414</u>	<u>6,257,305</u>	<u>3,724,221</u>
Expenditures			
Current:			
General Government	-	104,841	-
Public Safety	-	5,023,695	-
Physical Environment	-	-	1,889,888
Transportation	3,091,696	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>3,091,696</u>	<u>5,128,536</u>	<u>1,889,888</u>
Excess of Revenues Over (Under)			
Expenditures	<u>(1,131,282)</u>	<u>1,128,769</u>	<u>1,834,333</u>
Other Financing Sources (Uses)			
Transfers In	1,096,911	60,640	54,110
Transfers Out	-	(178,894)	(254,488)
Total Other Financing Sources (Uses)	<u>1,096,911</u>	<u>(118,254)</u>	<u>(200,378)</u>
Net Change in Fund Balances	(34,371)	1,010,515	1,633,955
Fund Balances at Beginning of Year	267,405	1,635,560	4,934,872
Inventory Reserve Increase	-	-	-
Fund Balances at End of Year	<u>\$ 233,034</u>	<u>\$ 2,646,075</u>	<u>\$ 6,568,827</u>

Special Revenue Funds, continued

Emergency 9-1-1	Resort/ Development Tax	Affordable Housing Assistance Trust	Section 8	Hurricane Housing Recovery	Municipal Service Benefit Units/Special Assessments
\$ -	\$ 2,068,828	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
381,807	-	1,834,995	2,490,259	3,690	-
761,854	1,608	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	519,619
42,866	39,784	111,995	476	-	11,817
-	-	1,177,845	-	-	-
1,186,527	2,110,220	3,124,835	2,490,735	3,690	531,436
-	-	-	-	-	-
923,207	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	426,540
-	1,769,038	996,413	2,702,726	3,690	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
923,207	1,769,038	996,413	2,702,726	3,690	426,540
263,320	341,182	2,128,422	(211,991)	-	104,896
-	660,858	-	-	-	-
-	(91,325)	-	-	-	(53,904)
-	569,533	-	-	-	(53,904)
263,320	910,715	2,128,422	(211,991)	-	50,992
1,549,905	1,282,492	3,635,947	249,133	-	267,346
-	-	-	-	-	-
\$ 1,813,225	\$ 2,193,207	\$ 5,764,369	\$ 37,142	\$ -	\$ 318,338

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
For the Year Ended September 30, 2005

	Special Revenue Funds, continued		
	Law Enforcement Trust	Pollution Recovery	Code Enforcement Liens
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	77,748	46,525	11,025
Special Assessments	-	-	-
Investment Income	1,529	3,514	3,465
Miscellaneous	-	-	-
Total Revenues	<u>79,277</u>	<u>50,039</u>	<u>14,490</u>
Expenditures			
Current:			
General Government	-	-	-
Public Safety	58,912	-	35,115
Physical Environment	-	7,155	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>58,912</u>	<u>7,155</u>	<u>35,115</u>
Excess of Revenues Over (Under)			
Expenditures	<u>20,365</u>	<u>42,884</u>	<u>(20,625)</u>
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	(50)	(875)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50)</u>	<u>(875)</u>
Net Change in Fund Balances	20,365	42,834	(21,500)
Fund Balances at Beginning of Year	26,533	115,029	148,063
Inventory Reserve Increase	-	-	-
Fund Balances at End of Year	<u>\$ 46,898</u>	<u>\$ 157,863</u>	<u>\$ 126,563</u>

Special Revenue Funds, continued

Building Services	Lake County MTU For Fire Protection	Fire Rescue Impact Fee Trust	County-Wide Library	Animal Shelter Trust	Employee Benefit
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,345,560	-	-	-	-	-
-	61,695	-	427,030	-	-
362,687	205,586	-	397	-	-
13,450	-	-	47,382	-	-
-	12,458,249	1,250,142	-	-	-
86,755	263,376	49,189	17,297	3,582	172
-	88,896	-	14,945	20,995	751
6,808,452	13,077,802	1,299,331	507,051	24,577	923
-	-	-	-	-	-
5,301,845	11,359,018	401,087	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	646
-	-	-	4,458,709	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,301,845	11,359,018	401,087	4,458,709	-	646
1,506,607	1,718,784	898,244	(3,951,658)	24,577	277
-	434,941	-	4,001,725	-	-
(857,601)	(924,828)	(64,723)	-	-	-
(857,601)	(489,887)	(64,723)	4,001,725	-	-
649,006	1,228,897	833,521	50,067	24,577	277
2,877,070	6,560,420	1,428,372	526,862	122,702	6,581
-	-	-	-	-	-
\$ 3,526,076	\$ 7,789,317	\$ 2,261,893	\$ 576,929	\$ 147,279	\$ 6,858

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
For the Year Ended September 30, 2005

	Special Revenue Funds, continued	
	Clerk Special Revenue Funds	Sheriff Special Revenue Funds
Revenues		
Taxes	\$ -	\$ -
Licenses and Permits	-	-
Intergovernmental	1,354,747	324,861
Charges for Services	3,840,276	842,060
Fines and Forfeitures	2,925,568	186,467
Special Assessments	-	-
Investment Income	39,082	8,591
Miscellaneous	-	87,426
Total Revenues	8,159,673	1,449,405
Expenditures		
Current:		
General Government	1,141,365	-
Public Safety	-	2,287,803
Physical Environment	-	-
Transportation	-	-
Economic Environment	-	-
Human Services	-	-
Culture and Recreation	-	-
Court-Related Expenditures	6,518,501	-
Debt Service:		
Principal	-	-
Interest and Fiscal Charges	-	-
Capital Outlay	-	-
Total Expenditures	7,659,866	2,287,803
Excess of Revenues Over (Under)		
Expenditures	499,807	(838,398)
Other Financing Sources (Uses)		
Transfers In	-	1,172,842
Transfers Out	-	(44,285)
Total Other Financing Sources (Uses)	-	1,128,557
Net Change in Fund Balances	499,807	290,159
Fund Balances at Beginning of Year	767,668	650,434
Inventory Reserve Increase	-	-
Fund Balances at End of Year	\$ 1,267,475	\$ 940,593

<u>Debt Service Funds</u>		<u>Capital Projects Fund</u>		<u>Total Nonmajor Governmental Funds</u>
<u>Sales Tax Line of Credit Debt Service</u>	<u>Pari-Mutuel Revenue Bonds Debt Service</u>	<u>Parks Capital Projects</u>		
\$ -	\$ -	\$ -	\$	18,421,602
-	-	-		6,363,257
-	297,667	-		14,752,927
-	-	-		6,932,534
-	-	-		3,308,165
-	-	-		16,155,425
2,373	78,322	6,260		1,335,608
-	-	-		3,887,385
<u>2,373</u>	<u>375,989</u>	<u>6,260</u>		<u>71,156,903</u>
-	-	-		1,246,206
-	-	-		25,390,682
-	-	-		2,146,973
-	-	-		14,645,775
-	-	-		6,267,242
-	-	-		928,468
-	10,488	-		4,477,544
-	-	-		6,752,516
-	80,000	-		80,000
2,808	218,222	-		221,030
-	1,806,813	11,940		1,818,753
<u>2,808</u>	<u>2,115,523</u>	<u>11,940</u>		<u>63,975,189</u>
<u>(435)</u>	<u>(1,739,534)</u>	<u>(5,680)</u>		<u>7,181,714</u>
-	-	-		8,920,477
-	-	-		(5,370,755)
-	-	-		<u>3,549,722</u>
(435)	(1,739,534)	(5,680)		10,731,436
50,303	3,883,001	234,583		41,546,363
-	-	-		30,794
<u>\$ 49,868</u>	<u>\$ 2,143,467</u>	<u>\$ 228,903</u>	<u>\$</u>	<u>52,308,593</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIBRARY IMPACT FEE TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 772,623	\$ 772,623	\$ 1,077,652	\$ 305,029
Investment Income	750	750	28,415	27,665
Less: Statutory Requirement	(38,669)	(38,669)	-	38,669
Total Revenues	<u>734,704</u>	<u>734,704</u>	<u>1,106,067</u>	<u>371,363</u>
Expenditures				
Current:				
Culture and recreation	-	500,000	-	500,000
Total Expenditures	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Excess of Revenues Over Expenditures	<u>734,704</u>	<u>234,704</u>	<u>1,106,067</u>	<u>871,363</u>
Other Financing Sources (Uses)				
Transfers Out	(45,935)	(57,935)	(56,323)	1,612
Reserve for Contingencies	(1,141,980)	(727,133)	-	727,133
Total Other Financing Uses	<u>(1,187,915)</u>	<u>(785,068)</u>	<u>(56,323)</u>	<u>728,745</u>
Net Change in Fund Balances	(453,211)	(550,364)	1,049,744	1,600,108
Fund Balances at Beginning of Year	<u>453,211</u>	<u>550,364</u>	<u>550,364</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,600,108</u>	<u>\$ 1,600,108</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK IMPACT FEE TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 634,584	\$ 634,584	\$ 745,179	\$ 110,595
Investment Income	15,356	15,356	24,252	8,896
Less: Statutory Requirement	<u>(32,497)</u>	<u>(32,497)</u>	-	<u>32,497</u>
Total Revenues	<u>617,443</u>	<u>617,443</u>	<u>769,431</u>	<u>151,988</u>
Expenditures				
Current:				
Culture and recreation	1,028,177	1,086,854	8,347	1,078,507
Total Expenditures	<u>1,028,177</u>	<u>1,086,854</u>	<u>8,347</u>	<u>1,078,507</u>
Excess of Revenues Over (Under) Expenditures	<u>(410,734)</u>	<u>(469,411)</u>	<u>761,084</u>	<u>1,230,495</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(39,763)</u>	<u>(49,764)</u>	<u>(45,660)</u>	<u>4,104</u>
Total Other Financing Uses	<u>(39,763)</u>	<u>(49,764)</u>	<u>(45,660)</u>	<u>4,104</u>
Net Change in Fund Balances	(450,497)	(519,175)	715,424	1,234,599
Fund Balances at Beginning of Year	<u>450,497</u>	<u>519,175</u>	<u>519,175</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,234,599</u>	<u>\$ 1,234,599</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 6,157,832	\$ 6,251,574	\$ 6,946,030	\$ 694,456
Intergovernmental	5,539,981	5,539,981	4,960,422	(579,559)
Charges for Services	378,792	378,792	714,562	335,770
Special Assessments	170,000	170,000	104,584	(65,416)
Investment Income	102,500	102,500	160,478	57,978
Miscellaneous	14,000	14,000	18,646	4,646
Less: Statutory Requirement	(618,155)	(618,155)	-	618,155
Total Revenues	<u>11,744,950</u>	<u>11,838,692</u>	<u>12,904,722</u>	<u>1,066,030</u>
Expenditures				
Current:				
Transportation	15,072,744	15,835,875	11,127,539	4,708,336
Total Expenditures	<u>15,072,744</u>	<u>15,835,875</u>	<u>11,127,539</u>	<u>4,708,336</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,327,794)</u>	<u>(3,997,183)</u>	<u>1,777,183</u>	<u>5,774,366</u>
Other Financing Sources (Uses)				
Transfers In	362,500	362,500	360,000	(2,500)
Transfers Out	(701,366)	(701,366)	(701,366)	-
Reserve for Contingencies	(86,758)	(2,147,958)	-	2,147,958
Total Other Financing Sources (Uses)	<u>(425,624)</u>	<u>(2,486,824)</u>	<u>(341,366)</u>	<u>2,145,458</u>
Net Change in Fund Balances	(3,753,418)	(6,484,007)	1,435,817	7,919,824
Fund Balances at Beginning of Year	3,753,418	6,484,007	6,484,007	-
Inventory Reserve Decrease	-	-	68,815	68,815
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,988,639</u>	<u>\$ 7,988,639</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CHRISTOPHER C. FORD COMMERCE PARK
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 2,500	\$ 2,500	\$ 76,997	\$ 74,497
Miscellaneous	450,000	450,000	2,007,910	1,557,910
Less: Statutory Requirement	<u>(22,625)</u>	<u>(22,625)</u>	<u>-</u>	<u>22,625</u>
Total Revenues	<u>429,875</u>	<u>429,875</u>	<u>2,084,907</u>	<u>1,655,032</u>
Expenditures				
Current:				
Economic Environment	180,900	180,900	127,609	53,291
Total Expenditures	<u>180,900</u>	<u>180,900</u>	<u>127,609</u>	<u>53,291</u>
Excess of Revenues Over Expenditures	<u>248,975</u>	<u>248,975</u>	<u>1,957,298</u>	<u>1,708,323</u>
Other Financing Uses				
Transfers Out	(47,625)	(2,095,483)	(2,095,483)	-
Reserve for Contingencies	<u>(2,925,583)</u>	<u>(483,885)</u>	<u>-</u>	<u>483,885</u>
Total Other Financing Uses	<u>(2,973,208)</u>	<u>(2,579,368)</u>	<u>(2,095,483)</u>	<u>483,885</u>
Net Change in Fund Balances	(2,724,233)	(2,330,393)	(138,185)	2,192,208
Fund Balances at Beginning of Year	<u>2,724,233</u>	<u>2,330,393</u>	<u>2,330,393</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,192,208</u>	<u>\$ 2,192,208</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MOSQUITO MANAGEMENT
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 37,046	\$ 37,025	\$ 37,025	\$ -
Investment Income	500	500	3,196	2,696
Miscellaneous	500	2,868	2,868	-
Less: Statutory Requirement	<u>(1,902)</u>	<u>(1,902)</u>	<u>-</u>	<u>1,902</u>
Total Revenues	<u>36,144</u>	<u>38,491</u>	<u>43,089</u>	<u>4,598</u>
Expenditures				
Current:				
Human Services	<u>879,722</u>	<u>890,305</u>	<u>780,088</u>	<u>110,217</u>
Total Expenditures	<u>879,722</u>	<u>890,305</u>	<u>780,088</u>	<u>110,217</u>
Excess of Revenues Under Expenditures	<u>(843,578)</u>	<u>(851,814)</u>	<u>(736,999)</u>	<u>114,815</u>
Other Financing Sources (Uses)				
Transfers In	796,461	796,461	796,461	-
Reserve for Contingencies	<u>(20,986)</u>	<u>(86,086)</u>	<u>-</u>	<u>86,086</u>
Total Other Financing Sources (Uses)	<u>775,475</u>	<u>710,375</u>	<u>796,461</u>	<u>86,086</u>
Net Change in Fund Balances	(68,103)	(141,439)	59,462	200,901
Fund Balances at Beginning of Year	68,103	141,439	141,439	-
Inventory Reserve Increase	<u>-</u>	<u>-</u>	<u>(21,804)</u>	<u>(21,804)</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,097</u>	<u>\$ 179,097</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW LIBRARY FUND
For the Year Ended September 30, 2005

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 500	\$ 500	\$ 2,635	\$ 2,135
Miscellaneous	30,000	30,000	53,505	23,505
Less: Statutory Requirement	(1,525)	(1,525)	-	1,525
Total Revenues	28,975	28,975	56,140	27,165
Expenditures				
Current:				
Court-Related Expenditures	220,069	258,400	234,015	24,385
Total Expenditures	220,069	258,400	234,015	24,385
Excess of Revenues Under Expenditures	(191,094)	(229,425)	(177,875)	51,550
Other Financing Uses				
Transfers In	182,000	182,000	182,000	-
Reserve for Contingencies	(12,963)	(12,964)	-	12,964
Total Other Financing Uses	169,037	169,036	182,000	12,964
Net Change in Fund Balances	(22,057)	(60,389)	4,125	64,514
Fund Balances at Beginning of Year	22,057	60,389	60,389	-
Fund Balances at End of Year	\$ -	\$ -	\$ 64,514	\$ 64,514

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
AQUATIC PLANT MANAGEMENT
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 95,000	\$ 95,000	\$ 103,704	\$ 8,704
Investment Income	253	253	2,424	2,171
Miscellaneous	500	500	1,065	565
Less: Statutory Requirement	(4,788)	(4,788)	-	4,788
Total Revenues	<u>90,965</u>	<u>90,965</u>	<u>107,193</u>	<u>16,228</u>
Expenditures				
Current:				
Physical Environment	291,441	291,441	246,105	45,336
Total Expenditures	<u>291,441</u>	<u>291,441</u>	<u>246,105</u>	<u>45,336</u>
Excess of Revenues Under Expenditures	<u>(200,476)</u>	<u>(200,476)</u>	<u>(138,912)</u>	<u>61,564</u>
Other Financing Sources (Uses)				
Transfers In	99,989	99,989	99,989	-
Reserve for Contingencies	(7,012)	(43,384)	-	43,384
Total Other Financing Sources (Uses)	<u>92,977</u>	<u>56,605</u>	<u>99,989</u>	<u>43,384</u>
Net Change in Fund Balances	(107,499)	(143,871)	(38,923)	104,948
Fund Balances at Beginning of Year	107,499	143,871	143,871	-
Inventory Reserve Increase	-	-	(16,217)	(16,217)
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,731</u>	<u>\$ 88,731</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FISH CONSERVATION TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Licenses and Permits	\$ 18,000	\$ 18,000	\$ 17,697	\$ (303)
Investment Income	1,000	1,000	2,740	1,740
Less: Statutory Requirement	(950)	(950)	-	950
Total Revenues	<u>18,050</u>	<u>18,050</u>	<u>20,437</u>	<u>2,387</u>
Expenditures				
Current:				
Physical Environment	99,500	99,500	3,825	95,675
Total Expenditures	<u>99,500</u>	<u>99,500</u>	<u>3,825</u>	<u>95,675</u>
Excess of Revenues Over (Under) Expenditures	<u>(81,450)</u>	<u>(81,450)</u>	<u>16,612</u>	<u>98,062</u>
Other Financing Uses				
Transfers Out	(950)	(950)	(950)	-
Reserve for Contingencies	(14,100)	(14,044)	-	14,044
Total Other Financing Uses	<u>(15,050)</u>	<u>(14,994)</u>	<u>(950)</u>	<u>14,044</u>
Net Change in Fund Balances	<u>(96,500)</u>	<u>(96,444)</u>	<u>15,662</u>	<u>112,106</u>
Fund Balances at Beginning of Year	<u>96,500</u>	<u>96,444</u>	<u>96,444</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,106</u>	<u>\$ 112,106</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 1,097,383	\$ 1,268,455	\$ 815,500	\$ (452,955)
Miscellaneous	78,810	78,810	4,392	(74,418)
Less: Statutory Requirement	<u>(58,810)</u>	<u>(58,810)</u>	-	58,810
Total Revenues	<u>1,117,383</u>	<u>1,288,455</u>	<u>819,892</u>	<u>(468,563)</u>
Expenditures				
Current:				
Economic Environment	893,267	1,006,211	667,766	338,445
Human Services	152,914	152,914	147,734	5,180
Total Expenditures	<u>1,046,181</u>	<u>1,159,125</u>	<u>815,500</u>	<u>343,625</u>
Excess of Revenues Over Expenditures	<u>71,202</u>	<u>129,330</u>	<u>4,392</u>	<u>(124,938)</u>
Other Financing Uses				
Transfers Out	(7,500)	(12,851)	-	12,851
Reserve for Contingencies	<u>(63,702)</u>	<u>(116,479)</u>	-	116,479
Total Other Financing Uses	<u>(71,202)</u>	<u>(129,330)</u>	<u>-</u>	<u>129,330</u>
Net Change in Fund Balances	-	-	4,392	4,392
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,392</u>	<u>\$ 4,392</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC TRANSPORTATION FUND
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 651,841	\$ 1,395,771	\$ 1,352,856	\$ (42,915)
Charges for Services	253,980	253,980	192,914	(61,066)
Investment Income	-	-	6,503	6,503
Miscellaneous	205,570	463,711	408,141	(55,570)
Less: Statutory Requirement	<u>(55,570)</u>	<u>(55,570)</u>	<u>-</u>	<u>55,570</u>
Total Revenues	<u>1,055,821</u>	<u>2,057,892</u>	<u>1,960,414</u>	<u>(97,478)</u>
Expenditures				
Current:				
Transportation	1,960,397	3,405,668	3,091,696	313,972
Total Expenditures	<u>1,960,397</u>	<u>3,405,668</u>	<u>3,091,696</u>	<u>313,972</u>
Excess of Revenues Under Expenditures	<u>(904,576)</u>	<u>(1,347,776)</u>	<u>(1,131,282)</u>	<u>216,494</u>
Other Financing Sources (Uses)				
Transfers In	896,911	1,096,911	1,096,911	-
Reserve for Contingencies	<u>(83,465)</u>	<u>(16,540)</u>	<u>-</u>	<u>16,540</u>
Total Other Financing Sources (Uses)	<u>813,446</u>	<u>1,080,371</u>	<u>1,096,911</u>	<u>16,540</u>
Net Change in Fund Balances	(91,130)	(267,405)	(34,371)	233,034
Fund Balances at Beginning of Year	<u>91,130</u>	<u>267,405</u>	<u>267,405</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,034</u>	<u>\$ 233,034</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAKE COUNTY AMBULANCE
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 6,247,026	\$ 6,247,026	\$ 6,177,313	\$ (69,713)
Investment Income	32,000	32,000	79,992	47,992
Less: Statutory Requirement	(313,951)	(313,951)	-	313,951
Total Revenues	<u>5,965,075</u>	<u>5,965,075</u>	<u>6,257,305</u>	<u>292,230</u>
Expenditures				
Current:				
General Government	112,457	104,841	104,841	-
Public Safety	5,023,695	5,023,695	5,023,695	-
Total Expenditures	<u>5,136,152</u>	<u>5,128,536</u>	<u>5,128,536</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>828,923</u>	<u>836,539</u>	<u>1,128,769</u>	<u>292,230</u>
Other Financing Sources (Uses)				
Transfers In	600	600	60,640	60,040
Transfers Out	(170,799)	(178,895)	(178,894)	1
Reserve for Contingencies	(2,503,938)	(2,293,804)	-	2,293,804
Total Other Financing Sources (Uses)	<u>(2,674,137)</u>	<u>(2,472,099)</u>	<u>(118,254)</u>	<u>2,353,845</u>
Net Change in Fund Balances	(1,845,214)	(1,635,560)	1,010,515	2,646,075
Fund Balances at Beginning of Year	<u>1,845,214</u>	<u>1,635,560</u>	<u>1,635,560</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,646,075</u>	<u>\$ 2,646,075</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STORMWATER MANAGEMENT
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 3,238,854	\$ 3,238,854	\$ 3,229,431	\$ (9,423)
Intergovernmental	-	-	306,669	306,669
Charges for Services	4,000	4,000	10,590	6,590
Investment Income	51,800	51,800	177,531	125,731
Less: Statutory Requirement	(164,733)	(164,733)	-	164,733
Total Revenues	<u>3,129,921</u>	<u>3,129,921</u>	<u>3,724,221</u>	<u>594,300</u>
Expenditures				
Current:				
Physical Environment	4,137,612	3,788,588	1,889,888	1,898,700
Total Expenditures	<u>4,137,612</u>	<u>3,788,588</u>	<u>1,889,888</u>	<u>1,898,700</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(1,007,691)</u>	<u>(658,667)</u>	<u>1,834,333</u>	<u>2,493,000</u>
Other Financing Sources (Uses)				
Transfers In	1,600	1,600	54,110	52,510
Transfers Out	(261,794)	(261,794)	(254,488)	7,306
Reserve for Contingencies	(2,747,090)	(4,016,011)	-	4,016,011
Total Other Financing Sources (Uses)	<u>(3,007,284)</u>	<u>(4,276,205)</u>	<u>(200,378)</u>	<u>4,075,827</u>
Net Change in Fund Balances	(4,014,975)	(4,934,872)	1,633,955	6,568,827
Fund Balances at Beginning of Year	<u>4,014,975</u>	<u>4,934,872</u>	<u>4,934,872</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,568,827</u>	<u>\$ 6,568,827</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMERGENCY 9-1-1
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 192,000	\$ 192,000	\$ 381,807	\$ 189,807
Charges for Services	818,350	818,350	761,854	(56,496)
Investment Income	7,000	7,000	42,866	35,866
Less: Statutory Requirement	(50,867)	(50,867)	-	50,867
Total Revenues	<u>966,483</u>	<u>966,483</u>	<u>1,186,527</u>	<u>220,044</u>
Expenditures				
Current:				
Public Safety	995,252	1,093,805	923,207	170,598
Total Expenditures	<u>995,252</u>	<u>1,093,805</u>	<u>923,207</u>	<u>170,598</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(28,769)</u>	<u>(127,322)</u>	<u>263,320</u>	<u>390,642</u>
Other Financing Uses				
Reserve for Contingencies	(1,211,128)	(1,422,583)	-	1,422,583
Total Other Financing Uses	<u>(1,211,128)</u>	<u>(1,422,583)</u>	<u>-</u>	<u>1,422,583</u>
Net Change in Fund Balances	(1,239,897)	(1,549,905)	263,320	1,813,225
Fund Balances at Beginning of Year	<u>1,239,897</u>	<u>1,549,905</u>	<u>1,549,905</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,813,225</u></u>	<u><u>\$ 1,813,225</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESORT/DEVELOPMENT TAX
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 1,800,000	\$ 1,800,000	\$ 2,068,828	\$ 268,828
Charges for Services	500	500	1,608	1,108
Investment Income	26,000	26,000	39,784	13,784
Less: Statutory Requirement	(91,325)	(91,325)	-	91,325
Total Revenues	<u>1,735,175</u>	<u>1,735,175</u>	<u>2,110,220</u>	<u>375,045</u>
Expenditures				
Current:				
Economic Environment	2,069,637	2,326,394	1,769,038	557,356
Total Expenditures	<u>2,069,637</u>	<u>2,326,394</u>	<u>1,769,038</u>	<u>557,356</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(334,462)</u>	<u>(591,219)</u>	<u>341,182</u>	<u>932,401</u>
Other Financing Sources (Uses)				
Transfers In	-	660,858	660,858	-
Transfers Out	(91,325)	(91,325)	(91,325)	-
Reserve for Contingencies	(462,513)	(1,260,806)	-	1,260,806
Total Other Financing Sources (Uses)	<u>(553,838)</u>	<u>(691,273)</u>	<u>569,533</u>	<u>1,260,806</u>
Net Change in Fund Balances	(888,300)	(1,282,492)	910,715	2,193,207
Fund Balances at Beginning of Year	<u>888,300</u>	<u>1,282,492</u>	<u>1,282,492</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,193,207</u>	<u>\$ 2,193,207</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
AFFORDABLE HOUSING ASSISTANCE TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 1,780,323	\$ 1,800,834	\$ 1,834,995	\$ 34,161
Investment Income	15,182	15,182	111,995	96,813
Miscellaneous	178,711	178,711	1,177,845	999,134
Less: Statutory Requirement	(98,711)	(98,711)	-	98,711
Total Revenues	<u>1,875,505</u>	<u>1,896,016</u>	<u>3,124,835</u>	<u>1,228,819</u>
Expenditures				
Current:				
Economic Environment	2,892,623	5,536,963	996,413	4,540,550
Total Expenditures	<u>2,892,623</u>	<u>5,536,963</u>	<u>996,413</u>	<u>4,540,550</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(1,017,118)</u>	<u>(3,640,947)</u>	<u>2,128,422</u>	<u>5,769,369</u>
Other Financing Sources				
Transfer In	5,000	5,000	-	(5,000)
Total Other Financing Sources	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Net Change in Fund Balances	(1,012,118)	(3,635,947)	2,128,422	5,764,369
Fund Balances at Beginning of Year	<u>1,012,118</u>	<u>3,635,947</u>	<u>3,635,947</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,764,369</u>	<u>\$ 5,764,369</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SECTION 8
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 2,291,100	\$ 3,684,498	\$ 2,490,259	\$ (1,194,239)
Investment Income	-	-	476	476
Miscellaneous	120,584	120,584	-	(120,584)
Less: Statutory Requirement	(120,584)	(120,584)	-	120,584
Total Revenues	<u>2,291,100</u>	<u>3,684,498</u>	<u>2,490,735</u>	<u>(1,193,763)</u>
Expenditures				
Current:				
Economic Environment	2,348,567	3,741,965	2,702,726	1,039,239
Total Expenditures	<u>2,348,567</u>	<u>3,741,965</u>	<u>2,702,726</u>	<u>1,039,239</u>
Excess of Revenues Under Expenditures	<u>(57,467)</u>	<u>(57,467)</u>	<u>(211,991)</u>	<u>(154,524)</u>
Other Financing Uses				
Reserve for Contingencies	(174,789)	(191,666)	-	191,666
Total Other Financing Uses	<u>(174,789)</u>	<u>(191,666)</u>	<u>-</u>	<u>191,666</u>
Net Change in Fund Balances	(232,256)	(249,133)	(211,991)	37,142
Fund Balances at Beginning of Year	<u>232,256</u>	<u>249,133</u>	<u>249,133</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,142</u>	<u>\$ 37,142</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HURRICANE HOUSING RECOVERY
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 209,113	\$ 3,690	\$ (205,423)
Total Revenues	<u>-</u>	<u>209,113</u>	<u>3,690</u>	<u>(205,423)</u>
Expenditures				
Current:				
Economic Environment	-	209,113	3,690	205,423
Total Expenditures	<u>-</u>	<u>209,113</u>	<u>3,690</u>	<u>205,423</u>
 Net Change in Fund Balances	-	-	-	-
 Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MUNICIPAL SERVICE BENEFIT UNITS/SPECIAL ASSESSMENTS
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 539,574	\$ 539,574	\$ 519,619	\$ (19,955)
Investment Income	6,640	6,640	11,817	5,177
Less: Statutory Requirement	(27,306)	(27,306)	-	27,306
Total Revenues	<u>518,908</u>	<u>518,908</u>	<u>531,436</u>	<u>12,528</u>
Expenditures				
Current:				
Transportation	459,020	459,592	426,540	33,052
Total Expenditures	<u>459,020</u>	<u>459,592</u>	<u>426,540</u>	<u>33,052</u>
Excess of Revenues Over Expenditures	<u>59,888</u>	<u>59,316</u>	<u>104,896</u>	<u>45,580</u>
Other Financing Uses				
Transfers Out	(59,958)	(59,958)	(53,904)	6,054
Reserve for Contingencies	(255,817)	(266,704)	-	266,704
Total Other Financing Uses	<u>(315,775)</u>	<u>(326,662)</u>	<u>(53,904)</u>	<u>272,758</u>
Net Change in Fund Balances	(255,887)	(267,346)	50,992	318,338
Fund Balances at Beginning of Year	<u>255,887</u>	<u>267,346</u>	<u>267,346</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,338</u>	<u>\$ 318,338</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Fines and Forfeitures	\$ -	\$ 37,578	\$ 77,748	\$ 40,170
Investment Income	500	500	1,529	1,029
Total Revenues	<u>500</u>	<u>38,078</u>	<u>79,277</u>	<u>41,199</u>
Expenditures				
Current:				
Public Safety	2,500	64,611	58,912	5,699
Total Expenditures	<u>2,500</u>	<u>64,611</u>	<u>58,912</u>	<u>5,699</u>
Net Change in Fund Balances	(2,000)	(26,533)	20,365	46,898
Fund Balances at Beginning of Year	<u>2,000</u>	<u>26,533</u>	<u>26,533</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,898</u>	<u>\$ 46,898</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- BUDGET AND ACTUAL
POLLUTION RECOVERY
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Fines and Forfeitures	\$ -	\$ -	\$ 46,525	\$ 46,525
Investment Income	1,000	1,000	3,514	2,514
Less: Statutory Requirement	(50)	(50)	-	50
Total Revenues	<u>950</u>	<u>950</u>	<u>50,039</u>	<u>49,089</u>
Expenditures				
Physical Environment	67,500	71,479	7,155	64,324
Total Expenditures	<u>67,500</u>	<u>71,479</u>	<u>7,155</u>	<u>64,324</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(66,550)</u>	<u>(70,529)</u>	<u>42,884</u>	<u>113,413</u>
Other Financing Sources (Uses)				
Transfers Out	(50)	(50)	(50)	-
Reserve for Contingencies	(17,825)	(44,450)	-	44,450
Total Other Financing Sources (Uses)	<u>(17,875)</u>	<u>(44,500)</u>	<u>(50)</u>	<u>44,450</u>
Net Change in Fund Balances	(84,425)	(115,029)	42,834	157,863
Fund Balances at Beginning of Year	<u>84,425</u>	<u>115,029</u>	<u>115,029</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157,863</u>	<u>\$ 157,863</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CODE ENFORCEMENT LIENS
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Fines and Forfeitures	\$ 15,000	\$ 15,000	\$ 11,025	\$ (3,975)
Investment Income	2,500	2,500	3,465	965
Less: Statutory Requirement	(875)	(875)	-	875
Total Revenues	16,625	16,625	14,490	(2,135)
Expenditures				
Current:				
Public Safety	159,137	163,813	35,115	128,698
Total Expenditures	159,137	163,813	35,115	128,698
Excess of Revenues Under Expenditures	(142,512)	(147,188)	(20,625)	126,563
Other Financing Uses				
Transfers Out	(875)	(875)	(875)	-
Total Other Financing Uses	(875)	(875)	(875)	-
Net Change in Fund Balances	(143,387)	(148,063)	(21,500)	126,563
Fund Balances at Beginning of Year	143,387	148,063	148,063	-
Fund Balances at End of Year	\$ -	\$ -	\$ 126,563	\$ 126,563

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING SERVICES
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Licenses and Permits	\$ 5,402,089	\$ 5,402,089	\$ 6,345,560	\$ 943,471
Charges for Services	270,255	270,255	362,687	92,432
Fines and Forfeitures	15,000	15,000	13,450	(1,550)
Investment Income	30,000	30,000	86,755	56,755
Less: Statutory Requirement	(285,867)	(285,867)	-	285,867
Total Revenues	<u>5,431,477</u>	<u>5,431,477</u>	<u>6,808,452</u>	<u>1,376,975</u>
Expenditures				
Current:				
Public Safety	5,429,628	5,845,685	5,301,845	543,840
Total Expenditures	<u>5,429,628</u>	<u>5,845,685</u>	<u>5,301,845</u>	<u>543,840</u>
Excess of Revenues Over (Under)				
Expenditures	<u>1,849</u>	<u>(414,208)</u>	<u>1,506,607</u>	<u>1,920,815</u>
Other Financing Uses				
Transfers Out	(857,601)	(857,601)	(857,601)	-
Reserve for Contingencies	(1,014,581)	(1,605,261)	-	(1,605,261)
Total Other Financing Uses	<u>(1,872,182)</u>	<u>(2,462,862)</u>	<u>(857,601)</u>	<u>(1,605,261)</u>
Net Change in Fund Balances	<u>(1,870,333)</u>	<u>(2,877,070)</u>	<u>649,006</u>	<u>3,526,076</u>
Fund Balances at Beginning of Year	<u>1,870,333</u>	<u>2,877,070</u>	<u>2,877,070</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,526,076</u></u>	<u><u>\$ 3,526,076</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- BUDGET AND ACTUAL
LAKE COUNTY MTU FOR FIRE PROTECTION
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 12,050,000	\$ 12,050,000	\$ 12,458,249	\$ 408,249
Intergovernmental	24,520	24,520	61,695	37,175
Charges for Services	204,000	204,000	205,586	1,586
Investment Income	156,000	156,000	263,376	107,376
Miscellaneous	93,050	93,050	88,896	(4,154)
Less: Statutory Requirement	(626,379)	(626,379)	-	626,379
Total Revenues	<u>11,901,191</u>	<u>11,901,191</u>	<u>13,077,802</u>	<u>1,176,611</u>
Expenditures				
Current:				
Public Safety	14,564,168	14,560,978	11,359,018	3,201,960
Total Expenditures	<u>14,564,168</u>	<u>14,560,978</u>	<u>11,359,018</u>	<u>3,201,960</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(2,662,977)</u>	<u>(2,659,787)</u>	<u>1,718,784</u>	<u>4,378,571</u>
Other Financing Sources (Uses)				
Transfers In	442,000	442,000	434,941	(7,059)
Transfers Out	(952,553)	(952,553)	(924,828)	27,725
Reserve for Contingencies	(2,101,424)	(3,390,080)	-	3,390,080
Total Other Financing Sources (Uses)	<u>(2,611,977)</u>	<u>(3,900,633)</u>	<u>(489,887)</u>	<u>3,410,746</u>
Net Change in Fund Balances	<u>(5,274,954)</u>	<u>(6,560,420)</u>	<u>1,228,897</u>	<u>7,789,317</u>
Fund Balances at Beginning of Year	<u>5,274,954</u>	<u>6,560,420</u>	<u>6,560,420</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,789,317</u>	<u>\$ 7,789,317</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FIRE RESCUE IMPACT FEE TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 599,000	\$ 599,000	\$ 1,250,142	\$ 651,142
Investment Income	10,000	10,000	49,189	39,189
Less: Statutory Requirement	(30,450)	(30,450)	-	30,450
Total Revenues	<u>578,550</u>	<u>578,550</u>	<u>1,299,331</u>	<u>720,781</u>
Expenditures				
Current:				
Public Safety	1,274,330	1,231,328	401,087	830,241
Total Expenditures	<u>1,274,330</u>	<u>1,231,328</u>	<u>401,087</u>	<u>830,241</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(695,780)</u>	<u>(652,778)</u>	<u>898,244</u>	<u>1,551,022</u>
Other Financing Uses				
Transfers Out	(37,716)	(77,716)	(64,723)	12,993
Reserve for Contingencies	(128,231)	(697,878)	-	697,878
Total Other Financing Uses	<u>(165,947)</u>	<u>(775,594)</u>	<u>(64,723)</u>	<u>710,871</u>
Net Change in Fund Balances	(861,727)	(1,428,372)	833,521	2,261,893
Fund Balances at Beginning of Year	<u>861,727</u>	<u>1,428,372</u>	<u>1,428,372</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,261,893</u></u>	<u><u>\$ 2,261,893</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY-WIDE LIBRARY
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 469,705	\$ 427,030	\$ 427,030	\$ -
Charges for Services	250	250	397	147
Fines and Forfeitures	22,500	22,500	47,382	24,882
Investment Income	7,500	7,500	17,297	9,797
Miscellaneous	10,000	10,000	14,945	4,945
Total Revenues	<u>509,955</u>	<u>467,280</u>	<u>507,051</u>	<u>39,771</u>
Expenditures				
Current:				
Culture and Recreation	5,019,621	4,949,196	4,458,709	490,487
Total Expenditures	<u>5,019,621</u>	<u>4,949,196</u>	<u>4,458,709</u>	<u>490,487</u>
Excess of Revenues Under Expenditures	<u>(4,509,666)</u>	<u>(4,481,916)</u>	<u>(3,951,658)</u>	<u>530,258</u>
Other Financing Sources (Uses)				
Transfers In	4,187,759	4,001,725	4,001,725	-
Reserve for Contingencies	(18,921)	(46,671)	-	46,671
Total Other Financing Sources (Uses)	<u>4,168,838</u>	<u>3,955,054</u>	<u>4,001,725</u>	<u>46,671</u>
Net Change in Fund Balances	(340,828)	(526,862)	50,067	576,929
Fund Balances at Beginning of Year	<u>340,828</u>	<u>526,862</u>	<u>526,862</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 576,929</u>	<u>\$ 576,929</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ANIMAL SHELTER TRUST
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 2,000	\$ 2,000	\$ 3,582	\$ 1,582
Miscellaneous	<u>5,800</u>	<u>5,800</u>	<u>20,995</u>	<u>15,195</u>
Total Revenues	<u>7,800</u>	<u>7,800</u>	<u>24,577</u>	<u>16,777</u>
Expenditures				
Current:				
Human Services	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Excess of Revenues Over Expenditures	<u>4,300</u>	<u>4,300</u>	<u>24,577</u>	<u>20,277</u>
Other Financing Uses				
Reserve for Contingencies	<u>(118,063)</u>	<u>(127,002)</u>	<u>-</u>	<u>127,002</u>
Total Other Financing Uses	<u>(118,063)</u>	<u>(127,002)</u>	<u>-</u>	<u>127,002</u>
Net Change in Fund Balances	(113,763)	(122,702)	24,577	147,279
Fund Balances at Beginning of Year	<u>113,763</u>	<u>122,702</u>	<u>122,702</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 147,279</u></u>	<u><u>\$ 147,279</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMPLOYEE BENEFIT
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 120	\$ 120	\$ 172	\$ 52
Miscellaneous	-	-	751	751
Total Revenues	<u>120</u>	<u>120</u>	<u>923</u>	<u>803</u>
Expenditures				
Current:				
Human Services	6,159	6,701	646	6,055
Total Expenditures	<u>6,159</u>	<u>6,701</u>	<u>646</u>	<u>6,055</u>
 Net Change in Fund Balances	 (6,039)	 (6,581)	 277	 6,858
Fund Balances at Beginning of Year	<u>6,039</u>	<u>6,581</u>	<u>6,581</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,858</u>	<u>\$ 6,858</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- BUDGET AND ACTUAL
CLERK SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 1,311,994	\$ 1,311,994	\$ 1,354,747	\$ 42,753
Charges for Services	3,750,400	3,450,400	3,840,276	389,876
Fines and Forfeitures	1,495,000	1,795,000	2,925,568	1,130,568
Investment Income	2,000	2,000	39,082	37,082
Total Revenues	<u>6,559,394</u>	<u>6,559,394</u>	<u>8,159,673</u>	<u>1,600,279</u>
Expenditures				
Current:				
General Government	1,513,595	1,905,268	1,141,365	763,903
Court-Related Expenditures	5,410,735	5,410,735	5,062,250	348,485
Total Expenditures	<u>6,924,330</u>	<u>7,316,003</u>	<u>6,203,615</u>	<u>1,112,388</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(364,936)</u>	<u>(756,609)</u>	<u>1,956,058</u>	<u>2,712,667</u>
Other Financing Uses				
Excess Court Revenues Due to the State			(1,456,251)	(1,456,251)
Court-Related Reserve for Contingencies	(11,059)	(11,059)	-	11,059
Total Other Financing Uses	<u>(11,059)</u>	<u>(11,059)</u>	<u>(1,456,251)</u>	<u>11,059</u>
Net Change in Fund Balances	<u>(375,995)</u>	<u>(767,668)</u>	<u>499,807</u>	<u>1,267,475</u>
Fund Balances at Beginning of Year	<u>375,995</u>	<u>767,668</u>	<u>767,668</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,475</u>	<u>\$ 1,267,475</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SHERIFF SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 120,860	\$ 267,710	\$ 324,861	\$ 57,151
Charges for Services	659,755	659,755	842,060	182,305
Fines and Forfeitures	-	-	186,467	186,467
Investment Income	-	-	8,591	8,591
Miscellaneous	50,000	50,000	87,426	37,426
Total Revenues	<u>830,615</u>	<u>977,465</u>	<u>1,449,405</u>	<u>471,940</u>
Expenditures				
Current:				
Public Safety	2,281,521	2,564,642	2,287,803	276,839
Total Expenditures	<u>2,281,521</u>	<u>2,564,642</u>	<u>2,287,803</u>	<u>276,839</u>
Excess of Revenues Under Expenditures	<u>(1,450,906)</u>	<u>(1,587,177)</u>	<u>(838,398)</u>	<u>748,779</u>
Other Financing Sources (Uses)				
Transfers In	1,145,056	1,281,327	1,172,842	(108,485)
Transfers Out	(20,107)	(20,107)	(44,285)	(24,178)
Total Other Financing Sources (Uses)	<u>1,124,949</u>	<u>1,261,220</u>	<u>1,128,557</u>	<u>(132,663)</u>
Net Change in Fund Balances	(325,957)	(325,957)	290,159	616,116
Fund Balances at Beginning of Year	<u>325,957</u>	<u>325,957</u>	<u>650,434</u>	<u>324,477</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 940,593</u>	<u>\$ 940,593</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- BUDGET AND ACTUAL
SALES TAX LINE OF CREDIT DEBT SERVICE
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ -	\$ -	\$ 2,373	\$ 2,373
Total Revenues	<u>-</u>	<u>-</u>	<u>2,373</u>	<u>2,373</u>
Expenditures				
Debt Service:				
Interest and Fiscal Charges	500,000	550,303	2,808	547,495
Total Expenditures	<u>500,000</u>	<u>550,303</u>	<u>2,808</u>	<u>547,495</u>
Excess of Revenues Over (Under) Expenditures	<u>(500,000)</u>	<u>(550,303)</u>	<u>(435)</u>	<u>549,868</u>
Other Financing Sources				
Transfers In	500,000	500,000	-	(500,000)
Total Other Financing Sources	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
Net Change in Fund Balances	-	(50,303)	(435)	49,868
Fund Balances at Beginning of Year	<u>-</u>	<u>50,303</u>	<u>50,303</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,868</u>	<u>\$ 49,868</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARI-MUTUEL REVENUE BONDS DEBT SERVICE
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 297,667	\$ 297,667	\$ 297,667	\$ -
Investment Income	45,000	45,000	78,322	33,322
Less: Statutory Requirement	<u>(17,133)</u>	<u>(17,133)</u>	<u>-</u>	<u>17,133</u>
Total Revenues	<u>325,534</u>	<u>325,534</u>	<u>375,989</u>	<u>50,455</u>
Expenditures				
Current:				
Culture and Recreation	4,539	14,203	10,488	3,715
Debt Service:				
Principal	80,000	80,000	80,000	-
Interest and Fiscal Charges	218,187	218,222	218,222	-
Capital Outlay	<u>3,152,214</u>	<u>3,896,110</u>	<u>1,806,813</u>	<u>2,089,297</u>
Total Expenditures	<u>3,454,940</u>	<u>4,208,535</u>	<u>2,115,523</u>	<u>2,093,012</u>
Net Change in Fund Balances	(3,129,406)	(3,883,001)	(1,739,534)	2,143,467
Fund Balances at Beginning of Year	<u>3,129,406</u>	<u>3,883,001</u>	<u>3,883,001</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,143,467</u>	<u>\$ 2,143,467</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARKS CAPITAL PROJECTS
For the Year Ended September 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ -	\$ -	\$ 6,260	\$ 6,260
Total Revenues	<u>-</u>	<u>-</u>	<u>6,260</u>	<u>6,260</u>
Expenditures				
Capital Outlay	83,568	75,264	11,940	63,324
Total Expenditures	<u>83,568</u>	<u>75,264</u>	<u>11,940</u>	<u>63,324</u>
Excess of Revenues Under Expenditures	<u>(83,568)</u>	<u>(75,264)</u>	<u>(5,680)</u>	<u>69,584</u>
Other Financing Uses				
Reserve for Contingencies	(156,523)	(159,319)	-	159,319
Total Other Financing Uses	<u>(156,523)</u>	<u>(159,319)</u>	<u>-</u>	<u>159,319</u>
Net Change in Fund Balances	(240,091)	(234,583)	(5,680)	228,903
Fund Balances at Beginning of Year	<u>240,091</u>	<u>234,583</u>	<u>234,583</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,903</u>	<u>\$ 228,903</u>

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

SALES TAX CAPITAL PROJECTS FUND

To account for construction of various capital projects, using discretionary infrastructure sales surtax revenues.

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- BUDGET AND ACTUAL
MAJOR FUND - SALES TAX CAPITAL PROJECTS
For the Year Ended September 30, 2005

	<u>Sales Tax Capital Projects</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Investment Income	\$ 200,000	\$ 200,000	\$ 462,185	\$ 262,185
Less: Statutory Requirement	(10,000)	(10,000)	-	10,000
Total Revenues	190,000	190,000	462,185	272,185
Expenditures				
Capital Outlay	28,284,653	30,789,988	5,897,181	24,892,807
Total Expenditures	28,284,653	30,789,988	5,897,181	24,892,807
Excess of Revenues Under Expenditures	(28,094,653)	(30,599,988)	(5,434,996)	25,164,992
Other Financing Sources (Uses)				
Line of Credit Proceeds	15,000,000	15,000,000	-	(15,000,000)
Transfers In	7,192,187	11,600,283	11,600,283	-
Transfers Out	-	-	-	-
Reserve for Contingencies	(8,790,132)	(10,788,616)	-	10,788,616
Total Other Financing Sources (Uses)	13,402,055	15,811,667	11,600,283	(4,211,384)
Net Change in Fund Balances	(14,692,598)	(14,788,321)	6,165,287	20,953,608
Fund Balances at Beginning of Year	14,692,598	14,788,321	14,788,321	-
Fund Balances at End of Year	\$ -	\$ -	\$ 20,953,608	\$ 20,953,608

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INTERNAL SERVICE FUNDS

INSURANCE FUND - BOARD

To account for the revenues and expenses of the Employee Group Health Insurance Program for the Board of County Commissioners, Supervisor of Elections, and Property Appraiser. This fund also accounts for the revenues and expenses of the Comprehensive Liability Programs for the Board of County Commissioners and all Constitutional Officers (except the Sheriff).

INSURANCE FUND - CLERK

To account for the revenues and expenses of the Employee Group Health Insurance Program for the Clerk of the Circuit Court.

FLEET MAINTENANCE INTERNAL SERVICE FUND

To account for the revenues and expenses of the Fleet Maintenance Division within the County's Public Works Department.

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF NET ASSETS
 ALL INTERNAL SERVICE FUNDS
September 30, 2005

	<u>Insurance</u>	
	<u>Board</u>	<u>Clerk</u>
<u>Assets</u>		
Current Assets:		
Pooled Cash and Investments	\$ 7,347,060	\$ 832,731
Cash with fiscal agent	82,090	-
Other Investments	-	2,109,697
Accounts Receivable	55,747	-
Prepaid Expenses	48,770	9,041
Intragovernmental Receivables	-	-
Due from Other Governments	-	-
Inventory	-	-
Total Current Assets	<u>7,533,667</u>	<u>2,951,469</u>
Capital Assets:		
Equipment	-	-
Less: Accumulated Depreciation	-	-
Total Capital Assets	<u>-</u>	<u>-</u>
Total Assets	<u>7,533,667</u>	<u>2,951,469</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts Payable	82,952	-
Accrued Liabilities	-	-
Estimated Insurance Claims Payable	2,501,638	306,883
Current Portion of Long-Term Obligations	-	-
Total Current Liabilities	<u>2,584,590</u>	<u>306,883</u>
Long-Term Liabilities:		
Accrued Benefits Payable	-	-
Total Long-Term Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>2,584,590</u>	<u>306,883</u>
<u>Net Assets</u>		
Invested in Capital Assets	-	-
Unrestricted	4,949,077	2,644,586
Total Net Assets	<u>\$ 4,949,077</u>	<u>\$ 2,644,586</u>

<u>Fleet Maintenance</u>	<u>Total</u>
\$ 196,686	\$ 8,376,477
-	82,090
-	2,109,697
-	55,747
-	57,811
20,780	20,780
22,472	22,472
234,105	234,105
<u>474,043</u>	<u>10,959,179</u>
319,367	319,367
(231,038)	(231,038)
<u>88,329</u>	<u>88,329</u>
<u>562,372</u>	<u>11,047,508</u>
99,945	182,897
16,019	16,019
-	2,808,521
28,786	28,786
<u>144,750</u>	<u>3,036,223</u>
27,657	27,657
<u>27,657</u>	<u>27,657</u>
<u>172,407</u>	<u>3,063,880</u>
88,329	88,329
301,636	7,895,299
<u>\$ 389,965</u>	<u>\$ 7,983,628</u>

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2005

	<u>Insurance</u>	
	<u>Board</u>	<u>Clerk</u>
Operating Revenues:		
Charges for Services	\$ 7,948,821	\$ 1,261,360
Miscellaneous	346,802	-
Total Operating Revenues	<u>8,295,624</u>	<u>1,261,360</u>
Operating Expenses:		
Benefit Payments and Claims	8,132,447	1,432,197
Personal Services	-	-
Contracted Services	-	-
Supplies and Materials	-	-
Repairs and Maintenance	-	-
Utilities	-	-
Other Charges and Services	868,339	394,249
Depreciation	-	-
Total Operating Expenses	<u>9,000,786</u>	<u>1,826,446</u>
Operating Loss	(705,162)	(565,086)
Non-Operating Revenues (Expenses):		
Interest Revenue	209,080	64,245
Net Gain on Disposal of Capital Assets	-	-
Total Non-Operating Revenues (Expenses)	<u>209,080</u>	<u>64,245</u>
Loss Before Transfers	(496,082)	(500,841)
Transfers In	-	762,941
Transfers Out	(274,715)	-
Total Transfers	<u>(274,715)</u>	<u>762,941</u>
Change in Net Assets	(770,797)	262,100
Net Assets at Beginning of Year	<u>5,719,874</u>	<u>2,382,486</u>
Net Assets at End of Year	<u>\$ 4,949,077</u>	<u>\$ 2,644,586</u>

<u>Fleet Maintenance</u>	<u>Total</u>
\$ 2,331,242	\$ 11,541,424
-	346,802
<u>2,331,242</u>	<u>11,888,226</u>
-	9,564,644
506,484	506,484
10,357	10,357
1,266,136	1,266,136
514,414	514,414
15,067	15,067
30,919	1,293,507
25,853	25,853
<u>2,369,230</u>	<u>13,196,462</u>
(37,988)	(1,308,236)
633	273,958
6,906	6,906
<u>7,539</u>	<u>280,864</u>
(30,449)	(1,027,372)
-	762,941
-	(274,715)
<u>-</u>	<u>488,226</u>
(30,449)	(539,146)
<u>420,414</u>	<u>8,522,774</u>
<u>\$ 389,965</u>	<u>\$ 7,983,628</u>

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2005

	<u>Insurance</u>	
	<u>Board</u>	<u>Clerk</u>
Cash Flows from Operating Activities:		
Cash Received from Customers and for Contributions	\$ 7,900,926	\$ 1,261,363
Cash Paid to Suppliers and for Claims	(8,015,387)	(1,829,261)
Cash Paid to Employees	-	-
Cash Paid to Insurance Fund	-	-
Net Cash Used by Operating Activities	<u>(114,461)</u>	<u>(567,898)</u>
Cash Flows from NonCapital Financing Activities:		
Cash Transfers from Other Funds	-	762,941
Cash Transfers to Other Funds	(274,715)	-
Net Cash Provided (Used) by NonCapital Financing Activities	<u>(274,715)</u>	<u>762,941</u>
Cash Flows from Capital Activities:		
Net Cash Provided (Used) by Capital Activities	<u>-</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest Received	209,080	64,245
Net Cash Provided by Investing Activities	<u>209,080</u>	<u>64,245</u>
Net Change in Cash and Cash Equivalents	(180,096)	259,288
Cash and Cash Equivalents at October 1	7,609,246	2,683,140
Cash and Cash Equivalents at September 30	<u>\$ 7,429,150</u>	<u>\$ 2,942,428</u>

**RECONCILIATION OF OPERATING LOSS TO
NET CASH USED BY OPERATING ACTIVITIES**

	<u>Insurance</u>	
	<u>Board</u>	<u>Clerk</u>
Operating Loss	<u>\$ (705,162)</u>	<u>\$ (565,086)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation	-	-
Change in Accounts Receivable	(50,451)	-
Change in Intragovernmental Receivables	2,556	-
Change in Due from Other Governments	-	-
Change in Prepaid Assets	(48,770)	3
Change in Inventory	-	-
Change in Accounts Payable	7,328	(149)
Change in Accrued Liabilities	-	-
Change in Estimated Claims Payable	680,038	(2,666)
Change in Accrued Benefits Payable	-	-
Total Adjustments	<u>590,701</u>	<u>(2,812)</u>
Net Cash Used by Operating Activities	<u>\$ (114,461)</u>	<u>\$ (567,898)</u>
Noncash Investing, Capital and Financing Activities		
Gain on Disposition of Capital Assets	-	-

<u>Fleet Maintenance</u>	<u>Total</u>
\$ 2,351,442	\$ 11,513,731
(1,918,834)	(11,763,482)
(421,768)	(421,768)
(94,747)	(94,747)
<u>(83,907)</u>	<u>(766,266)</u>
-	762,941
-	(274,715)
-	<u>488,226</u>
-	-
633	273,958
<u>633</u>	<u>273,958</u>
(83,274)	(4,082)
279,960	10,572,346
<u>\$ 196,686</u>	<u>\$ 10,568,264</u>

<u>Fleet Maintenance</u>	<u>Total</u>
<u>\$ (37,988)</u>	<u>\$ (1,308,236)</u>
25,853	25,853
(1,698)	(50,451)
21,898	858
-	21,898
(34,686)	(48,767)
(47,255)	(34,686)
(2,234)	(40,076)
-	(2,234)
(7,797)	677,372
<u>(45,919)</u>	<u>(7,797)</u>
<u>\$ (83,907)</u>	<u>541,970</u>
	<u>(766,266)</u>
6,906	6,906

AGENCY FUNDS

BOARD OF COUNTY COMMISSIONERS

EDUCATIONAL SYSTEM IMPACT FEE TRUST FUND

To account for the collection and distribution of impact fees pertaining to the Lake County District School Board.

ESCROW DEPOSITS FUND

To account for the collection and payment of builders' and developers' surety deposits.

CLERK OF CIRCUIT COURT

AGENCY FUND

To record the collection and payment of monies collected for the Department of Revenue, Bureau of Vital Statistics, State Treasurer, and other various State and Federal agencies.

CASH BONDS FUND

To account for the receipt and disbursement of bonds posted by individuals for judicial proceedings.

FINES AND COSTS FUND

To account for the collection and disbursement of all court ordered fines and costs collected on behalf of various governmental agencies.

TAX DEED SALES FUND

To account for the collection and disbursements of the proceeds of tax deed sales in accordance with Chapter 197, Florida Statutes.

JUROR AND WITNESS FUND

To record the receipt and disbursement of funds to jurors and witnesses on behalf of state agencies.

UNIFORM SUPPORT FUND

To account for the collection and payment of court ordered alimony and child support payments.

SUSPENSE

To account for the receipt and disbursement of temporarily unidentified monies.

COURTS REGISTRY FUND

To record the collection and payment of deposits required by Circuit and County Court legal actions.

TAX COLLECTOR

TAX COLLECTIONS TRUST FUND

To record the receipt and distribution of ad valorem tax collections.

TAG AND TITLE TRUST FUND

To record the receipt and distribution of vehicle tag and title collections and marine title and registration fees collected on behalf of various State agencies.

HUNTING AND FISHING LICENSE FUND

To account for the collection and disbursement of hunting and fishing license fees collected on behalf of State and local agencies.

SHERIFF'S OFFICE

CASH BONDS FUND

To account for the receipt and disbursement of bonds posted by individuals pending judicial proceedings.

CIVIL FUND

To account for the receipt and disbursement of funds that result from civil process, confiscation and Sheriff's sales.

INMATE TRUST FUND

To account for the receipt and distribution of the personal funds of County Jail inmates.

SUSPENSE

To account for the receipt and disbursement of temporarily unidentified monies.

FLEXIBLE SPENDING

To account for the receipt and disbursement of employee flexible spending monies.

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2005

	<u>AGENCY FUNDS</u>	
	<u>Board of County Commissioners</u>	
	<u>Educational System</u>	
	<u>Impact Fee</u>	<u>Escrow</u>
	<u>Trust</u>	<u>Deposits</u>
<u>Assets</u>		
Cash	\$ -	\$ -
Pooled Cash and Investments	1,438,440	354,699
Restricted Cash and Investments	-	-
Accounts Receivable	-	-
	<hr/>	<hr/>
Total Assets	<u><u>\$ 1,438,440</u></u>	<u><u>\$ 354,699</u></u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ 3,794	\$ -
Intragovernmental Payables	-	-
Due to Other Governments	1,434,646	-
Deposits	-	354,699
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
	<hr/>	<hr/>
Total Liabilities	<u><u>\$ 1,438,440</u></u>	<u><u>\$ 354,699</u></u>

AGENCY FUNDS
Clerk of the Circuit Court

<u>Agency</u>	<u>Clerk Cash Bonds</u>	<u>Fines and Costs</u>	<u>Tax Deed Sales</u>
\$ -	\$ -	\$ -	\$ -
1,194,001	198,448	442,286	107,618
-	-	-	-
-	-	-	-
<u>\$ 1,194,001</u>	<u>\$ 198,448</u>	<u>\$ 442,286</u>	<u>\$ 107,618</u>
\$ 7,980	\$ -	\$ 23,713	\$ -
-	-	159,036	-
1,174,377	-	259,537	-
11,644	-	-	107,618
-	-	-	-
-	198,448	-	-
<u>\$ 1,194,001</u>	<u>\$ 198,448</u>	<u>\$ 442,286</u>	<u>\$ 107,618</u>

Continued

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS (Continued)
September 30, 2005

	<u>AGENCY FUNDS</u>	
	<u>Clerk of the Circuit Court</u>	
	<u>Juror and Witness</u>	<u>Uniform Support</u>
<u>Assets</u>		
Cash	\$ -	\$ -
Pooled Cash and Investments	23,997	1,922
Restricted Cash and Investments	-	-
Accounts Receivable	-	2,508
	<hr/>	<hr/>
Total Assets	<u>\$ 23,997</u>	<u>\$ 4,430</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Intragovernmental Payables	-	-
Due to Other Governments	23,997	4,430
Deposits	-	-
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
	<hr/>	<hr/>
Total Liabilities	<u>\$ 23,997</u>	<u>\$ 4,430</u>

<u>AGENCY FUNDS</u> Clerk of the Circuit Court	
<u>Suspense</u>	<u>Courts Registry</u>
\$ -	\$ -
1,351	2,883,196
-	-
-	-
<u>\$ 1,351</u>	<u>\$ 2,883,196</u>

\$ -	\$ -
-	-
-	-
1,351	2,883,196
-	-
-	-
<u>\$ 1,351</u>	<u>\$ 2,883,196</u>

<u>AGENCY FUNDS</u> Tax Collector	
<u>Tax Collections Trust</u>	
\$ 2,438,920	
-	
-	
-	
<u>\$ 2,438,920</u>	

\$ 372,989	
332,579	
145,344	
-	
1,588,008	
-	
<u>\$ 2,438,920</u>	

Continued

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS (Continued)
September 30, 2005

	<u>AGENCY FUNDS</u>	
	<u>Tax Collector</u>	
	<u>Tag and Title Trust</u>	<u>Hunting and Fishing License</u>
<u>Assets</u>		
Cash	\$ 537,947	\$ 1,241
Pooled Cash and Investments	-	-
Restricted Cash and Investments	-	-
Accounts Receivable	-	-
Total Assets	<u>\$ 537,947</u>	<u>\$ 1,241</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ 31,078	\$ 209
Intragovernmental Payables	9,779	-
Due to Other Governments	497,090	1,032
Deposits	-	-
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
Total Liabilities	<u>\$ 537,947</u>	<u>\$ 1,241</u>

AGENCY FUNDS

Sheriff

Sheriff Cash Bonds	Civil	Inmate Trust
\$ -	\$ -	\$ 1,000
-	-	-
463,797	30,501	39,473
-	-	-
<u>\$ 463,797</u>	<u>\$ 30,501</u>	<u>\$ 40,473</u>
\$ -	\$ -	\$ -
-	14,517	-
-	-	-
-	15,984	40,473
-	-	-
463,797	-	-
<u>\$ 463,797</u>	<u>\$ 30,501</u>	<u>\$ 40,473</u>

Continued

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS (Continued)
September 30, 2005

	<u>AGENCY FUNDS</u>	
	<u>Sheriff</u>	
	<u>Suspense</u>	<u>Flexible Spending</u>
<u>Assets</u>		
Cash	\$ -	\$ -
Pooled Cash and Investments	131,254	-
Restricted Cash and Investments	-	9,345
Accounts Receivable	-	-
	<hr/>	<hr/>
Total Assets	<u>\$ 131,254</u>	<u>\$ 9,345</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Intragovernmental Payables	57,812	-
Due to Other Governments	-	-
Deposits	73,442	9,345
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
	<hr/>	<hr/>
Total Liabilities	<u>\$ 131,254</u>	<u>\$ 9,345</u>

**Total
Agency
Funds**

\$	2,979,108
	6,777,212
	543,116
	2,508
<hr/>	
\$	10,301,944
<hr/> <hr/>	

\$	439,763
	573,723
	3,540,453
	3,497,752
	1,588,008
	662,245
<hr/>	
\$	10,301,944
<hr/> <hr/>	

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	<u>Balance 9/30/04</u>	<u>Educational System Impact Fee Trust</u>		<u>Balance 9/30/05</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	934,458	38,354,479	37,850,497	1,438,440
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ 934,458	\$ 38,354,479	\$ 37,850,497	\$ 1,438,440
<u>Liabilities</u>				
Accounts Payable	\$ 2,827	\$ 38,213,561	\$ 38,212,594	\$ 3,794
Intragovernmental Payables	-	-	-	-
Due to Other Governments	931,631	26,048,553	25,545,538	1,434,646
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 934,458	\$ 64,262,114	\$ 63,758,132	\$ 1,438,440

Balance 9/30/04	Escrow Deposits		Balance 9/30/05	Balance 9/30/04	Agency - Clerk		Balance 9/30/05
	Additions	Deletions			Additions	Deletions	
\$ 82,463	\$ -	\$ 82,463	\$ -	\$ -	\$ -	\$ -	\$ -
-	400,131	45,432	354,699	1,313,514	63,748,798	63,868,311	1,194,001
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 82,463	\$ 400,131	\$ 127,895	\$ 354,699	\$ 1,313,514	\$ 63,748,798	\$ 63,868,311	\$ 1,194,001
\$ -	\$ 22,961	\$ 22,961	\$ -	\$ 439	\$ 131,382	\$ 123,841	\$ 7,980
-	-	-	-	(9)	9	-	-
-	-	-	-	1,304,126	63,709,348	63,839,097	1,174,377
82,463	317,669	45,433	354,699	8,958	19,763	17,077	11,644
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 82,463	\$ 340,630	\$ 68,394	\$ 354,699	\$ 1,313,514	\$ 63,860,502	\$ 63,980,015	\$ 1,194,001

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	Cash Bonds - Clerk			Balance 9/30/05
	Balance 9/30/04	Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	-	231,924	33,476	198,448
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ -	\$ 231,924	\$ 33,476	\$ 198,448
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Intragovernmental Payables	-	-	-	-
Due to Other Governments	-	-	-	-
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	231,924	33,476	198,448
Total Liabilities	\$ -	\$ 231,924	\$ 33,476	\$ 198,448

Balance 9/30/04	Fines and Costs		Balance 9/30/05	Balance 9/30/04	Tax Deed Sales		Balance 9/30/05
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
243,648	4,688,299	4,489,661	442,286	68,115	407,739	368,236	107,618
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 243,648	\$ 4,688,299	\$ 4,489,661	\$ 442,286	\$ 68,115	\$ 407,739	\$ 368,236	\$ 107,618
\$ 13,092	\$ 201,508	\$ 190,887	\$ 23,713	\$ -	\$ 342,001	\$ 342,001	\$ -
81,501	1,715,515	1,637,980	159,036	4,659	-	4,659	-
149,055	2,794,855	2,684,373	259,537	-	-	-	-
-	-	-	-	63,456	412,752	368,590	107,618
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 243,648	\$ 4,711,878	\$ 4,513,240	\$ 442,286	\$ 68,115	\$ 754,753	\$ 715,250	\$ 107,618

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	<u>Balance 9/30/04</u>	<u>Juror and Witness</u>		<u>Balance 9/30/05</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	21,304	97,347	94,654	23,997
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ 21,304	\$ 97,347	\$ 94,654	\$ 23,997
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Intragovernmental Payables	-	-	-	-
Due to Other Governments	21,304	97,429	94,736	23,997
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 21,304	\$ 97,429	\$ 94,736	\$ 23,997

Balance 9/30/04	Uniform Support		Balance 9/30/05	Balance 9/30/04	Suspense - Clerk		Balance 9/30/05
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,661	59,626	61,365	1,922	276	47,635	46,560	1,351
-	-	-	-	-	-	-	-
884	6,380	4,756	2,508	-	-	-	-
\$ 4,545	\$ 66,006	\$ 66,121	\$ 4,430	\$ 276	\$ 47,635	\$ 46,560	\$ 1,351
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 50	\$ -
-	-	-	-	-	-	-	-
4,285	55,513	55,368	4,430	-	-	-	-
260	-	260	-	276	47,635	46,560	1,351
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 4,545	\$ 55,513	\$ 55,628	\$ 4,430	\$ 276	\$ 47,685	\$ 46,610	\$ 1,351

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	<u>Balance 9/30/04</u>	<u>Courts Registry</u>		<u>Balance 9/30/05</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	1,524,284	16,193,843	14,834,931	2,883,196
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ 1,524,284	\$ 16,193,843	\$ 14,834,931	\$ 2,883,196
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 167,628	\$ 167,628	\$ -
Intragovernmental Payables	-	-	-	-
Due to Other Governments	-	-	-	-
Deposits	1,524,284	11,126,207	9,767,295	2,883,196
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 1,524,284	\$ 11,293,835	\$ 9,934,923	\$ 2,883,196

<u>Balance</u> <u>9/30/04</u>	<u>Tax Collections Trust</u>		<u>Balance</u> <u>9/30/05</u>	<u>Balance</u> <u>9/30/04</u>	<u>Tag and Title Trust</u>		<u>Balance</u> <u>9/30/05</u>
	<u>Additions</u>	<u>Deletions</u>			<u>Additions</u>	<u>Deletions</u>	
\$ 2,250,595	\$ 199,763,340	\$ 199,575,015	\$ 2,438,920	\$ 581,837	\$ 22,183,085	\$ 22,226,975	\$ 537,947
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,250,595</u>	<u>\$ 199,763,340</u>	<u>\$ 199,575,015</u>	<u>\$ 2,438,920</u>	<u>\$ 581,837</u>	<u>\$ 22,183,085</u>	<u>\$ 22,226,975</u>	<u>\$ 537,947</u>
\$ 492,460	\$ 223,945,674	\$ 224,065,145	\$ 372,989	\$ 19,389	\$ 657,843	\$ 646,154	\$ 31,078
309,192	402,348	378,961	332,579	8,198	10,456	8,875	9,779
84,314	221,059,689	220,998,659	145,344	554,250	22,078,654	22,135,814	497,090
-	-	-	-	-	-	-	-
1,364,629	1,585,736	1,362,357	1,588,008	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,250,595</u>	<u>\$ 446,993,447</u>	<u>\$ 446,805,122</u>	<u>\$ 2,438,920</u>	<u>\$ 581,837</u>	<u>\$ 22,746,953</u>	<u>\$ 22,790,843</u>	<u>\$ 537,947</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	Balance 9/30/04	Hunting and Fishing License		Balance 9/30/05
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ 638	\$ 106,627	\$ 106,024	\$ 1,241
Pooled Cash and Investments	-	-	-	-
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ 638	\$ 106,627	\$ 106,024	\$ 1,241
<u>Liabilities</u>				
Accounts Payable	\$ 241	\$ 8,261	\$ 8,293	\$ 209
Intragovernmental Payables	-	-	-	-
Due to Other Governments	397	14,223	13,588	1,032
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 638	\$ 22,484	\$ 21,881	\$ 1,241

Cash Bonds - Sheriff				Civil			
Balance 9/30/04	Additions	Deletions	Balance 9/30/05	Balance 9/30/04	Additions	Deletions	Balance 9/30/05
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,345	912,413	917,758	-	-	-	-	-
362,891	1,421,109	1,320,203	463,797	44,874	471,572	485,945	30,501
-	-	-	-	-	-	-	-
\$ 368,236	\$ 2,333,522	\$ 2,237,961	\$ 463,797	\$ 44,874	\$ 471,572	\$ 485,945	\$ 30,501
\$ 500	\$ 916,389	\$ 916,889	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	18,529	14,517	18,529	14,517
-	-	-	-	-	-	-	-
-	-	-	-	26,345	471,572	481,933	15,984
-	-	-	-	-	-	-	-
367,736	1,468,887	1,372,826	463,797	-	-	-	-
\$ 368,236	\$ 2,385,276	\$ 2,289,715	\$ 463,797	\$ 44,874	\$ 486,089	\$ 500,462	\$ 30,501

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	Balance 9/30/04	Inmate Trust		Balance 9/30/05
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ 1,000	\$ -	\$ -	\$ 1,000
Pooled Cash and Investments	-	-	-	-
Restricted Cash and Investments	16,424	1,300,822	1,277,773	39,473
Accounts Receivable	-	120	120	-
Total Assets	\$ 17,424	\$ 1,300,942	\$ 1,277,893	\$ 40,473
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Intragovernmental Payables	-	-	-	-
Due to Other Governments	-	-	-	-
Deposits	17,424	1,301,852	1,278,803	40,473
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 17,424	\$ 1,301,852	\$ 1,278,803	\$ 40,473

Balance 9/30/04	Suspense - Sheriff		Balance 9/30/05	Balance 9/30/04	Flexible Spending - Sheriff		Balance 9/30/05
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
83,597	94,936	47,279	131,254	-	-	-	-
-	-	-	-	5,693	31,872	28,220	9,345
-	-	-	-	-	-	-	-
\$ 83,597	\$ 94,936	\$ 47,279	\$ 131,254	\$ 5,693	\$ 31,872	\$ 28,220	\$ 9,345
\$ -	\$ 29,821	\$ 29,821	\$ -	\$ -	\$ -	\$ -	\$ -
22,228	57,812	22,228	57,812	-	-	-	-
-	-	-	-	-	-	-	-
61,369	94,936	82,863	73,442	5,693	31,872	28,220	9,345
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 83,597	\$ 182,569	\$ 134,912	\$ 131,254	\$ 5,693	\$ 31,872	\$ 28,220	\$ 9,345

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2005

	Totals - All Agency Funds			Balance 9/30/05
	Balance 9/30/04	Additions	Deletions	
<u>Assets</u>				
Cash	\$ 2,916,533	\$ 222,053,052	\$ 221,990,477	\$ 2,979,108
Pooled Cash and Investments	4,198,202	125,237,170	122,658,160	6,777,212
Restricted Cash and Investments	429,882	3,225,375	3,112,141	543,116
Accounts Receivable	884	6,500	4,876	2,508
Total Assets	<u>\$ 7,545,501</u>	<u>\$ 350,522,097</u>	<u>\$ 347,765,654</u>	<u>\$ 10,301,944</u>
<u>Liabilities</u>				
Accounts Payable	\$ 528,948	\$ 264,637,079	\$ 264,726,264	\$ 439,763
Intragovernmental Payables	444,298	2,200,657	2,071,232	573,723
Due to Other Governments	3,049,362	335,858,264	335,367,173	3,540,453
Deposits	1,790,528	13,824,258	12,117,034	3,497,752
Taxes Collected in Advance	1,364,629	1,585,736	1,362,357	1,588,008
Cash Bonds Payable	367,736	1,700,811	1,406,302	662,245
Total Liabilities	<u>\$ 7,545,501</u>	<u>\$ 619,806,805</u>	<u>\$ 617,050,362</u>	<u>\$ 10,301,944</u>

STATISTICAL SECTION

The following tables are **not** applicable to Lake County:

- Computation of Legal Debt Margin.
- Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Fiscal Years.
- Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures - Last Ten Fiscal Years.
- Computation of All General Obligation Overlapping Debt.

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LAKE COUNTY, FLORIDA
GOVERNMENT-WIDE EXPENSES BY FUNCTION

	FISCAL YEAR			
	2005	2004	2003	2002
General Government	\$ 23,869,192	\$ 27,344,018	\$ 25,180,704	\$ 27,698,423
Public Safety	90,105,344	69,980,299	60,369,899	56,829,456
Physical Environment	1,938,321	1,755,642	2,304,263	1,844,043
Transportation	19,184,118	17,561,320	17,656,581	9,176,041
Economic Environment	6,743,722	6,270,619	6,418,228	6,229,876
Human Services	7,123,288	5,099,847	4,450,826	4,615,841
Culture and Recreation	11,975,008	5,735,356	5,095,586	5,078,327
Court-Related	8,384,806	7,302,645	7,208,160	6,542,853
Interest on Long Term Debt	225,394	225,880	485,875	577,519
Business-Type Activity - Landfill	27,071,896	18,917,952	19,627,414	14,290,466
Total	\$ 196,621,089	\$ 160,193,578	\$ 148,797,536	\$ 132,882,845

LAKE COUNTY, FLORIDA
GOVERNMENT-WIDE REVENUES

	FISCAL YEAR			
	2005	2004	2003	2002
Program Revenues				
Charges for Services	\$ 60,576,300	\$ 53,610,003	\$ 45,991,688	\$ 43,790,410
Operating Grants and Contributions	32,556,632	19,838,421	13,397,642	14,546,873
Capital Grants and Contributions	27,679,098	19,332,657	12,850,203	11,429,412
General Revenues				
Taxes:				
Property Taxes	76,775,834	66,364,124	59,756,829	47,277,830
Sales Taxes	10,598,936	9,017,710	9,960,908	14,311,889
Gas Taxes	6,946,030	6,785,230	6,166,647	5,692,284
Communication Services Tax	1,605,641	1,201,064	1,050,297	1,434,767
Other Taxes	2,068,828	1,806,965	1,090,443	679,056
Intergovernmental Revenues	18,305,159	16,280,107	13,894,009	13,061,458
Investment Income	4,956,728	3,174,667	3,208,028	3,971,003
Miscellaneous	3,590,494	2,237,291	2,768,336	2,401,605
Total	\$ 245,659,680	\$ 199,648,239	\$ 170,135,030	\$ 158,596,587

(1) Only four years available due to initial year of GASB Statement No. 34 implementation in fiscal year 2002.

(2) During the fiscal year ended September 30, 2003 fire special assessments were included as charges for services instead of other taxes. Figures for fiscal year ended September 30, 2002 have been restated to reflect this change.

LAKE COUNTY, FLORIDA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION - LAST TEN FISCAL YEARS
TOTAL GOVERNMENTAL FUNDS

<u>FISCAL YEAR</u>	<u>GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>PHYSICAL ENVIRONMENT</u>	<u>TRANS-PORTATION</u>	<u>ECONOMIC ENVIRONMENT</u>
1995-96	\$ 16,733,073	\$ 30,254,140	\$ 1,717,793	\$ 10,690,472	\$ 918,717
1996-97	15,921,799	30,514,016	1,368,171	11,934,296	1,585,277
1997-98	17,912,580	32,884,280	1,498,850	11,939,226	2,296,736
1998-99	18,642,363	38,195,199	1,638,517	17,149,036	3,251,671
1999-00	22,493,939	45,250,690	1,562,348	13,041,595	1,975,320
2000-01	20,293,685	52,099,913	1,635,522	14,887,918	2,411,587
2001-02	23,129,643	56,397,469	2,400,907	21,362,823	6,648,334
2002-03	23,982,911	56,736,525	3,011,140	25,728,595	6,830,427
2003-04	25,667,321	68,719,544	2,667,435	20,198,354	6,938,871
2004-05	28,645,171	87,709,112	3,629,539	24,610,047	7,101,453

- (1) Commencing with the report for fiscal year ended September 30 1998, Court-Related Expenditures for the Board were reflected as a distinct functional category per the revised State Chart of Accounts. Figures for fiscal year ended September 30, 1997 have been restated to reflect this change.
- (2) Commencing with the report for fiscal year ended September 30 2002, Court-Related Expenditures for the Clerk of Courts were included with Court-Related Expenditures instead of General Government. Figures for fiscal year ended September 30, 2001 have been restated to reflect this change.

<u>HUMAN SERVICES</u>	<u>CULTURE/ RECREATION</u>	<u>COURT-RELATED EXPENDITURES</u>	<u>DEBT SERVICE</u>	<u>CAPITAL OUTLAY</u>	<u>TOTAL</u>
\$ 4,132,037	\$ 1,782,461	\$ -	\$ 4,969,272	\$ 4,636,475	\$ 75,834,440
4,735,112	2,617,940	1,144,784	7,135,984	2,773,125	79,730,504
4,748,093	2,915,635	1,329,440	6,026,078	2,365,852	83,916,770 ⁽¹⁾
5,442,314	3,095,392	1,389,504	6,027,417	775,193	95,606,606
6,291,169	3,641,547	1,615,553	6,342,143	2,349,467	104,563,771
6,440,968	4,902,630	5,618,652	6,677,883	4,567,443	119,536,201 ⁽²⁾
4,644,267	4,754,840	6,049,315	4,588,555	11,503,059	141,479,212
4,412,871	5,164,182	6,436,741	4,967,777	6,090,767	143,361,936
5,197,571	5,729,583	6,630,993	296,516	7,278,177	149,324,365
7,266,696	11,838,609	7,683,482	301,030	7,715,934	186,501,073

LAKE COUNTY, FLORIDA
GENERAL GOVERNMENTAL REVENUES BY SOURCE- LAST TEN FISCAL YEARS
TOTAL GOVERNMENTAL FUNDS

<u>FISCAL YEAR</u>	<u>TAXES</u>	<u>LICENSES AND PERMITS</u>	<u>INTER- GOVERNMENTAL</u>	<u>CHARGES FOR SERVICES</u>
1995-96	\$ 42,712,543	\$ 2,090,843	\$ 16,997,369	\$ 7,581,096
1996-97	44,659,815	2,296,064	16,861,210	9,776,904
1997-98	46,147,191	2,663,378	18,392,797	10,127,282
1998-99	54,748,502	2,884,150	21,206,324	9,914,312
1999-00	60,505,127	3,617,808	21,759,754	10,321,355
2000-01	70,431,363	4,441,560	23,076,603	13,430,666
2001-02	69,080,248	4,798,953	27,934,668	13,415,072
2002-03	78,025,125	5,150,718	28,392,416	14,656,227
2003-04	85,175,093	6,428,201	31,124,823	16,025,540
2004-05	97,995,270	6,917,060	61,534,517	19,948,093

(1) During the fiscal year ended September 30, 1996, Interest Revenue was separated from Miscellaneous Revenue. Figures for fiscal year ended September 30, 1995 have been restated to reflect this change.

(2) During the fiscal year ended September 30, 2003 fire special assessments were included as special assessments instead of taxes. Figures for fiscal year ended September 30, 2002 have been restated to reflect this change.

<u>FINES AND FORFEITURES</u>	<u>SPECIAL ASSESSMENTS</u>	<u>INVESTMENT INCOME</u>	<u>MISCELLANEOUS REVENUES</u>	<u>TOTAL</u>
\$ 1,840,151	\$ 4,218,679	\$ 2,307,669	\$ 1,060,607	\$ 78,808,957 ⁽¹⁾
1,779,167	3,941,105	2,671,616	1,505,643	83,491,524
1,631,542	5,524,230	3,077,850	2,593,922	90,158,192
2,404,457	6,497,410	2,999,528	2,775,488	103,430,171
2,038,243	9,570,646	4,554,572	1,454,934	113,822,439
3,245,929	9,529,942	5,488,695	2,969,235	132,613,993
1,992,761	20,546,612	2,804,931	2,029,628	142,602,873 ⁽²⁾
2,164,551	21,213,354	2,167,804	3,659,665	155,429,860
2,767,557	31,194,134	2,446,971	3,311,099	178,473,418
4,564,678	34,498,393	3,989,959	5,274,060	234,722,030

LAKE COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>PERCENT OF TOTAL COLLECTIONS TO LEVY</u>
1995-96	26,761,060	25,546,544	95.5	167,078	25,713,622	96.1 ⁽¹⁾
1996-97	27,556,669	26,313,178	95.5	180,945	26,494,123	96.1 ⁽¹⁾
1997-98	28,584,267	27,289,014	95.5	97,291	27,386,305	95.8 ⁽¹⁾
1998-99	31,323,970	29,953,579	95.6	535,191	30,488,770	97.3 ⁽¹⁾
1999-00	34,882,207	33,648,046	96.5	399,734	34,047,780	97.6 ⁽²⁾
2000-01	44,478,517	42,527,424	95.6	223,929	42,751,353	96.1 ⁽²⁾
2001-02	49,406,147	46,872,967	94.9	357,339	47,230,306	95.6 ⁽²⁾
2002-03	62,185,910	59,320,649	95.4	436,181	59,756,830	96.1 ⁽²⁾
2003-04	69,926,515	65,926,221	94.3	437,904	66,364,125	94.9 ⁽²⁾
2004-05	77,701,911	74,986,572	96.5	1,789,262	76,775,834	98.8 ⁽²⁾

⁽¹⁾ These figures include property tax levies of the General County and Lake County Ambulance District.

⁽²⁾ These figures include property tax levies of the General County, Lake County Ambulance District and Lake County Stormwater MSTU.

NOTE: Property taxes become due and payable on November 1st of each year. A four (4) percent discount is allowed if the taxes are paid in November, with the discount declining by one (1) percent each month thereafter. Accordingly, taxes collected will never be 100 percent of the tax levy. Taxes become delinquent on April 1st of each year; tax certificates for the full amount of any unpaid Real Property taxes and assessments must be sold not later than June 1st of each year.

SOURCE: Lake County Property Appraiser.

LAKE COUNTY, FLORIDA
TOP TEN TAXPAYERS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>2005 ASSESSED TAXABLE VALUE</u>	<u>PERCENT OF TOTAL ASSESSED TAXABLE VALUATION</u>
Sprint - Florida, Inc.	Public Utility	\$ 147,100,001	1.25 %
Summer Bay Partnership	Real Estate Development	127,053,834	1.08 %
Florida Power Corporation	Public Utility	109,240,842	0.93 %
Sumter Electric Co-op, Inc.	Public Utility	81,572,217	0.70 %
Villages of Lake Sumter, Inc.	Real Estate Development	51,571,081	0.44 %
Cutrale Citrus Juices USA Inc.	Citrus Producer	42,986,476	0.37 %
Covanta Lake II, Inc.	Incinerator	35,464,873	0.30 %
SDG Macerich Properties, L.P.	Real Estate Development	26,739,088	0.23 %
Lake Port Square	Real Estate Development	23,100,767	0.20 %
John P & Ann D Adams Family, LP	Real Estate Development	22,667,653	0.19 %
		<u>\$ 667,496,832</u>	<u>5.50 %</u>

SOURCE: Lake County Property Appraiser (Includes both real and tangible personal property)

LAKE COUNTY, FLORIDA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>REAL PROPERTY</u>		<u>PERSONAL PROPERTY</u>	
	<u>ASSESSED TAXABLE VALUE</u>	<u>ESTIMATED ACTUAL VALUE</u>	<u>ASSESSED TAXABLE VALUE</u>	<u>ESTIMATED ACTUAL VALUE</u>
1995-96	\$ 4,423,650,486	\$ 6,363,571,955	\$ 818,915,796	\$ 945,979,942
1996-97	4,627,450,425	6,711,434,701	844,873,368	1,018,910,384
1997-98	4,966,480,786	7,150,688,018	917,800,067	1,141,385,422
1998-99	5,394,788,622	7,670,282,422	947,508,431	1,159,003,743
1999-00	5,942,686,968	8,348,378,288	996,482,112	1,242,458,079
2000-01	6,612,555,343	9,238,981,450	1,065,915,706	1,315,194,596
2001-02	7,367,980,787	10,087,584,597	1,108,483,586	1,378,729,576
2002-03	8,165,967,887	11,114,607,760	1,134,615,607	1,453,296,572
2003-04	9,230,372,660	12,540,702,826	1,152,815,823	1,446,645,417
2004-05	10,567,637,055	14,414,739,917	1,154,687,370	1,481,785,474

Note: The assessed value is one year behind the fiscal year. For example, the assessed value at January 1, 2004 is for the fiscal year ended September 30, 2005.

CENTRALLY ASSESSED
PROPERTY

TOTAL

	ASSESSED TAXABLE <u>VALUE</u>	ESTIMATED ACTUAL <u>VALUE</u>	ASSESSED TAXABLE <u>VALUE</u>	ESTIMATED ACTUAL <u>VALUE</u>	PERCENTAGE OF ASSESSED TAXABLE VALUE TO ESTIMATED <u>ACTUAL VALUE</u>
\$	2,821,616	\$ 2,821,616	\$ 5,245,387,898	\$ 7,312,373,513	71.73
	3,074,530	3,074,530	5,475,398,323	7,733,419,615	70.80
	3,438,006	3,438,006	5,887,718,859	8,295,511,446	70.97
	4,030,565	4,030,565	6,346,327,618	8,833,316,730	71.85
	3,971,762	3,971,762	6,943,140,842	9,594,808,129	72.36
	3,922,368	3,922,368	7,682,393,417	10,558,098,414	72.76
	4,184,961	4,184,961	8,480,649,334	11,470,499,134	73.93
	4,087,311	4,087,311	9,304,670,805	12,571,991,643	74.02
	3,980,962	3,980,962	10,387,169,445	13,991,329,205	74.24
	3,861,100	3,861,100	11,726,185,525	15,900,386,491	73.75

LAKE COUNTY, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000.00 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

	FISCAL YEAR			
	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>	<u>2001-02</u>
BOARD OF COUNTY COMMISSIONERS				
General Revenue Fund	5.817	5.917	5.917	5.117
Stormwater Municipal Services Taxing Unit	<u>0.500</u>	<u>0.500</u>	<u>0.400</u>	<u>0.300</u>
TOTAL GENERAL COUNTY	<u><u>6.317</u></u>	<u><u>6.417</u></u>	<u><u>6.317</u></u>	<u><u>5.417</u></u>
BOARD OF PUBLIC INSTRUCTION				
Lake County Water Authority (Independent Special District) ⁽¹⁾	<u>0.383</u>	<u>0.408</u>	<u>0.4819</u>	<u>0.500</u>
TOTAL COUNTY WIDE	<u><u>14.690</u></u>	<u><u>15.265</u></u>	<u><u>15.1939</u></u>	<u><u>14.119</u></u>
SPECIAL DISTRICTS				
Dependent Districts				
Lake County Ambulance District	0.5289	0.5289	0.5289	0.5289
Independent Districts				
South Lake County Hospital District	1.000	1.000	1.000	1.000
Southwest Florida Water Management	0.422	0.422	0.422	0.422
St. Johns River Water Management	0.462	0.462	0.462	0.462
North Lake County Hospital District	1.000	1.000	1.000	1.000

⁽¹⁾ Formerly the Oklawaha Recreation, Water Control and Conservation Authority.

SOURCE: Lake County Property Appraiser.

<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>
5.117	4.733	4.733	4.733	4.909	4.927
<u>0.20</u>	<u>0.100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5.317</u>	<u>4.833</u>	<u>4.733</u>	<u>4.733</u>	<u>4.909</u>	<u>4.927</u>
8.495	8.742	9.190	9.100	9.228	9.678
<u>0.500</u>	<u>0.500</u>	<u>0.384</u>	<u>0.384</u>	<u>0.384</u>	<u>0.384</u>
<u>14.312</u>	<u>14.075</u>	<u>14.307</u>	<u>14.217</u>	<u>14.521</u>	<u>14.989</u>
0.550	0.316	0.268	0.158	0.158	0.222
1.000	1.000	2.000	2.000	2.000	2.000
0.422	0.422	0.422	0.422	0.422	0.422
0.472	0.482	0.482	0.482	0.482	0.482
1.000	1.000	1.000	1.000	1.000	1.000

LAKE COUNTY, FLORIDA
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(PER \$1,000.00 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

CITIES	FISCAL YEAR			
	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>	<u>2001-02</u>
Astatula	3.400	2.850	2.500	2.350
Clermont	3.729	3.729	3.729	3.729
Eustis	5.840	5.487	5.487	5.487
Fruitland Park	3.890	3.890	3.890	3.890
Groveland	5.850	5.950	6.000	6.000
Howey-in-the-Hills	5.445	5.445	5.445	5.445
Lady Lake	2.200	2.200	2.200	2.720
Leesburg	4.500	4.500	4.500	4.500
Mascotte	5.999	5.999	5.999	5.999
Minneola	3.390	3.390	3.390	3.390
Montverde	2.990	2.990	2.990	2.990
Mount Dora	6.181	6.181	6.181	6.181
Tavares	5.420	5.420	5.420	4.420
Umatilla	5.990	5.990	5.990	5.750

SOURCE: Lake County Property Appraiser.

FISCAL YEAR

<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>
2.250	2.250	2.000	1.750	1.500	1.500
3.729	3.479	2.979	2.979	2.979	2.979
5.237	5.237	5.350	5.400	5.500	5.817
3.890	3.890	3.390	3.390	3.390	3.390
6.000	6.000	6.000	6.000	6.000	6.000
5.445	5.445	5.445	5.445	5.445	5.490
2.720	2.720	2.720	2.720	2.720	2.720
4.500	4.500	4.500	4.500	4.500	4.500
5.999	5.352	5.352	5.352	5.352	5.352
3.390	3.390	3.390	3.500	3.970	4.190
2.990	2.990	2.990	2.990	2.990	2.990
6.181	6.181	6.181	6.181	6.181	6.181
4.420	4.420	4.420	4.420	4.420	4.420
5.514	5.514	5.514	5.514	5.514	5.514

LAKE COUNTY, FLORIDA
SALES AND USE TAX REVENUES
REMAINING IN STATE GENERAL REVENUE
FUND AFTER REQUIRED TRANSFERS PURSUANT
TO SECTION 212.20 (6), FLORIDA STATUTES

<u>State fiscal years ended June 30</u>	<u>Sales and Use Tax (\$Millions)</u>
1999	12,614.4
2000	13,646.3
2001	13,859.4
2002	14,135.9
2003	14,496.3
2004	15,768.6
2005	17,599.8

Source: State of Florida Department of Revenue - Research and Analysis

This information is provided in connection with the \$ 4,400,000 Lake County, Florida, Sales Tax Revenue Bonds (Pari-Mutuel Revenues Replacement Program) Series 2000.

LAKE COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	POPULATION ⁽¹⁾	PER CAPITA INCOME ⁽²⁾	SCHOOL ENROLLMENT ⁽³⁾	UNEMPLOYMENT RATE ⁽⁴⁾	
				COUNTY	NATIONAL
1995-96	182,218	20,108	25,766	5.5	5.0
1996-97	188,331	20,778	26,740	4.8	4.7
1997-98	195,978	22,344	27,565	3.9	4.4
1998-99	203,845	22,667	28,301	3.2	4.1
1999-00	210,528	23,976	29,116	3.1	3.8
2000-01	220,323	24,418	30,872	3.7	4.7
2001-02	231,072	26,085	31,772	4.7	5.4
2002-03	240,716	26,189	33,819	4.6	6.0
2003-04	251,878	**	35,734	4.1	5.6
2004-05	263,017	**	37,871	4.1	5.2

SOURCES:

- (1) Bureau of Economic Business Research, Gainesville.
- (2) Florida Statistical Abstract.
- (3) Lake County School Board.
- (4) Florida Agency for Workforce Innovation.
(Formerly Dept of Labor and Employment Security)
- ** Statistics Not Yet Published.

LAKE COUNTY, FLORIDA
LAKE COUNTY CONSTRUCTION
LAST TEN FISCAL YEARS

	2004-05	2003-04	2002-03	2001-02	2000-01
COUNTY BUILDING PERMITS	\$ <u>829,534,042</u>	\$ <u>751,863,688</u>	\$ <u>598,351,694</u>	\$ <u>559,067,616</u>	\$ <u>524,458,823</u>
CITY BUILDING PERMITS					
Astatula	*	*	*	*	*
Clermont	*	*	*	*	*
Eustis	65,077,793	33,135,756	32,054,421	31,801,473	21,839,852
Fruitland Park	17,336,906	7,100,815	4,525,494	4,187,659	3,841,884
Groveland	284,328,761	32,136,413	33,603,409	19,371,404	17,374,147 (1)
Howey-in-the-Hills	8,878,191	N/A	N/A	N/A	*
Lady Lake	68,852,481	22,740,162	22,832,033	41,779,301	46,968,610
Leesburg	111,624,510	74,298,234	46,981,942	50,197,375	40,117,564
Mascotte	22,430,001	12,494,774	15,873,338	7,760,059 (3)	7,675,870
Minneola	36,098,921	56,316,296	42,444,545	27,631,969	18,543,794 (2)
Montverde	*	*	*	*	*
Mount Dora	51,001,690	73,057,329	27,125,829	31,568,760	24,801,799
Tavares	113,172,229	50,231,240	33,343,107	37,690,829	109,426,007
Umatilla	<u>201,505 (4)</u>	<u>7,196,507</u>	<u>4,074,806</u>	<u>6,499,805</u>	<u>3,103,988</u>
Total Cities	<u>779,002,987</u>	<u>368,707,525</u>	<u>262,858,924</u>	<u>258,488,634</u>	<u>293,693,515</u>
TOTAL	\$ <u>1,608,537,029</u>	\$ <u>1,120,571,213</u>	\$ <u>861,210,618</u>	\$ <u>817,556,250</u>	\$ <u>818,152,338</u>

SOURCE: Lake County Building Department and building departments of Eustis, Fruitland Park, Groveland, Howey-in-the-Hills, Lady Lake, Leesburg, Mascotte, Minneola, Mount Dora, Tavares, and Umatilla.

* Permits/Inspections included in County total.

(1) Permits/Inspections included are from March-September, 2000. Inspections from October 1999 - February 2000 are included in County Total.

(2) Permits/Inspections included are from July-September, 2000. Inspections from October 1999- June 2000 are included in County Total.

(3) Permits/Inspections for November and December 2001 are included in County Total.

(4) Permits/Inspections included are from October, 2004 through April, 2005. Inspections from April -September, 2005 are included in County Total.

N/A Not Available.

FISCAL YEAR

1999-00	1998-99	1997-98	1996-97	1995-96
\$ <u>367,091,568</u>	<u>384,280,843</u>	\$ <u>366,669,555</u>	\$ <u>329,425,934</u>	\$ <u>278,771,813</u>
*	*	*	*	*
*	*	*	*	*
23,321,652	24,327,507	19,120,489	21,172,264	15,746,863
3,746,334	4,361,278	2,790,825	2,331,704	1,828,407
3,501,449	*	*	*	*
*	*	*	*	*
39,913,041	38,675,526	36,739,789	153,737,241	17,751,034
31,013,346	67,464,433	88,007,011	40,515,712	27,549,929
6,719,008	3,121,055	1,961,903	1,549,925	2,323,212
11,695,167	*	*	*	*
*	*	*	*	*
33,005,464	43,615,875	18,903,576	18,077,502	20,593,678
30,027,530	14,667,658	13,703,408	12,134,986	25,392,701
<u>2,034,151</u>	<u>1,832,703</u>	<u>944,552</u>	<u>1,336,126</u>	<u>1,401,216</u>
<u>184,977,142</u>	<u>198,066,035</u>	<u>182,171,553</u>	<u>250,855,460</u>	<u>112,587,040</u>
<u>\$ 552,068,710</u>	<u>582,346,878</u>	<u>\$ 548,841,108</u>	<u>\$ 580,281,394</u>	<u>\$ 391,358,853</u>

LAKE COUNTY, FLORIDA
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS

FISCAL YEAR	CONSTRUCTION ⁽¹⁾	BANK DEPOSITS ⁽²⁾	PROPERTY VALUE ⁽³⁾
1995-96	\$ 391,358,853	\$ 1,776,670,000	\$ 7,312,373,513
1996-97	580,281,394	2,032,242,000	7,733,419,615
1997-98	548,841,108	2,493,189,000	8,295,511,446
1998-99	582,346,878	2,564,050,000	8,833,316,730
1999-00	552,068,710	2,740,272,000	9,594,808,129
2000-01	818,152,338	3,018,316,000	10,558,098,414
2001-02	817,556,250	3,123,279,000	11,470,499,134
2002-03	861,210,618	3,323,275,000	12,571,991,643
2003-04	1,120,571,213	3,663,608,000 ⁽⁴⁾	13,991,329,205
2004-05	1,608,537,029	4,143,817,000 ⁽⁴⁾	15,900,386,491

SOURCES:

- (1) Construction- Lake County Building Department and building departments of Eustis, Fruitland Park, Groveland, Howey-in-the-Hills, Lady Lake, Leesburg, Mascotte, Minneola, Mount Dora, Tavares, and Umatilla.
- (2) Bank Deposits (for the quarter ending September 30) - Florida Bankers' Association.
- (3) Property Value - Property Appraiser's Office.
- (4) Bank Deposits (for the quarter ending June 30) - Florida Bankers' Association.

LAKE COUNTY, FLORIDA
SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR	ASSESSMENTS OUTSTANDING BEGINNING OF YEAR	ADDITIONAL ASSESSMENTS MADE DURING YEAR	ASSESSMENTS COLLECTED DURING YEAR	ASSESSMENTS OUTSTANDING END OF YEAR	COLLECTIONS AS PERCENT OF ASSESSMENTS OUTSTANDING DURING YEAR
1995-96	\$ 211,161	\$ 147,579	\$ 181,000	\$ 177,740	50.5
1996-97	177,740	332,129	150,786	359,083	29.9
1997-98	359,083	137,093	169,308	326,868	34.1
1998-99	326,868	296,605	231,233	392,240	37.1
1999-00	392,240	18,391	128,611	282,060	31.3
2000-01	282,060	372,354	334,302	320,112	51.1
2001-02	320,112	-	91,199	228,913	28.5
2002-03	228,913	50,455	92,627	186,741	33.2
2003-04	186,741	329,979	228,753	287,967	44.3
2004-05	287,967	-	86,858	201,109	30.2

LAKE COUNTY, FLORIDA
MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2005

DATE FOUNDED:	1887	
COUNTY SEAT:	Tavares	
ESTABLISHED	July 17, 1888	
FORM OF GOVERNMENT:	Elected Board of Commissioners	
NUMBER OF COMMISSIONERS	Five (5)	
TERM OF OFFICE	Four (4) years	
LOCATION:	Midway between the Gulf of Mexico and the Atlantic Ocean	
AREA:	1,163 Square Miles	
SURROUNDING COUNTIES:	Orange, Polk, Volusia, Seminole, Marion, Sumter	
MUNICIPALITIES:	Fourteen (14)	
CITIES/TOWNS	Astatula, Clermont, Eustis, Fruitland Park, Groveland, Howey-in-the-Hills, Lady Lake, Leesburg, Mascotte, Minneola, Montverde, Mount Dora, Tavares, Umatilla	
ELECTIONS: ⁽¹⁾		
NUMBER OF REGISTERED VOTERS	169,997	
DEMOCRATIC	57,866	
REPUBLICAN	79,788	
NO AFFILIATION	25,288	
OTHER PARTIES	7,055	
MALE VOTERS	78,489	
FEMALE VOTERS	91,508	
POPULATION: ⁽²⁾		
1940		27,255
1950		36,340
1960		57,383
1970		69,305
1980		104,870
1990		152,104
2000 census		210,528
2005		263,017
2010 estimate		303,600
2015 estimate		343,400
2020 estimate		383,297
GROSS SALES ⁽³⁾		
(LAST 10 CALENDAR YEARS)		
1996		2,915,414,057
1997		3,068,449,506
1998		3,272,486,853
1999		3,703,612,043
2000		4,014,379,610
2001		4,175,950,277
2002		4,266,871,590
2003		4,599,251,047
2004		5,199,809,505
2005		6,015,346,666

SOURCES:

- (1) Lake County Supervisor of Elections.
- (2) Florida Statistical Abstract and Bureau of Economic Business Research, Gainesville.
- (3) Florida Department of Revenue, Division of Sales & Use Tax.

LAKE COUNTY, FLORIDA
 MISCELLANEOUS STATISTICAL DATA
 SEPTEMBER 30, 2005

FIRE PROTECTION: Lake County Municipal Taxing Unit for Fire Protection

CORRECTIONS: Current: Main Jail inmate capacity 969
 Average daily inmate population 987

EDUCATION: ⁽¹⁾

TYPE OF SCHOOLS	<u>NUMBER</u>
Elementary	19
Middle School	9
Senior High Schools	7
Exceptional - Kindergarten through 12th grade	2 (Lake Hills) (ESE Center)
Charter - Kindergarten through 12th grade	2 (National Deaf Academy, Rivendell Academy)
Charter - Kindergarten through 8th grade	2 (4 Corners, Milestones Community)
Charter - Kindergarten through 5th grade	3 (Minneola, Round Lk, Spring Creek)
Charter - Kindergarten through 3rd grade	1 (Altoona Elementary)
Charter - Senior High	1 (Alee Academy)
Behavioral Center - 9th through 12th grade	1 (Two Campuses: Lifestream - Altoona Lifestream - Leesburg)
Vocational (Adult)	1 (Lake Technical High)

ADMINISTRATIVE PERSONNEL

Instructional	2,596
Noninstructional	2,153
Administrative Staff	156

HIGHER EDUCATION ⁽²⁾

(Total enrollment in accredited or licensed institutions by sex and attendance status in Lake County, Florida, Fall 2005.)

Lake-Sumter Community College Enrollment	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Men (Full-Time)	454	451	415	388	325
Men (Part-Time)	665	675	664	643	606
Women (Full-Time)	762	724	664	597	540
Women (Part-Time)	1478	1,729	1,507	1,566	1,410
Total	3,359	3,579	3,250	3,194	2,881

SOURCES:

- ⁽¹⁾ Lake County School Board
- ⁽²⁾ Lake Sumter Community College

LAKE COUNTY, FLORIDA
 MISCELLANEOUS STATISTICAL DATA
 SEPTEMBER 30, 2005

MAJOR EMPLOYERS:

Company Name	# Employees
Lake County Public Schools	4,353
Villages of Lake-Sumter, Inc.	2,220
Leesburg Regional Medical Center	1,870
Lake County Government Offices	1,768
Florida Hospital/Waterman, Inc.	1,400
Sprint	811
G & T Conveyor Company	550
Bailey Industries	509
Accent	500
Lake Port Square	400
Casmin Inc	390

SOURCES: Metro Orlando Economic Development Commission - 2005
 Lake County Government Offices (see below)
 Lake County School Board

LAKE COUNTY EMPLOYEES:

	# Employees
Lake County Board of County Commissioners	770
Lake County Clerk of the Circuit Court	209
Lake County Property Appraiser	32
Lake County Tax Collector	61
Lake County Sheriff	687
Lake County Supervisor of Elections	9
Total	<u><u>1,768</u></u>

SOURCES: Lake County Clerk's Office.
 Lake County Property Appraiser's Office.
 Lake County Tax Collector's Office.
 Lake County Sheriff's Office.

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LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2005

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>Amount of Expenditures</u>
U S Department of Agriculture:			
Indirect:			
Florida Department of Banking and Finance			
Federal Forestry Shared Revenue	10.665	None	\$ 118,588
Total U S Department of Agriculture			<u>118,588</u>
U S Department of Housing and Urban Development:			
Direct:			
Community Development Block Grant (B-02-UC-12-0015)	14.218	N/A	815,500
Section 8 Housing (County Voucher FL 106 VO)	14.871	N/A	2,706,164
Total U S Department of Housing and Urban Development			<u>3,521,664</u>
U S Department of Interior			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	16,695
Total U S Department of Interior			<u>16,695</u>
U S Department of Justice			
Direct:			
Local Law Enforcement Block Grant 04/06	16.592	2004-LBBX-0616	83,828
Gang Resistance Education and Training - GREAT	16.737	2004-JV-FX-0192	4,664
Indirect:			
Florida Department of Law Enforcement:			
Byrne Formula Grant - JITS	16.579	05-CJ-K3-06-45-01-005	24,826
Byrne Formula Grant - High School Resource Officer I	16.579	05-CJ-K3-06-45-01-008	41,291
Total U S Department of Justice			<u>154,609</u>
U S Department of Transportation			
Indirect:			
Florida Department of Transportation:			
Local Agency Program (SR 19 Landscaping)	20.205	ANP47	73,027
Local Agency Program (Lake Minneola, Phase II/ So LK Tr)	20.205	AN038	41,641
Local Agency Program (CR 48 Sidewalk)	20.205	ANG58	176,400
Local Agency Program (CR 466)	20.205	ANR38	81,119
Federal HW Admin Emer Relief/Hurricanes Jeanne & Frances	20.205	ANY04	1,561,742
5311 Operating Grant FM246186-1-84-23	20.509	AM732	190,589
Safety Incentives/Intoxicated Persons - LEAD/LCSO	20.605	ANS78	100,932
Total U S Department of Transportation			<u>2,225,450</u>
General Services Administration			
Indirect:			
Florida Department of State Division of Elections			
Voter Assistance Funds	39.011	N/A	30,878
Total General Services Administration			<u>30,878</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2005

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>Amount of Expenditures</u>
Office of Library Services			
Indirect:			
Florida Department of State Division of Library and Info Services			
Born to Read	45.310	04-LSTA-E-07	69,705
Total Office of Library Services			69,705
Department of Health and Human Services:			
Direct:			
Healthy Communities Access Program	93.252	G92OA03735-01-00	136,214
Indirect:			
Florida Department of Revenue:			
Child Support Enforcement	93.563	CC335	256,594
Total Department of Health and Human Services			392,808
Department of Homeland Security			
Indirect:			
Florida Department of Community Affairs			
St. Domestic Preparedness Equipment Support	97.004	05DS-04-06-45-01-067	36,260
St. Domestic Preparedness Equipment Support	97.004	05DS-2N-06-45-01-469	44,594
St. Domestic Preparedness Equipment Support -SWAT/LCSO	97.004	05-CJ-L2-05-45-01-160	34,496
Disaster Relief Funding - Charley FEMA-DR-1539-FL	97.036	05-PA-C%-06-45-01-727	49,888
Disaster Relief Funding - Charley FEMA-DR-1539-FL -LCSO	97.036	05-PA-C%-06-45-01-994	27,917
Disaster Relief Funding - Frances FEMA-DR-1545-FL	97.036	05-PA-G%-06-45-01-926	13,181,307
Disaster Relief Funding - Frances FEMA-DR-1545-FL-LCSO	97.036	05-PA-G%-06-45-01-909	306,321
Disaster Relief Funding - Jeanne FEMA-DR-1561-FL	97.036	05-PA-E=-06-45-01-052	1,027,722
Disaster Relief Funding - Jeanne FEMA-DR-1561-FL-LCSO	97.036	05-PA-E=-06-45-01-686	44,198
Statewide Mutual Aid Agreement - Ivan FEMA-DR-1551-FL	97.036	None	12,267
Statewide Mutual Aid Agreement - Charley FEMA-DR-1539-FL	97.036	None	8,152
Hazard Mitigation	97.000	04HS-L+-06-45-01-193	9,333
Emergency Management Performance Grant (State and Local)	97.042	05BG-04-06-45-01-208	30,069
Total Department of Homeland Security			14,812,524
Total Expenditures of Federal Awards			\$ 21,342,921

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

Continued

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2005

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>Amount of Expenditures</u>
Florida Department of Agriculture and Consumer Affairs			
Mosquito Control (Waste Tire and State Aid)	42.003	None	36,123
Total Florida Department of Agriculture and Consumer Affairs			<u>36,123</u>
Florida Department of State			
Local Arts	45.005	05-8014	3,056
Florida Arts License Plates Program	45.013	None	6,082
State Aid FY03	45.030	03-ST-24	8,799
State Aid FY04	45.030	04-ST-25	110,082
State Aid FY05	45.030	05-ST-26	243,690
Total Florida Department of State			<u>371,709</u>
Florida Department of Education			
VSA Arts of Florida	48.000	N/A	1,327
Total Florida Department of Education			<u>1,327</u>
Florida Department of Community Affairs			
Florida Forever - Pear Park Gateway	52.002	04-CT-A9-03-F3-A1-086	2,362,500
Florida Forever - Ferndale Preserve on Lake Apopka	52.002	05-CT-16-04-F4-A1-030	3,093,648
Emergency Management Preparedness and Assistance Grant Program	52.008	05BG-04-06-45-01-208	102,902
Hazardous Materials Hazards Analysis	52.023	05CP-11-06-45-01-000	15,417
Total Florida Department of Community Affairs			<u>5,574,467</u>
Florida Housing Finance Corporation			
Hurricane Housing Recovery Prog	52.000	None	3,690
Affordable Housing (SHIP)	52.901	None	997,478
Total Florida Housing Finance Corporation			<u>1,001,168</u>
Florida Department of Transportation			
Commission for the Transportation Disadvantaged Trip and Equipment Grant	55.001	ANN-65	330,263
Commission for the Transportation Disadvantaged Trip and Equipment Grant	55.001	AO-176	79,249
County Incentive Grant Program - FM 410372-1-54-01 CR-470/CR 48	55.008	AK-961	140,042
Total Florida Department of Transportation			<u>549,554</u>
Florida Department of Health			
County Grant	64.005	C4-035	48,658
Total Florida Department of Health			<u>48,658</u>
Total Expenditures of State Financial Assistance			<u>\$ 7,583,006</u>

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

Lake County, Florida

Notes to Schedule of Expenditures of Federal Awards
and State Financial Assistance

Year Ended September 30, 2005

1. Summary of Significant Accounting Policies

General

The Schedule of Expenditures of Federal Awards and State Financial Assistance have been prepared using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become measurable and available as net current assets and expenditures when related fund liability is incurred.

2. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the County. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

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Report of Independent Certified Public Accountants on Compliance With Requirements Applicable to Each Major Federal Awards Program and State Financial Assistance Project and on Internal Control Over Compliance In Accordance with OMB Circular A-133, Section 215.97, Florida Statutes, and Chapter 10.550 Rules of the Auditor General and Schedule of Expenditures of Federal Awards and State Financial Assistance

The Honorable Members of the Board
of County Commissioners
Lake County, Florida

Compliance

We have audited the compliance of Lake County, Florida (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement that are applicable to each of its major federal programs and state financial assistance projects for the year ended September 30, 2005. The County's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and state financial assistance projects is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; Section 215.97, Florida Statutes, and Chapter 10.550, Rules of the Auditor General, State of Florida. Those standards, OMB Circular A-133, Section 215.97, Florida Statutes, and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state financial assistance projects for the year ended September 30, 2005.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and state financial assistance projects. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program and state financial assistance project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, Section 215.97, Florida Statutes, and Chapter 10.550 Rules of the Auditor General.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program or state financial assistance project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the basic financial statements of the County, as of and for the year ended September 30, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements of the County taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance for the year ended September 30, 2005 is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 215.97, Florida Statutes, and Chapter 10.550, Rules of the Auditor General, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, management, the State of Florida, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Ernst + Young LLP

February 14, 2006

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Lake County, Florida

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2005

Part I—Summary of Auditor’s Results

Financial Statements Section

Type of auditor’s report issued:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weakness(es) identified?		<u>X</u>
Reportable condition(s) identified that are not considered to be material weaknesses?		<u>X</u>
Noncompliance material to financial statements noted?		<u>X</u>

Federal and State Awards Section

	<u>Yes</u>	<u>No</u>
Internal control over major programs:		
Material weakness(es) identified?		<u>X</u>
Reportable condition(s) identified that are not considered to be material weaknesses?		<u>X</u>
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510(a)) and with the Rules of the Auditor General, State of Florida (Chapter 10.550)?		<u>X</u>

Lake County, Florida

Schedule of Findings and Questioned Costs (continued)

For the Year Ended September 30, 2005

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction
97.036	Public Assistance Grants
<u>CSFA Number(s)</u>	<u>Name of State Financial Assistance</u>
52.002	Florida Forever Act

Dollar threshold used to determine Type A programs for federal programs: \$ 640,287

Dollar threshold used to determine Type A programs for state financial assistance projects: \$ 300,000

	<u>Yes</u>	<u>No</u>
Auditee qualified as low-risk auditee for federal testing? There is no such designation for the testing of state financial assistance.	<u>X</u>	

Lake County, Florida

Summary Schedule of Prior Audit Findings

For the Year Ended September 30, 2005

Part II—Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit.

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

Part III—Federal Award and State Financial Assistance Findings and Questioned Costs

This section identifies the audit findings required to be reported by Circular A-133 section .510 and State Financial Assistance Projects as required by Chapter 10.550, Rules of the Auditor General, State of Florida. For example, reportable conditions, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any abuse findings involving federal awards that are material to a major program.

There were no findings required to be reported by Circular A-133 section .510 and by Chapter 10.550, Rules of the Auditor General.

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Report of Independent Certified Public Accountants on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of the Financial Statements Performed in Accordance
with *Government Auditing Standards*

The Honorable Members of the Board
of County Commissioners
Lake County, Florida

We have audited the financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Lake County, Florida (the County) as of and for the year ended September 30, 2005, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 14, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States 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, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide an opinion on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses. We reported certain matters to management of the County in a separate letter dated February 14, 2006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's basic 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 basic 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 herein under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of County Commissioners, management, and the Auditor General, State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Ernst & Young LLP

February 14, 2006

Management Letter

The Honorable Members of the Board
of County Commissioners
Lake County, Florida

We have audited the accompanying financial statements of the Lake County, Florida (the County) as of and for the year ended September 30, 2005, and have issued our report thereon February 14, 2006.

We have issued our Report of Independent Certified Public Accountants 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*, dated February 14, 2006.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, State of Florida, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

There were no prior year recommendations.

Current year Recommendations

Inventory Observation

During our testing of the County Transportation Trust Fund, we noted that several physical inventory counts were primarily or fully conducted by one individual with little or no oversight by others. This exposes the County to the risk of the inventory counts being incorrect or susceptible to tampering.

Furthermore, during our inventory valuation testing we noted that invoices were not always available to support the amount of inventory items accounted for using the first-in, first-out (FIFO) method. Invoices were provided for purchases either before the fiscal year end or after.

We recommend that additional supervision and verification procedures be implemented for taking a physical inventory to ensure that this information is submitted accurately to the County Finance Department. We also recommend that invoices be available to support inventory valuation using the FIFO method.

Management's response

We will review our procedures for taking physical inventories and implement the auditor's recommendations where applicable.

Investments Policy

Per the County's investment policy, no more than 30% of the County's entire portfolio may be placed with any one commercial bank, savings and loan or broker/dealer. We noted that this 30% threshold was exceeded at September 30, 2005 because the County had 31.5% of their total portfolio invested with Colonial Bank. The County is in non-compliance with its investment policy, which is meant to promote diversification of investments both as to instruments and as to dealers, in order to reduce the County's risk of loss.

We recommend that the County reduce their investments with Colonial Bank in order to comply with the 30% threshold.

Management's response

Our practice is to calculate our various portfolio limits on June 30 and December 31 of each year, and whenever we are investing additional funds. Since the total amount of the portfolio varies throughout the year, the amount invested in any one institution could vary on a daily basis.

The County had certificates of deposit with both Colonial Bank and First Federal Savings Bank on June 2, 2005, the effective date of Colonial Bank's acquisition of First Federal Savings Bank. At that time, we reviewed our portfolio and cashed in a sufficient amount of certificates to bring the percentage at Colonial Bank below 30%. We again reviewed this percentage on July 31, 2005 after making an investment purchase, and were in compliance with our policy. On December 31, 2005 we were also in compliance with the investment limit so there is no need for further action.

Required Disclosures

The County filed its annual financial report for the fiscal year ended September 30, 2005, as required by Section 218.32, Florida Statutes, with the Department of Financial Services. Based on our review of the financial information contained in this report, no material differences were found in comparing this information to that of the basic financial statements.

The County has complied with the provisions of Chapter 10.400, Rules of the Auditor General-County and District Tangible Personal Property, which relates to the acquisition, supervision, accountability control, transfer and disposal of its personal property.

During the course of our audit of the County, nothing came to our attention that would cause us to believe that the County is in a state of financial emergency as defined by Section 218.503(1), Florida Statutes.

In accordance with Sections 10.554(g)(6)c and 10.556, Rules of the Auditor General, State of Florida, we applied financial condition assessment procedures for the County as of September 30, 2005. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of information provided by management.

We noted no instances of noncompliance with Section 218.415, Florida Statutes, regarding the investment of public funds.

The legal authority for the County's component units is disclosed in the notes to the financial statements.

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We wish to thank the Board of County Commissioners, County Manager, Clerk of the Circuit Court and their staffs for the courtesy and cooperation given to us during our audit. We look forward to a continued good relationship.



February 14, 2006

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