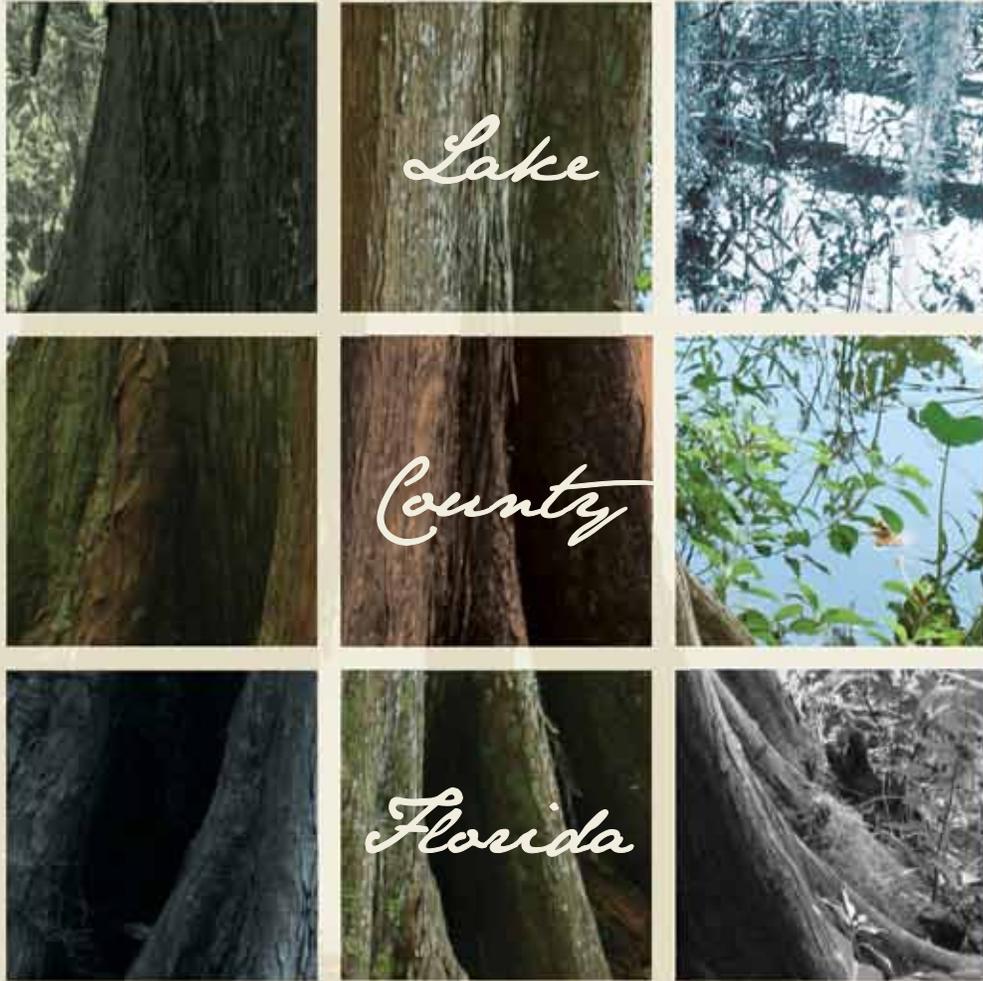




COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended September 30, 2013



COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended September 30, 2013

LAKE COUNTY FLORIDA

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2013

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LAKE COUNTY, FLORIDA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Year Ended
September 30, 2013**

**Neil Kelly
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**

AS OF SEPTEMBER 30, 2013

BOARD OF COUNTY COMMISSIONERS

Timothy I. Sullivan	District 1
Sean M. Parks	District 2
Jimmy Conner, Vice Chairman	District 3
Leslie Campione, Chairman	District 4
Welton G. Cadwell	District 5

ELECTED COUNTY OFFICIALS

Neil Kelly	Clerk of the Circuit Court
Carey L. Baker	Property Appraiser
Gary Borders	Sheriff
Emogene W. Stegall	Supervisor of Elections
Bob McKee	Tax Collector

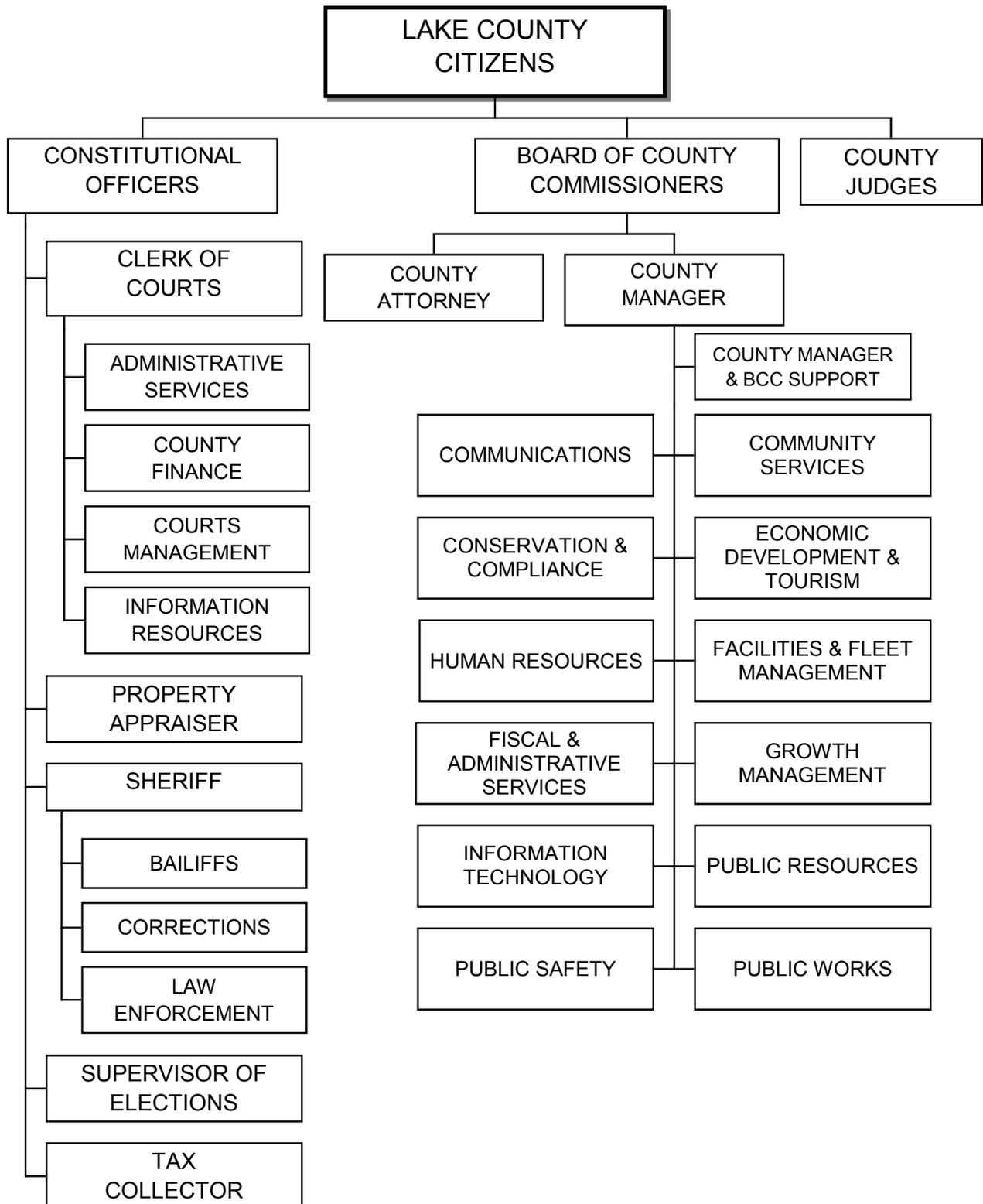
APPOINTED COUNTY OFFICIALS

David Heath	County Manager
Sanford A. Minkoff	County Attorney

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ORGANIZATIONAL CHART

LAKE COUNTY ORGANIZATIONAL CHART LAKE COUNTY, FLORIDA



LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

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LAKE COUNTY, FLORIDA
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LETTERS OF TRANSMITTAL

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Clerk of the Circuit Court

March 31, 2014

The Honorable Board of County Commissioners
Lake County, Florida

The Comprehensive Annual Financial Report of Lake County, Florida, as of September 30, 2013, and for the 2012-2013 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 2012 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, 2013, include all of the Constitutional Officers, dependent special districts, and other agencies of the County. It is my belief that the accompanying fiscal year 2013 financial report will meet program standards and it will be submitted to the GFOA for review.

NEIL KELLY

*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, 2014
Page Two

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,



Neil Kelly
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, 2014

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, 2013. 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 of America (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 unmodified opinion that Lake County's financial statements for the

Neil Kelly

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

fiscal year ended September 30, 2013 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 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 303,186. 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 to 45 and 102 to 137.

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. The local economy is improving in 2014. For the first time since 2008, the assessed taxable value of real and personal property increased. The increase, about \$95 million, represents about .6% of the total assessed value of \$14.8 billion. In addition, the unemployment rate for the County decreased by 2%, to 6.9% at year end. State and national rates were also lower at 6.8% and 7.2%, respectively.

Economic development has been an ongoing priority of the Board. An Economic Action Plan was developed and posted to the County's website for review. Individuals visiting the website are encouraged to post their ideas on "how to grow business in Lake County."

In addition, the County has:

- Designated approximately 16,000 acres in southeast Lake County as the “Wellness Way Sector Plan.” A successful sector planning effort will enable the County to diversify its economy, protect natural resources and strengthen its connectivity with other economic hubs in the region.
- Launched a new program called “Discover Lake” to educate visitors on what the area has to offer and stimulate the local economy.
- Partnered with local leaders and Lake Technical Center to renovate an existing facility which will be used for a training program to respond to the need for high-tech manufacturing workers. Students will be trained for manufacturing, machining and welding positions.

These are just a few of the steps that have been taken to assist local businesses and to encourage other businesses to locate here.

Federal and state grants continue to provide for various programs that benefit the County. Affordable housing, community development, road projects, public transportation and public safety are programs that are supported in part by federal and state funding. The County received \$16.9 million in state and federal assistance in 2013.

Federal and state funds were also used in the construction of the Emergency Communications and Operations Center (ECOC) which was completed in 2013. In addition to having a secure building for use during emergencies, the building houses dispatch operations for fire rescue, emergency medical services and law enforcement. The completed cost was \$7.9 million most of which was funded by emergency management grants and E 9-1-1 fees.

All of these projects helped to create jobs and benefitted the community.

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 a reserve of fund balance from 7% to 12% of the total budget. At September 30, 2013, the unassigned fund balance of \$12,720,322 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. The County issued \$87,455,000 in Capital Improvement Revenue Bonds in 2007 to fund the construction of projects in accordance with a master space and facilities plan developed in previous years. Phase II construction, the Judicial Center Expansion, began in 2010 as discussed below.

In addition, the County issued \$34,720,000 in Limited General Obligation Bonds for the acquisition of environmentally sensitive lands. These bonds are secured by a voter-approved ad valorem tax not to exceed 1/3 mill. In 2013, .1900 mills were assessed to cover the debt service. About \$2.1 million of these proceeds remain.

Major Initiatives. The substantial completion of the Judicial Center Expansion project marks the conclusion of a six year capital improvement program financed by the Capital Improvement Revenue Bonds mentioned above. The bond proceeds were used for the construction of a parking garage, a Tax Collector and Property Appraiser Office Building and an expansion of approximately 168,000 square feet of the existing Judicial Center. This program was undertaken in response to a space study completed in 2005 that predicted the need for increased space for County and court-related operations.

With space issues adequately addressed, the County is turning its attention to the renewal of the one-cent discretionary infrastructure sales tax which expires December 31, 2017. The current sales tax is divided equally among the County, School District and Cities. The County uses one-half of the approximately \$11 million received each year for roads and the other half for qualifying projects such as infrastructure and public safety equipment. Continuation of the tax is subject to a referendum of the voters of Lake County. The current sales tax levy began in 1988 and was subsequently extended in 2001 for another 15 year period.

Another emphasis of the Board is creating Inter-local Service Boundary Agreements or ISBA's with cities within the county. Such agreements address areas such as fire service, transportation, land development regulation, annexation and other common issues. Discussions between the cities and county are being held on an ongoing basis in order to arrive at a satisfactory agreement for both parties. When completed, the agreements will provide more efficient use of resources for both governments.

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, 2012. This was the 32nd consecutive year that Lake County has received this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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 7 fiscal years and the Clerk's Office for the last 22 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, Moore Stephens Lovelace, P.A., preparation of this report would not have been possible.

Respectfully submitted,



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

CERTIFICATE OF ACHIEVEMENT



Government Finance Officers Association

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, 2012

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Lake County, Florida

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to 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 the County as of September 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Road Impact Fees Fund, and Public Transportation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2014, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 10, 2014

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, 2013. 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, 2013 by \$470,734,833 (net position). Of this amount, \$29,742,503 (unrestricted net position) may be used to meet the County's ongoing obligations to its citizens and creditors.
- The County's total net position decreased \$27,860,447 from the previous year with \$25,582,025 of the decrease resulting from governmental activities and a \$2,278,422 decrease from business-type activity.
- At September 30, 2013, Lake County's governmental fund statements report combined ending fund balances of \$99,180,881, a decrease of \$19,067,450 from the previous fiscal year. Of this amount, \$12,720,322 remains unassigned in the governmental funds with the remaining balance either restricted, committed or assigned in the various governmental fund types.
- The General Fund, the County's primary operating fund, reported an unassigned fund balance of \$12,720,322 and a decrease in total fund balance from the last fiscal year of \$10,357,567. The unassigned general fund balance of \$12,720,322 represents approximately 12% of total general fund expenditures.
- Total bonded debt outstanding at year-end amounted to \$108,530,000. There were no new borrowings in 2013; however, a bond payable was renegotiated to a lower interest rate in order to achieve debt service savings.

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.

In addition, the County implemented Governmental Accounting Standards Board (GASB) Statement 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement 65, *Items Previously Reported as Assets and Liabilities* in 2013. Changes under GASB 63 include changing the “Statement of Net Assets” title to the “Statement of Net Position” and “Net Assets” section title to “Net Position”. Under GASB 65, bond issuance costs previously reported as deferred charges are no longer considered an asset; no restatement was necessary as a result of this implementation.

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 Position** and a **Statement of Activities**. These statements appear on pages 31 to 33 of the report.

The **Statement of Net Position** presents the County’s assets less its liabilities at year end. The difference between these assets and liabilities is reported as net position. Changes in net position 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 position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (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 37 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 Special Revenue Fund, Public Transportation Special Revenue Fund, Sales Tax Capital Projects, and Facilities Expansion Capital Projects Funds, 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 80 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 167 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of Lake County, governmental activities net position exceed liabilities by \$460,193,124 at September 30, 2013.

By far the largest portion of the County's governmental activities net position (83%) 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 position for governmental and business-type activities for 2013 and 2012, with amounts expressed in thousands.

LAKE COUNTY'S NET POSITION (amounts expressed in thousands)						
	Governmental Activities		Business-type Activity		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 129,044	\$ 152,684	\$ 3,985	\$ 6,640	\$ 133,029	\$ 159,324
Capital Assets	494,437	500,885	12,601	12,988	507,038	513,873
Total Assets	<u>623,481</u>	<u>653,569</u>	<u>16,586</u>	<u>19,628</u>	<u>640,067</u>	<u>673,197</u>
Long-term liabilities outstanding	134,052	136,045	4,738	4,179	138,790	140,224
Other liabilities	29,236	31,749	1,306	2,629	30,542	34,378
Total Liabilities	<u>163,288</u>	<u>167,794</u>	<u>6,044</u>	<u>6,808</u>	<u>169,332</u>	<u>174,602</u>
Net Position:						
Net investment in capital assets	381,585	390,755	12,602	12,552	394,187	403,307
Restricted	46,806	53,113	-	-	46,806	53,113
Unrestricted (deficit)	31,802	41,907	(2,060)	268	29,742	42,175
Total net position	<u>\$ 460,193</u>	<u>\$ 485,775</u>	<u>\$ 10,542</u>	<u>\$ 12,820</u>	<u>\$ 470,735</u>	<u>\$ 498,595</u>

An additional portion of the County's governmental activities net position (10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted governmental activities net position (\$31,802,405) 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, and infrastructure sales tax.

Net position in the Landfill Fund (Business-type Activity) consists of the amount invested in net investment in capital assets of \$12,601,611 (120%), and unrestricted net deficit of \$2,059,902.

Governmental activities

Governmental activities account for 98% of the County's net position. One of the major components of general revenue collected by governmental activities is property taxes. In 2013, property taxes were assessed at a millage rate of 4.7309 mills for the general fund, the same rate as 2012. Property taxes collected amounted to \$81,864,058, a decrease of \$4,039,834 from the prior year. This decrease was due to a decrease in taxable value of about 6%. Other taxes amounted to \$22,079,476 and include infrastructure sales tax (\$11,585,339), gas taxes (\$6,577,657), communications services taxes (\$1,832,672) and tourist development taxes (\$2,083,808).

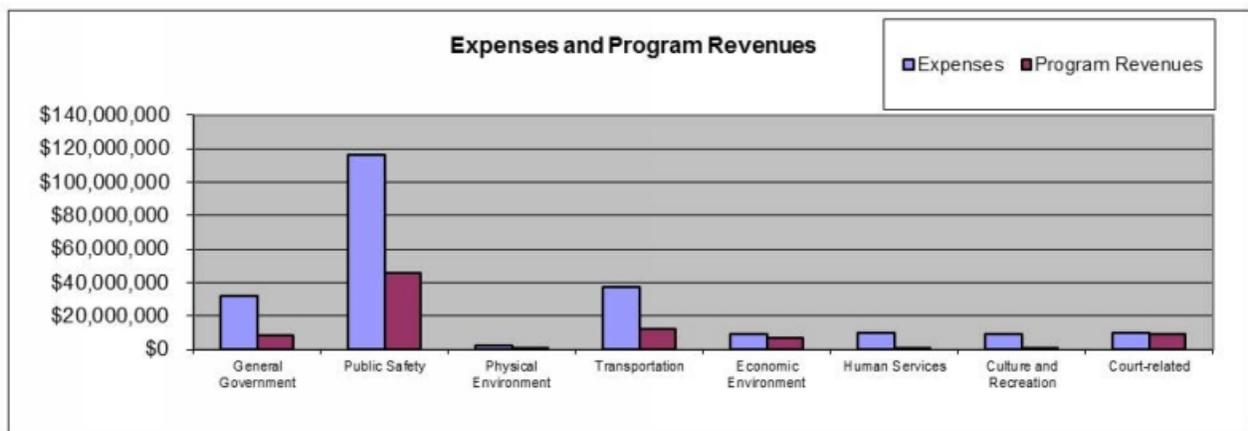
Other variances in governmental activities include:

- Other ad valorem taxes include the Stormwater Management, Parks and Roads Municipal Services Tax Fund, the Lake County Ambulance Fund, the Municipal Taxing Unit for Fire Protection Fund and Voter Approved debt. The tax rate for the stormwater, parks and roads MSTU was .4984 mills, the same as last year. The Ambulance fund adopted a millage rate of .3853 mills, also the same as last year. The MTU for Fire Protection is used to provide funds for medical transports by the Fire department. This millage was .3222 in 2013 and 2012. The Voter Approved debt millage was .1900, which was an increase from .1101 in the prior year. These funds are used to pay debt service on bonds issued to purchase environmentally sensitive land. Collections from these four taxes amounted to about \$14.5 million of the total \$81.9 million that was collected.
- Other revenues decreased approximately \$14 million in 2013, primarily due to decreases in capital grants and contributions. Transportation grants such as Highway Planning and Safety decreased approximately \$3.4 million due to the end of the American Recovery and Reinvestment Act (ARRA) program. In 2012, the County also received significant capital contributions of approximately \$5.7 million from a \$2.0 million bridge donation and a \$3.7 million transfer of equipment to Lake Emergency Medical Services, a blended component unit of the County. Additionally, concurrency reservation fees of approximately \$4.6 million were included as revenue in 2012.
- Transportation expenses increased approximately \$5.8 million in 2013 due primarily to capital expenses, including increases in infrastructure depreciation of approximately \$.7 million, and infrastructure expenses not capitalized of approximately \$3.8 million for certain projects that will be transferred to municipalities for jurisdiction and maintenance.

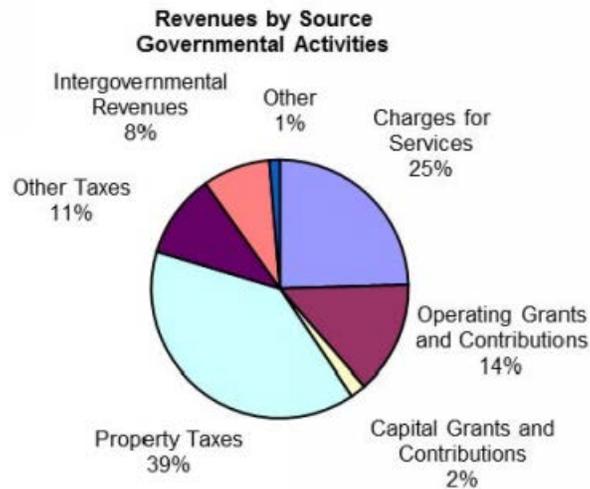
The following is a summary of Lake County governmental and business-type activities for 2013 and 2012, including revenues and expenses, with amounts expressed in thousands:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 51,418	\$ 48,168	\$ 16,264	\$ 16,574	\$ 67,682	\$ 64,742
Operating grants and contributions	29,480	32,612	-	-	29,480	32,612
Capital grants and contributions	4,049	17,711	-	-	4,049	17,711
General Revenues:						
Property taxes	81,864	85,904	-	-	81,864	85,904
Other taxes	22,079	21,236	-	-	22,079	21,236
Intergovernmental	17,798	16,580	-	-	17,798	16,580
Other	2,762	4,660	445	778	3,207	5,438
Total Revenues	209,450	226,871	16,709	17,352	226,159	244,223
Expenses:						
General government	32,293	33,504	-	-	32,293	33,504
Public safety	116,043	118,604	-	-	116,043	118,604
Physical environment	2,427	3,484	-	-	2,427	3,484
Transportation	37,581	31,771	-	-	37,581	31,771
Economic environment	9,031	8,338	-	-	9,031	8,338
Human Services	9,937	9,438	-	-	9,937	9,438
Culture and recreation	9,515	9,756	-	-	9,515	9,756
Court-related	10,229	9,232	-	-	10,229	9,232
Interest on long-term debt	6,782	5,763	-	-	6,782	5,763
Landfill	-	-	20,181	20,456	20,181	20,456
Total Expenses	233,838	229,890	20,181	20,456	254,019	250,346
Change in net position before transfers	(24,388)	(3,019)	(3,472)	(3,104)	(27,860)	(6,123)
Transfers	(1,194)	(2,491)	1,194	2,491	-	-
Change in net position	(25,582)	(5,510)	(2,278)	(613)	(27,860)	(6,123)
Net Position beginning	485,775	491,285	12,820	13,433	498,595	504,718
Net Position ending	\$ 460,193	\$ 485,775	\$ 10,542	\$ 12,820	\$ 470,735	\$ 498,595

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 and six closed landfills. The operating landfill is the Central Landfill Phase III. The six closed landfills are located in Astatula, Umatilla, Lady Lake and Clermont. The Phase III landfill, consisting of two cells, the Ash Cell and Municipal Solid Waste Cell, was completed in 2009. The Ash Cell started accepting waste in 2011.

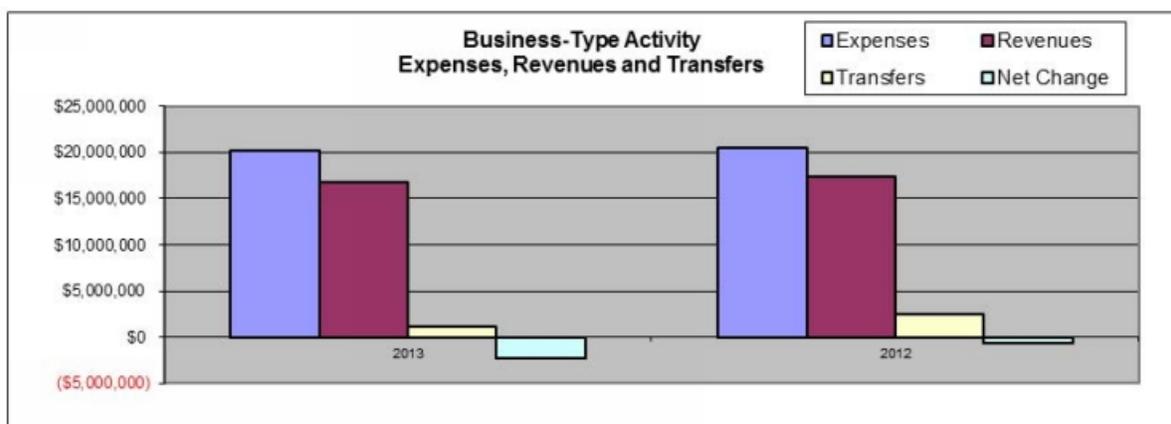
The County has a service agreement with Covanta, Inc. for the operation of the incinerator mentioned above. In FY 2005, the County entered into a new waste disposal agreement for the operation of the plant. In addition, the bonds used to construct the plant were refunded in 2005. In 2010, the debt service reserve of \$5.1 million was applied against the outstanding balance of the bond and the debt service payments were lowered, thus resulting in cash flow savings for the County. The outstanding balance at September 30, 2013 was \$2,731,699. The refunding bond 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 service agreement with Covanta will expire in July, 2014. The County has entered into contracts with new vendors for collection and disposal starting October 1, 2014. These contracts were based on requests for proposals issued after the County completed an extensive study of the solid waste system.

The activities of the solid waste management system are reported in the Landfill Fund. The fund finished the year with a decrease in net position of \$2,278,422 compared to a decrease of \$612,861 in 2012. Operating Expenses in the Landfill Fund were lower in 2013, \$20,170,460 compared to \$20,378,622 in 2012, primarily due to the closing of the

Phase II landfill. Operating revenues also decreased from the prior year by \$620,841 partly due to a decrease in recycling revenue resulting from market volatility and lower tonnage. This decrease in operating income and the decrease in the general fund transfer mentioned below contributed to the decrease in net position of \$1,665,561.

Tipping fees were reduced from about \$90 per ton to \$40 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 a transfer of ad valorem taxes from the General Fund in 2013 of \$2,299,120 compared to \$3,586,000 in 2012.

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

The combined ending fund balance for all governmental funds at September 30, 2013 was \$99,180,881, a decrease of \$19,067,450 from the prior year. The majority of this decrease can be allocated to three funds: a \$10.3 million decrease in the General Fund, a \$6.0 million decrease in the Road Impact Fees Fund and a \$4.0 million decrease in the Facilities Expansion Capital Projects Fund. The General Fund decrease can be attributed to a decrease in ad valorem taxes over the last two years. The decreases in the Road Impact Fees and Facilities Capital Projects Funds are discussed below. For additional information, refer to the section "Governmental Activities" beginning on page 21.

The ending fund balances in governmental funds for 2013 and 2012 were classified as follows:

	<u>2013</u>	<u>2012</u>
Nonspendable	\$ 412,671	\$ 606,256
Restricted	69,241,299	77,026,806
Committed	6,434,409	8,300,745
Assigned	10,372,180	18,267,333
Unassigned	12,720,322	14,047,191
Total Fund Balances	<u>\$ 99,180,881</u>	<u>\$ 118,248,331</u>

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.

In addition to the General Fund, the County has four governmental funds that are considered major funds under criteria set forth by GASB Statement Number 34. Those funds include the Road Impact Fees Special Revenue Fund, the Public Transportation Special Revenue Fund, the Sales Tax Capital Projects Fund and the Facilities Expansion Projects Capital 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. The collection of road impact fees was suspended for a one year period beginning March 2, 2010 and subsequently extended through January 12, 2014. As a result, fund balance decreased approximately \$6.0 million from the prior year. Fees will be reinstated beginning January 12, 2014 at lower rates and the number of impact fee districts will be reduced from six to three. The reduction to three impact fee districts was a recommendation from an impact fee study and will provide greater flexibility in planning road projects. Collections were \$2,307 in 2013 and \$5,398 in 2012. Expenditures were \$6,043,628 in 2013 and \$2,539,536 in 2012. Concurrency reservation fees of \$4,666,555 are also included as revenue in the Road Impact Fees Fund in 2012.

Public Transportation: This fund was created to account for certain County transportation services, including providing services to the transportation disadvantaged residents of Lake County. A majority of the funding for these services comes from federal and state cost-reimbursable grants. Revenues were \$5,987,073 in 2013 and \$5,803,307 in 2012 and expenditures were \$7,050,871 in 2013 and \$7,240,628 in 2012. Transfers from the General Fund were \$1,406,281 in 2013 and \$693,240 in 2012. The increase in the transfer from the General Fund was necessary to offset a decrease in Medicaid funding and still provide essential services.

Sales Tax Projects: This fund accounts for construction of various capital projects, using discretionary infrastructure sales surtax revenues from a locally imposed one-cent sales tax. Expenditures in 2013 were \$4,876,016, compared to \$5,522,993 in 2012. Significant projects were the Animal Services building renovation of about \$900,000, countywide resurfacing of approximately \$1,200,000, sidewalks and road improvements of \$1,200,000 and equipment purchases of \$880,000.

Facilities Expansion Projects: This fund was established in 2007 to account for the proceeds from the \$87,455,000 in bonds issued for several downtown Tavares projects including the expansion of the Judicial Center, the construction of a parking garage, the construction of offices for the Tax Collector and Property Appraiser and other projects. Construction expenses of \$4,051,024, primarily for the Judicial Center Expansion, were incurred in this fund in 2013 compared to \$16,336,285 in 2012. As a result, ending fund balance decreased approximately \$4.0 million from the prior year. The construction of the Judicial Center Expansion began in June, 2010 and was substantially completed in 2013. The total expense for this project is approximately \$48.5 million.

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, under business-type activity.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were \$2,056,765 (increase in appropriations for expenditures) and can be briefly summarized as follows:

- General government administrative expenses increase of \$719,520.
- Economic Development increases of \$348,214, primarily for new business opportunity centers and job incentives.
- Public Safety increases of \$865,214 including approximately \$680,000 for Sheriff expenditures including bailiffs for the new courthouse and dispatch services to municipalities.

The final amended budget was higher than the original budget for revenues by \$1,533,331 primarily for various new grants, including \$175,000 donation for the South Lake Sector Plan, and revenues from dispatch services of about \$153,000.

Actual expenditures in the General Fund were under the final amended budget by \$5,863,730. A brief description of some of these differences follows:

- General government decreases of \$2,188,642 primarily from reductions in personal services and operating expenses by the Board and Constitutional Officers.

- Economic environmental decreases of \$1,044,207 primarily from economic development expenses that were budgeted for a joint rail study of the US 441 corridor that were not spent.
- Human Services decreases of \$1,073,732 primarily for Medicaid and Health Care Responsibility Act payments that were budgeted but not spent.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activity as of September 30, 2013, amounts to \$507,038,657 (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 2013. The increase in land of approximately \$3.3 million was for the purchase of right of way for various road projects.

As mentioned under Facilities Expansion Projects Capital Projects fund above, the County borrowed approximately \$87.5 million in 2007 for the expansion of the Judicial Center, the construction of a parking garage and office space for use by the Tax Collector and Property Appraiser.

The Judicial Center Expansion was substantially complete and was capitalized at a cost of \$48.5 million as of year end. The remaining bond proceeds of approximately \$3.8 million will be used to finish the building and pay the retainage.

As mentioned under Sales Tax Capital Projects Fund above, the County has a locally imposed a one-cent sales tax that can be used for infrastructure and certain public safety equipment. These funds were used for the construction and resurfacing of roads, sidewalk construction, general government buildings and the purchase of public safety vehicles.

The following is a summary of Lake County's capital assets for governmental and business-type activities for 2013 and 2012, net of accumulated depreciation, with amounts expressed in thousands.

	Governmental Activities		Business-type Activity		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 80,990	\$ 77,728	\$ 2,913	\$ 2,913	\$ 83,903	\$ 80,641
Buildings	176,671	123,643	870	900	177,541	124,543
Improvements other than buildings	25,538	25,983	8,380	8,678	33,918	34,661
Machinery and equipment	24,349	27,782	438	473	24,787	28,255
Infrastructure	166,811	167,018	-	-	166,811	167,018
Construction in progress	20,078	78,731	-	25	20,078	78,756
Total	\$ 494,437	\$ 500,885	\$ 12,601	\$ 12,989	\$ 507,038	\$ 513,874

Additional information on capital assets can be found in Note 5 to the Financial Statements.

Long-Term debt

At September 30, 2013 Lake County had bonded debt outstanding of \$108,530,000 consisting of three bond issues as follows:

\$87,455,000 in Capital Improvement Revenue Bonds, Series 2007: These bonds are secured by a pledge of the half cent sales tax. Final maturity is in 2037. The bonds were issued to fund the expansion of the Judicial Center and for other government buildings in downtown Tavares. The bonds are rated “A” by Standard and Poor’s Ratings Services Group; AA- by Fitch, Inc. and “Aa3” by Moody’s Investors Service, Inc. The balance at September 30, 2013 was \$79,550,000.

\$34,720,000 in Limited General Obligation Bonds, Series 2007: These bonds are secured by ad valorem taxes assessed at an amount not to exceed 1/3 of 1 mill as approved by referendum on November 2, 2004. Final maturity is in 2026. The bonds were issued to acquire and improve lands within the County, to protect drinking water sources, preserve natural areas and protect open space from overdevelopment. The bonds are rated “AA-” by Standard and Poor’s Ratings Services Group, A+ by Fitch, Inc. and “Aa3” by Moody’s Investors Service, Inc. The balance outstanding at September 30, 2013 was \$25,705,000.

\$3,635,000 Sales Tax Refunding Revenue Bond (Pari-mutuel Revenues Replacement Program), Series 2011: The County issued this bond in 2011 in a current refunding of the Sales Tax Revenue Bonds (Pari-mutuel Revenues Replacement Program) Series 2000 that were previously outstanding. The refunding was undertaken to reduce debt service payments. The refunding bond is 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. Final maturity is in 2030. The original bonds were issued in 2001 to fund county-wide recreation projects. In 2013, the bond was modified and reissued at a reduced rate resulting in a net present value savings of \$195,930. The interest rate decreased from 3.91% to 3.12%. The bond is held by Branch Banking & Trust Company. The balance outstanding at September 30, 2013 was \$3,275,000.

In addition to these bonds, the County issued \$10,000,000 in a promissory note during 2008 to Hancock Bank of Florida to provide funds to acquire and upgrade the County’s public safety radio network. The note is secured by a pledge of infrastructure sales surtax. The interest rate on this note was renegotiated in 2012. The rate was decreased from 2.92% to 1.45% resulting in a present value savings of just over \$200,000. Principal and interest are due in annual installments until June 1, 2017. The amount outstanding at September 30, 2013 was \$4,516,584.

Other debt outstanding consisted of a note payable in the Landfill Fund of \$1,000,000 which was paid in full December 1, 2012.

Additional information on debt can be found in Note 6 to the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate was estimated at 6.9% for Lake County, 6.8% for the state of Florida and 7.2% for the nation at September 30, 2013. Last year's rate for the County was 8.9%.
- Inflation nationally as indicated by the consumer price index was 1.2% as of September 30, 2013.

These factors were considered in preparing the County's budget for the 2014 fiscal year. In addition, at its final budget hearing on September 24, 2013, the Board adopted the following millage rates:

- General Fund: 4.7309 mills
- Stormwater, Parks and Roads: 0.4984 mills
- Lake County Ambulance Fund: 0.3853 mills
- Voter approved debt: 0.1900 mills
- Fire/EMS MSTU: 0.3222 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.

LAKE COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activity</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 112,155,473	\$ 3,383,979	\$ 115,539,452
Accounts Receivable	1,891,378	510,498	2,401,876
Due from Other Governments	8,063,439	-	8,063,439
Inventories	577,277	-	577,277
Prepaid Expenses	193,307	90,454	283,761
Total Current Assets	122,880,874	3,984,931	126,865,805
Noncurrent Assets:			
Assessments Receivable	147,780	-	147,780
Restricted Cash and Investments	6,015,092	-	6,015,092
Land and Other Nondepreciable Assets	101,067,912	2,913,017	103,980,929
Depreciable Capital Assets, Net	393,369,134	9,688,594	403,057,728
Total Noncurrent Assets	500,599,918	12,601,611	513,201,529
Total Assets	623,480,792	16,586,542	640,067,334
Liabilities			
Current Liabilities:			
Accounts Payable	6,551,608	896,314	7,447,922
Retainage Payable	1,765,936	-	1,765,936
Accrued Liabilities	3,793,861	39,468	3,833,329
Due to Other Governments	2,032,424	-	2,032,424
Deposits	569,977	42,896	612,873
Estimated Claims Payable	4,320,257	-	4,320,257
Current Portion of Long Term Obligations	10,202,048	327,683	10,529,731
Total Current Liabilities	29,236,111	1,306,361	30,542,472
Noncurrent Liabilities:			
Noncurrent Portion of Long Term Obligations	134,051,557	78,508	134,130,065
Landfill Closure and Post Closure Care Costs	-	4,659,964	4,659,964
Total Noncurrent Liabilities	134,051,557	4,738,472	138,790,029
Total Liabilities	163,287,668	6,044,833	169,332,501
Net Position			
Net Investment in Capital Assets	381,584,805	12,601,611	394,186,416
Restricted for Transportation Expenses	24,324,761	-	24,324,761
Restricted for Public Safety	10,633,415	-	10,633,415
Restricted for Debt Service	1,093,641	-	1,093,641
Restricted for Housing Programs	1,464,203	-	1,464,203
Restricted for Other Purposes	9,289,894	-	9,289,894
Unrestricted, (Deficit)	31,802,405	(2,059,902)	29,742,503
Total Net Position	\$ 460,193,124	\$ 10,541,709	\$ 470,734,833

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

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**LAKE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activity	Total
Governmental Activities:							
General Government	\$ 32,293,638	\$ 7,666,566	\$ 620,493	\$ -	\$(24,006,579)	\$ -	\$(24,006,579)
Public Safety	116,043,162	35,851,737	7,429,057	2,567,711	(70,194,657)	-	(70,194,657)
Physical Environment	2,427,181	340,124	21,897	16,145	(2,049,015)	-	(2,049,015)
Transportation	37,580,764	2,681,213	9,008,172	930,622	(24,960,757)	-	(24,960,757)
Economic Environment	9,031,141	6,110	6,737,902	-	(2,287,129)	-	(2,287,129)
Human Services	9,936,555	371,911	235,384	-	(9,329,260)	-	(9,329,260)
Culture and Recreation	9,515,034	323,639	322,594	534,772	(8,334,029)	-	(8,334,029)
Court-Related	10,228,508	4,176,633	4,806,972	-	(1,244,903)	-	(1,244,903)
Interest on Long-Term Debt	6,781,652	-	297,667	-	(6,483,985)	-	(6,483,985)
Total Governmental Activities	233,837,635	51,417,933	29,480,138	4,049,250	(148,890,314)	-	(148,890,314)
Business-Type Activity:							
Landfill	20,181,257	16,263,820	-	-	-	(3,917,437)	(3,917,437)
Total Primary Government	\$ 254,018,892	\$ 67,681,753	\$ 29,480,138	\$ 4,049,250	(148,890,314)	(3,917,437)	(152,807,751)
General Revenues							
Taxes:							
Property Taxes					81,864,058	-	81,864,058
Sales Taxes					11,585,339	-	11,585,339
Gas Taxes					6,577,657	-	6,577,657
Communication Services Tax					1,832,672	-	1,832,672
Other					2,083,808	-	2,083,808
Intergovernmental Revenues, unrestricted					17,797,727	-	17,797,727
Investment Income					676,764	25,121	701,885
Miscellaneous income					2,084,742	419,416	2,504,158
Transfers					(1,194,478)	1,194,478	-
Total General Revenues and Transfers					123,308,289	1,639,015	124,947,304
Change in Net Position					(25,582,025)	(2,278,422)	(27,860,447)
Net Position at Beginning of Year					485,775,149	12,820,131	498,595,280
Net Position at End of Year					\$ 460,193,124	\$ 10,541,709	\$ 470,734,833

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

**LAKE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2013**

	Major Special Revenue Funds		
	General Fund	Road Impact Fees	Public Transportation Fund
Assets			
Cash	\$ 3,698,906	\$ -	\$ 160
Pooled Cash and Investments	19,559,532	15,466,005	-
Accounts Receivable	171,206	-	25,277
Assessments Receivable	-	-	-
Due from Other Funds	2,505,558	-	-
Intragovernmental Receivables	50,674	-	-
Due from Other Governments	2,253,558	-	2,292,203
Inventories	219,364	-	-
Prepaid Expenditures	193,307	-	-
Total Assets	\$ 28,652,105	\$ 15,466,005	\$ 2,317,640
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 1,055,845	\$ 54,752	\$ 450,236
Retainage Payable	-	5,311	-
Accrued Liabilities	2,803,760	-	6,823
Due to Other Funds	-	-	1,050,473
Intragovernmental Payables	451,859	-	-
Due to Other Governments	1,190,381	-	-
Deposits	248,267	-	-
Total Liabilities	5,750,112	60,063	1,507,532
Fund Balances:			
Nonspendable:			
Inventories	219,364	-	-
Prepays	193,307	-	-
Restricted	-	15,405,942	810,108
Committed	-	-	-
Assigned	9,769,000	-	-
Unassigned	12,720,322	-	-
Total Fund Balances	22,901,993	15,405,942	810,108
Total Liabilities and Fund Balances	\$ 28,652,105	\$ 15,466,005	\$ 2,317,640

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

Major Capital Projects Funds			
Sales Tax Capital Projects	Facilities Expansion Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 4,581	\$ 3,703,647
15,555,118	3,848,462	42,380,805	96,809,922
-	-	1,432,244	1,628,727
-	-	147,780	147,780
-	-	-	2,505,558
-	-	443,530	494,204
-	-	3,512,297	8,058,058
-	-	-	219,364
-	-	-	193,307
\$ 15,555,118	\$ 3,848,462	\$ 47,921,237	\$ 113,760,567
\$ 61,959	\$ 201,025	\$ 2,333,206	\$ 4,157,023
15,115	1,666,692	78,818	1,765,936
-	-	965,731	3,776,314
-	-	725,006	1,775,479
-	-	50,674	502,533
-	-	842,043	2,032,424
-	-	321,710	569,977
77,074	1,867,717	5,317,188	14,579,686
-	-	-	219,364
-	-	-	193,307
15,478,044	1,980,745	35,566,460	69,241,299
-	-	6,434,409	6,434,409
-	-	603,180	10,372,180
-	-	-	12,720,322
15,478,044	1,980,745	42,604,049	99,180,881
\$ 15,555,118	\$ 3,848,462	\$ 47,921,237	\$ 113,760,567

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**LAKE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2013**

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

Fund balances-total governmental funds	\$	99,180,881
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.		494,404,574
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 position.		10,797,723
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		<u>(144,190,054)</u>
Net position of governmental activities	\$	<u>460,193,124</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
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	Major Special Revenue Funds		
	General Fund	Road Impact Fees	Public Transportation Fund
Revenues			
Taxes	\$ 69,226,123	\$ -	\$ -
Licenses and Permits	367,264	-	-
Intergovernmental	18,967,884	-	4,489,209
Charges for Services	12,591,254	-	1,446,360
Fines and Forfeitures	327,705	-	-
Special Assessments	6,576	2,307	-
Investment Income	115,939	63,115	-
Miscellaneous	1,003,745	-	51,504
Total Revenues	102,606,490	65,422	5,987,073
Expenditures			
Current:			
General Government	29,146,686	-	-
Public Safety	61,346,620	-	-
Physical Environment	1,104,109	-	-
Transportation	-	6,043,628	7,050,871
Economic Environment	1,419,332	-	-
Human Services	9,111,892	-	-
Culture and Recreation	207,646	-	-
Court-Related Expenditures	2,193,108	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	104,529,393	6,043,628	7,050,871
Excess of Revenues Over (Under) Expenditures	(1,922,903)	(5,978,206)	(1,063,798)
Other Financing Sources (Uses)			
Transfers In	5,574,201	-	1,406,281
Transfers Out	(14,005,454)	-	-
Total Other Financing Sources (Uses)	(8,431,253)	-	1,406,281
Net Change in Fund Balances	(10,354,156)	(5,978,206)	342,483
Fund Balances at Beginning of Year	33,259,560	21,384,148	467,625
Inventory Reserve Increase (Decrease)	(3,411)	-	-
Fund Balances at End of Year	\$ 22,901,993	\$ 15,405,942	\$ 810,108

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

Major Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
Sales Tax Capital Projects	Facilities Expansion Projects		
\$ -	\$ -	\$ 34,717,411	\$ 103,943,534
-	-	1,919,153	2,286,417
-	-	27,311,239	50,768,332
-	-	15,881,160	29,918,774
-	-	1,668,282	1,995,987
-	-	17,680,870	17,689,753
49,055	23,212	169,945	421,266
29,950	-	938,820	2,024,019
79,005	23,212	100,286,880	209,048,082
-	-	953,789	30,100,475
-	-	47,561,926	108,908,546
-	-	1,260,579	2,364,688
-	-	12,680,316	25,774,815
-	-	7,576,782	8,996,114
-	-	433,477	9,545,369
-	-	8,598,440	8,806,086
-	-	7,369,982	9,563,090
-	-	4,432,547	4,432,547
-	-	5,435,020	5,435,020
4,876,016	4,051,024	4,355,983	13,283,023
4,876,016	4,051,024	100,658,841	227,209,773
(4,797,011)	(4,027,812)	(371,961)	(18,161,691)
6,743,469	-	14,814,151	28,538,102
-	-	(15,434,996)	(29,440,450)
6,743,469	-	(620,845)	(902,348)
1,946,458	(4,027,812)	(992,806)	(19,064,039)
13,531,586	6,008,557	43,596,855	118,248,331
-	-	-	(3,411)
\$ 15,478,044	\$ 1,980,745	\$ 42,604,049	\$ 99,180,881

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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, 2013**

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

Net change in fund balances-total governmental funds	\$	(19,064,039)
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 \$20,448,643 were less than depreciation of \$26,790,061 in the current period.		(6,341,418)
The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(94,378)
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 position. Also, governmental funds report the effect of 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.		520,981
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.		(442,491)
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.		<u>(160,680)</u>
Change in net position of governmental activities	\$	<u>(25,582,025)</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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Taxes	\$ 73,298,605	\$ 73,298,605	\$ 69,226,123	\$ (4,072,482)
Licenses and Permits	375,000	375,000	367,264	(7,736)
Intergovernmental	18,208,081	18,360,669	18,967,884	607,215
Charges for Services	11,518,683	12,324,576	12,591,254	266,678
Fines and Forfeitures	309,250	309,250	327,705	18,455
Special Assessments	-	-	6,576	6,576
Investment Income	503,640	503,640	115,939	(387,701)
Miscellaneous	801,298	982,780	1,003,745	20,965
Less: Statutory Requirement	(5,382,349)	(4,988,981)	-	4,988,981
Total Revenues	99,632,208	101,165,539	102,606,490	1,440,951
Expenditures				
Current:				
General Government:				
Legislative Offices	515,332	515,332	513,223	2,109
Executive Offices	1,672,330	1,672,344	1,594,363	77,981
Administrative Services	4,329,310	4,362,245	4,041,077	321,168
Facilities and Fleet Mgmt	4,296,013	4,505,236	4,287,977	217,259
Growth Management	1,309,819	1,309,819	1,202,717	107,102
Public Resources	373,211	470,602	363,979	106,623
Constitutional Officers	1,598,270	1,598,192	1,299,066	299,126
Clerk of the Circuit Court	5,668,837	5,888,837	5,780,465	108,372
Property Appraiser	2,250,271	2,250,271	2,143,445	106,826
Tax Collector	4,474,680	4,474,680	4,133,223	341,457
Supervisor of Elections	1,776,990	1,831,402	1,805,360	26,042
Non-Departmental	2,350,745	2,456,368	1,981,791	474,577
Total General Government	30,615,808	31,335,328	29,146,686	2,188,642
Public Safety:				
Community Safety and Compliance	1,361,200	1,405,698	1,267,682	138,016
Emergency Services	2,848,109	2,913,442	2,580,230	333,212
Sheriff	53,348,193	54,030,836	54,027,914	2,922
Judicial Support	750,000	750,000	551,761	198,239
Constitutional Officers	2,281,192	2,353,932	2,136,292	217,640
Non-Departmental	782,741	782,741	782,741	-
Total Public Safety	61,371,435	62,236,649	61,346,620	890,029
Physical Environment:				
Community Safety and Compliance	154,230	122,480	100,066	22,414
Public Resources	730,888	711,401	656,752	54,649
Public Works	540,788	694,168	347,291	346,877
Total Physical Environment	1,425,906	1,528,049	1,104,109	423,940

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Economic Environment:				
Economic Development	1,983,148	2,331,341	1,287,493	1,043,848
Community Services	132,198	132,198	131,839	359
Total Economic Environment	<u>2,115,346</u>	<u>2,463,539</u>	<u>1,419,332</u>	<u>1,044,207</u>
Human Services:				
Community Services	7,416,109	7,416,109	6,659,447	756,662
Community Safety and Compliance	1,327,411	1,343,161	1,313,366	29,795
Public Resources	228,558	231,276	231,275	1
Public Works	1,195,078	1,195,078	907,804	287,274
Total Human Services	<u>10,167,156</u>	<u>10,185,624</u>	<u>9,111,892</u>	<u>1,073,732</u>
Culture and Recreation:				
Public Resources	235,660	238,887	207,646	31,241
Total Culture and Recreation	<u>235,660</u>	<u>238,887</u>	<u>207,646</u>	<u>31,241</u>
Court-Related Expenditures:				
Judicial Support	1,391,395	1,391,395	1,263,041	128,354
State Attorney	529,203	529,203	466,299	62,904
Public Defender	484,449	484,449	463,768	20,681
Total Court-Related Expenditures	<u>2,405,047</u>	<u>2,405,047</u>	<u>2,193,108</u>	<u>211,939</u>
Total Expenditures	<u>108,336,358</u>	<u>110,393,123</u>	<u>104,529,393</u>	<u>5,863,730</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,704,150)</u>	<u>(9,227,584)</u>	<u>(1,922,903)</u>	<u>7,304,681</u>
Other Financing Sources (Uses)				
Transfers In	5,801,701	5,951,623	5,574,201	(377,422)
Transfers Out	(14,829,144)	(13,925,086)	(14,005,454)	(80,368)
Reserve for Contingencies	(17,286,235)	(15,884,874)	-	15,884,874
Total Other Financing Sources (Uses)	<u>(26,313,678)</u>	<u>(23,858,337)</u>	<u>(8,431,253)</u>	<u>15,427,084</u>
Net Change in Fund Balances	<u>(35,017,828)</u>	<u>(33,085,921)</u>	<u>(10,354,156)</u>	<u>22,731,765</u>
Fund Balances at Beginning of Year	<u>35,017,828</u>	<u>33,085,921</u>	<u>33,259,560</u>	<u>173,639</u>
Inventory Reserve Increase (Decrease)	-	-	(3,411)	(3,411)
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,901,993</u>	<u>\$ 22,901,993</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
MAJOR FUND - SPECIAL REVENUE FUND
ROAD IMPACT FEES
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special Assessments	\$ -	\$ -	\$ 2,307	\$ 2,307
Investment Income	57,000	57,000	63,115	6,115
Less: Statutory Requirement	(2,850)	(2,850)	-	2,850
Total Revenues	54,150	54,150	65,422	11,272
Expenditures				
Current:				
Transportation	16,551,106	21,438,298	6,043,628	15,394,670
Total Expenditures	16,551,106	21,438,298	6,043,628	15,394,670
Excess of Revenues Over (Under) Expenditures	(16,496,956)	(21,384,148)	(5,978,206)	15,405,942
Other Financing Sources (Uses)				
Reserve for Contingencies	(2,187,908)	-	-	-
Total Other Financing Sources (Uses)	(2,187,908)	-	-	-
Net Change in Fund Balances	(18,684,864)	(21,384,148)	(5,978,206)	15,405,942
Fund Balances at Beginning of Year	18,684,864	21,384,148	21,384,148	-
Fund Balances at End of Year	\$ -	\$ -	\$ 15,405,942	\$ 15,405,942

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
PUBLIC TRANSPORTATION FUND
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 5,159,152	\$ 5,968,608	\$ 4,489,209	\$ (1,479,399)
Charges for Services	1,500,629	1,504,129	1,446,360	(57,769)
Investment Income	1,200	1,200	-	(1,200)
Miscellaneous	18,938	18,938	51,504	32,566
Total Revenues	6,679,919	7,492,875	5,987,073	(1,505,802)
Expenditures				
Current:				
Transportation	8,304,602	9,027,046	7,050,871	1,976,175
Total Expenditures	8,304,602	9,027,046	7,050,871	1,976,175
Excess of Revenues Over (Under) Expenditures	(1,624,683)	(1,534,171)	(1,063,798)	470,373
Other Financing Sources (Uses)				
Transfers In	1,406,281	1,406,281	1,406,281	-
Reserve for Contingencies	(631,389)	(339,735)	-	339,735
Total Other Financing Sources (Uses)	774,892	1,066,546	1,406,281	339,735
Net Change in Fund Balances	(849,791)	(467,625)	342,483	810,108
Fund Balances at Beginning of Year	849,791	467,625	467,625	-
Fund Balances at End of Year	\$ -	\$ -	\$ 810,108	\$ 810,108

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

LAKE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2013

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Assets		
Current Assets:		
Cash	\$ 650	\$ -
Pooled Cash and Investments	3,383,329	17,605,430
Cash with Fiscal Agent	-	51,566
Accounts Receivable	510,498	262,651
Intragovernmental Receivables	-	8,329
Due from Other Governments	-	5,381
Inventory	-	357,913
Prepaid Expenses	90,454	-
Total Current Assets	3,984,931	18,291,270
Noncurrent Assets		
Capital Assets:		
Land	2,913,017	-
Buildings	2,346,963	-
Equipment	2,647,899	635,926
Improvements Other Than Buildings	15,919,905	-
Less: Accumulated Depreciation	(11,226,173)	(603,454)
Total Capital Assets	12,601,611	32,472
Total Noncurrent Assets	12,601,611	32,472
Total Assets	16,586,542	18,323,742
Liabilities		
Current Liabilities:		
Accounts Payable	896,314	2,394,586
Accrued Liabilities	39,468	17,547
Due to Other Funds	-	730,079
Estimated Insurance Claims Payable	-	4,320,257
Deposits	42,896	-
Current Portion of Long Term Obligations	327,683	21,903
Total Current Liabilities	1,306,361	7,484,372
Noncurrent Liabilities:		
Accrued Benefits Payable	78,508	41,647
Landfill Closure and Post Closure Care Costs	4,659,964	-
Total Noncurrent Liabilities	4,738,472	41,647
Total Liabilities	6,044,833	7,526,019
Net Position		
Net Investment in Capital Assets	12,601,611	32,472
Unrestricted, (Deficit)	(2,059,902)	10,765,251
Total Net Position	\$ 10,541,709	\$ 10,797,723

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

**LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2013**

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Operating Revenues:		
Charges for Services	\$ 16,263,820	\$ 25,096,911
Miscellaneous	395,264	15,639
Total Operating Revenues	16,659,084	25,112,550
Operating Expenses:		
Benefit Payments and Claims	-	19,198,525
Personal Services	2,004,670	843,720
Contracted Services	14,998,350	24,492
Supplies and Materials	513,536	1,285,887
Repairs and Maintenance	209,374	1,497,444
Utilities	192,984	28,486
Other Charges and Services	744,369	2,150,899
Depreciation and Amortization	631,009	12,145
Landfill Closure and Post Closure Care Costs	876,168	-
Total Operating Expenses	20,170,460	25,041,598
Operating Income (Loss)	(3,511,376)	70,952
Non-Operating Revenues (Expenses):		
Interest Revenue	25,121	59,772
Interest and Financing Costs	(6,253)	-
Aid to Governmental Agencies	(4,544)	-
Net Gain (Loss) on Disposal of Capital Assets	24,152	726
Total Non-Operating Revenues (Expenses)	38,476	60,498
Income (Loss) Before Transfers	(3,472,900)	131,450
Transfers In	2,299,120	-
Transfers Out	(1,104,642)	(292,130)
Total Transfers	1,194,478	(292,130)
Change in Net Position	(2,278,422)	(160,680)
Total Net Position at Beginning of Year	12,820,131	10,958,403
Total Net Position at End of Year	\$ 10,541,709	\$ 10,797,723

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, 2013**

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:		
Cash Received from Customers, and Contributions Including Cash Deposits	\$ 16,517,653	\$ 24,997,412
Cash Paid to Suppliers and for Claims	(17,292,077)	(24,222,807)
Cash Paid to Employees	(1,607,189)	(723,215)
Cash Paid to Internal Service Fund	(403,231)	(148,070)
Net Cash Provided (Used) by Operating Activities	(2,784,844)	(96,680)
Cash Flows from NonCapital Financing Activities:		
Payments to Government Agencies	(4,544)	-
Cash Transfers from Other Funds	2,299,120	-
Cash Transfers to Other Funds	(1,104,642)	(292,130)
Net Cash Provided (Used) by NonCapital Financing Activities	1,189,934	(292,130)
Cash Flows From Capital And Related Financing Activities:		
Payment on Note Payable	(1,000,000)	-
Interest and Financing Costs Paid on Note Payable	(6,253)	-
Additions to Capital Assets	(212,609)	-
Proceeds from Sale of Fixed Assets	113,343	726
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,105,519)	726
Cash Flows from Investing Activities:		
Interest Received	25,121	59,772
Net Cash Provided (Used) by Investing Activities	25,121	59,772
Net Change in Cash And Cash Equivalents	(2,675,308)	(328,312)
Cash and Cash Equivalents at October 1	6,059,287	17,985,308
Cash and Cash Equivalents at September 30	\$ 3,383,979	\$ 17,656,996

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, 2013**

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (3,511,376)	\$ 70,952
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization Expense	631,009	12,145
Change in Accounts Receivable	(141,290)	(122,839)
Change in Intragovernmental Receivables	-	3,341
Change in Due from Other Governments	-	7,022
Change in Inventory	-	126,614
Change in Accounts Payable	(174,851)	(221,221)
Change in Retainage Payable	(181,220)	-
Change in Due to Other Funds	-	15,871
Change in Accrued Liabilities	(5,041)	2,071
Change in Estimated Claims Payable	-	39,000
Change in Accrued Benefits Payable	(709)	(29,636)
Change in Closure and Post Closure Costs	598,775	-
Change in Deposits	(141)	-
Total Adjustments	726,532	(167,632)
Net Cash Provided (Used) by Operating Activities	\$ (2,784,844)	\$ (96,680)
<u>Noncash Investing, Capital and Financing Activities</u>		
Gain (Loss) on Disposition of Capital Assets	\$ 24,152	\$ 726

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

LAKE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2013

	Agency Funds
<u>Assets</u>	
Cash	\$ 5,000,602
Pooled Cash and Investments	16,855,366
Accounts Receivable	1,780
Due from Other Governments	209,932
Total Assets	\$ 22,067,680
<u>Liabilities</u>	
Accounts Payable	\$ 54,453
Due to Other Governments	4,083,697
Deposits	15,348,792
Taxes Collected in Advance	2,397,204
Cash Bonds Payable	183,534
Total Liabilities	\$ 22,067,680

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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 of America (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. The County 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 for governmental activities 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; Lake Emergency Medical Services, Inc.: These funds are

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

supported by fees collected from the residents who benefit from these services; however, pursuant to Florida Statutes, the Board of County Commissioners is the governing body of these organizations.

These funds are included as Special Revenue Funds.

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 1985-13,1989-9(G), 1990-24, 29; 1991-18,1998-64
Greater Hills Municipal Service Benefit Unit	County Resolution 1995-169
Greater Groves Municipal Service Benefit Unit	County Resolution 1993-226
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 Emergency Medical Services, Inc	Articles of Incorporation

B. Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of 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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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.

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 generally 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 impact fees and related expenditures for road improvements pursuant to County Ordinance. Impact fees assist in the provision of new facilities, the need for which is created by new development.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

The Public Transportation Fund accounts 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.

The Sales Tax Capital Projects Fund accounts for the construction of various projects using discretionary infrastructure sales surtax revenues.

The Facilities Expansion Capital Projects Fund accounts for the proceeds from the Capital Improvement Revenue Bonds. These proceeds were used for the Judicial Center Expansion and other projects.

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.

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 Capital Improvement Revenue Bonds, Limited General Obligation Bonds, the Sales Tax Revenue Refunding Bond (Pari-Mutuel Revenues Replacement Program), and the Sales Tax Note Payable.

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 management 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.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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 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.

D. Cash and Cash Equivalents:

Cash and cash equivalents consist primarily of cash held in a demand account.

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

- (a) Direct obligations of the United States Treasury.
- (b) Interest-bearing time deposits or savings accounts in qualified public depositories.
- (c) Federal agencies and instrumentalities.
- (d) Other instruments as defined in the Statute.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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, improvements other than buildings, buildings and infrastructure), and an estimated useful life in excess of one year. Such assets are recorded at historical cost or 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 roads, bridges, curbs and gutters, streets, sidewalks, drainage systems and lighting systems, acquired during the period from October 1, 1979 to September 30, 2013 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 2013.

Property, plant, and equipment is depreciated (amortized for intangible assets) using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Improvements other than buildings	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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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 at year end and is made available to interested parties.

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 Courts Fund budget included in the Special Revenue Funds is reviewed by the Florida Clerk of Courts Operations Corporation (CCOC). The CCOC then submits the budget with its recommendations to the State of Florida Legislature.

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 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 2013, 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 Management 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 at year end.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

I. Accrued Benefits Payable:

The County's policy is 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.

J. Fund Equity/Restricted Net Position:

In the fund financial statements, governmental funds report fund balance in one of the following categories:

Nonspendable: Resources that cannot be spent such as inventory or prepaids.

Restricted: Balances that can only be spent for specific purposes, such as constraints imposed by external sources or by enabling legislation.

Committed: Resources that can only be used for a specific purpose imposed by an ordinance enacted by the Board.

Assigned: Amounts that are designated for specific purposes by Board action, but are neither restricted or committed.

Unassigned: Unassigned fund balance is the residual amount remaining in the general fund after the above spending constraints have been considered.

The portion of the fund balance included as a budgetary resource in the subsequent year's budget, and purchase orders which are expected to be completed in the next fiscal year, are included as an assigned fund balance in the general fund, and in the respective fund balance categories for the other governmental funds.

Additionally, the Board has a general fund reserve for cash balances to be carried over pursuant to Florida Statutes. This reserve is to be used for paying expenses from October 1 to such time that revenues for the ensuing fiscal year are expected to be available. In addition, this reserve, called the Economic Stabilization Reserve, protects the County's essential government programs during periods of economic downturn or other unforeseen catastrophic events that may occur. The goal is to maintain between 7% to 12% of the total operating budget in this reserve. This reserve is included in the unassigned fund balance in the general fund.

When determining the classification of fund balance, the Board considers that restricted funds, committed funds, and assigned funds are used before using unassigned funds.

Net position is restricted when constraints are placed on its 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 position for the County are those imposed by enabling legislation such as

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

the use of gas taxes, road impact fees, infrastructure sales taxes and fire special assessments.

K. 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 position. Bond premiums and discounts are amortized systematically over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

L. Use of Estimates:

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect: the reported amounts of assets and liabilities, the 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

The Governmental Fund Balance Sheet includes a reconciliation between Fund Balance - Total Governmental Funds and Net Position – Governmental Activities as reported in the government-wide statement of net position. 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 \$144,190,054 difference are as follows:

Bonds Payable	\$ 108,530,000
Add: Bond Premium	3,875,959
Note Payable	4,516,584
Other Post Employment Benefits	15,461,156
Compensated Absences (excluding internal service fund \$63,550)	11,806,355
Net Adjustment	\$ <u>144,190,054</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

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

Deposits

The County’s deposits consist of interest bearing demand accounts and certificates of deposit, all of which are 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

Pursuant to Florida Statutes, the County is authorized to invest in the Florida Local Government Investment Trust (FLGIT). This fund is managed by an investment advisor with oversight by the Florida Court Clerks and Comptrollers Association and the Florida Association of Counties. The County’s investment in this fund is recorded at fair value, which is equal to the value of the pool shares.

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

<u>Investment Type</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U. S. Agency notes	3.93	2,243,543
Florida Local Government Investment Trust (FLGIT)	2.03	<u>26,258,697</u>
Total Fair Value		\$ <u><u>28,502,240</u></u>
Portfolio Weighted Average Maturity	2.18	

Interest Rate Risk – In an effort to minimize interest rate risk, the County’s Investment Ordinance requires that the weighted average maturity of the portfolio in total not

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

exceed two years. In addition, no individual security can have a maturity greater than five years.

Credit Risk – Authorized investments as listed in the County’s Investment Ordinance include only those securities with the highest credit ratings. The U.S. Agency securities are rated AAA by Moody’s and Standard & Poor’s rating services. FLGIT has an investment rating of AAf by Standard & Poor’s. This rating indicates the fund portfolio holdings provide extremely strong protection against losses from credit defaults.

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

	Total		
Cash on Hand and Carrying			\$ 114,908,272
Amount of Deposits			28,502,240
Carrying Amount of Investments			\$ 143,410,512
Total			\$ 143,410,512
	Gov't-Wide	Fiduciary	Total
Cash and Cash Equivalents	\$ 115,539,452	\$ 21,855,968	\$ 137,395,420
Non-current Restricted			
Cash and Investments	6,015,092	-	6,015,092
Total	\$ 121,554,544	\$ 21,855,968	\$ 143,410,512

4. ASSESSMENTS RECEIVABLE

Assessments receivable at September 30, 2013 consist primarily of \$147,780 in secondary roads, which is classified as noncurrent.

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 5.25% to 10.25% per annum. Any assessments payable in installments may be paid at any time, together with accrued interest to date.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

5. CAPITAL ASSETS

A summary of governmental activities capital assets follows:

	<u>Balance</u> <u>Oct 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Sept 30, 2013</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 77,728,530	\$ 3,269,692	\$ (7,971)	\$ 80,990,251
Construction work in progress	<u>78,730,867</u>	<u>4,882,842</u>	<u>(63,536,048)</u>	<u>20,077,661</u>
Total	<u>156,459,397</u>	<u>8,152,534</u>	<u>(63,544,019)</u>	<u>101,067,912</u>
Capital assets being depreciated:				
Buildings	173,699,637	57,611,040	-	231,310,677
Improvements	36,968,794	1,876,475	-	38,845,269
Machinery and equipment	84,205,014	4,295,003	(3,269,078)	85,230,939
Infrastructure	294,474,732	12,049,639	-	306,524,371
Total	<u>589,348,177</u>	<u>75,832,157</u>	<u>(3,269,078)</u>	<u>661,911,256</u>
Less accumulated depreciation:				
Buildings	(50,056,640)	(4,583,537)	-	(54,640,177)
Improvements	(10,985,494)	(2,321,341)	-	(13,306,835)
Machinery and equipment	(56,423,548)	(7,640,963)	3,182,671	(60,881,840)
Infrastructure	<u>(127,456,905)</u>	<u>(12,256,365)</u>	<u>-</u>	<u>(139,713,270)</u>
Total	<u>(244,922,587)</u>	<u>(26,802,206)</u>	<u>3,182,671</u>	<u>(268,542,122)</u>
Total capital assets being depreciated, net	<u>344,425,590</u>	<u>49,029,951</u>	<u>(86,407)</u>	<u>393,369,134</u>
Governmental activities capital assets, net	<u>\$ 500,884,987</u>	<u>\$ 57,182,485</u>	<u>\$ (63,630,426)</u>	<u>\$ 494,437,046</u>

Depreciation expense for governmental activities was charged to functions as follows:

Governmental activities:	
General government	\$ 2,363,095
Public safety	7,796,770
Physical environment	83,963
Transportation	13,972,042
Economic environment	27,581
Human services	373,724
Culture and recreation	1,561,513
Court-related expenses	<u>611,373</u>
Depreciation expense by function excluding internal service funds	26,790,061
Depreciation in the internal service funds are charged to various functions based on their usage of the assets	<u>12,145</u>
Depreciation expense - governmental activities	<u>\$ 26,802,206</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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A summary of business activities capital assets follows:

	Balance Oct 1, 2012	Additions	Deletions	Balance Sept 30, 2013
Business-type activities:				
Capital assets not depreciated:				
Land	\$ 2,913,017	\$ -	\$ -	\$ 2,913,017
Construction work in progress	<u>24,762</u>	-	<u>(24,762)</u>	-
Total	<u>2,937,779</u>	-	<u>(24,762)</u>	<u>2,913,017</u>
Capital assets being depreciated:				
Buildings	2,288,865	58,098	-	2,346,963
Improvements other than buildings	15,919,905	-	-	15,919,905
Machinery and equipment	<u>2,922,209</u>	<u>234,692</u>	<u>(509,002)</u>	<u>2,647,899</u>
Total	21,130,979	292,790	(509,002)	20,914,767
Less accumulated depreciation for:				
Buildings	(1,389,121)	(86,889)	-	(1,476,010)
Improvements other than buildings	(7,241,720)	(297,879)	-	(7,539,599)
Machinery and equipment	<u>(2,449,322)</u>	<u>(189,326)</u>	<u>428,084</u>	<u>(2,210,564)</u>
Total	(11,080,163)	(574,094)	428,084	(11,226,173)
Total capital assets being depreciated, net	<u>10,050,816</u>	<u>(281,304)</u>	<u>(80,918)</u>	<u>9,688,594</u>
Business-type activities capital assets, net	<u>\$ 12,988,595</u>	<u>\$ (281,304)</u>	<u>\$ (105,680)</u>	<u>\$ 12,601,611</u>

6. LONG-TERM DEBT

A. Lake County, Florida, Board of County Commissioners Sales Tax Refunding Revenue Bond (Pari-Mutuel Revenues Replacement Program), Series 2011:

In 2011, the County issued a \$3,635,000 bond in a current refunding of the Sales Tax Revenue Bonds (Pari-Mutuel Revenues Replacement Program) Series 2000 that were previously outstanding. The refunding was undertaken to reduce debt service payments over the next 20 years by \$549,256 and resulted in an economic gain of \$385,387. In 2013, the bond was modified and reissued at a reduced interest rate, resulting in a net present value savings of \$195,930. The prior interest rate was 3.91%. The original bonds were issued 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 bond is 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. Annual principal and interest payments are expected to use 87% of the pledged revenues. For the current year, principal and interest payments and sales tax replacement revenues totaled \$260,037 and \$297,667, respectively. Bond principal payments are due in annual installments beginning October 1, 2011 continuing until October 1, 2030. The bond bears interest 3.12%.

LAKE COUNTY, FLORIDA
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The annual requirements to amortize the Pari-Mutuel Revenues Replacement Refunding Bond at September 30, 2013 are as follows:

Fiscal Year Ended	Principal	Interest	Total
2014	\$ 150,000	\$ 102,180	\$ 252,180
2015	155,000	97,500	252,500
2016	160,000	92,664	252,664
2017	160,000	87,672	247,672
2018	170,000	82,680	252,680
2019-2023	920,000	330,876	1,250,876
2024-2028	1,075,000	177,840	1,252,840
2029-2030	485,000	22,776	507,776
Total	\$ <u>3,275,000</u>	\$ <u>994,188</u>	\$ <u>4,269,188</u>

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. Annual principal and interest payments exceeded pledged revenues. For the current year, principal and interest payments and net revenues totaled \$1,006,253 and (\$2,399,717), respectively. The note is paid in full. Interest expense paid during 2013 amounted to \$6,253.

C. Lake County, Florida, Board of County Commissioners Capital Improvement Revenue Bonds, Series 2007:

The County issued \$87,455,000 in bonds to provide funds to acquire, construct and equip various capital improvements including the Downtown Tavares Center for Governmental Operations and Judicial Center Expansion, and other projects. The bonds are secured by a pledge of the County's Half Cent Sales tax received from the state. Annual principal and interest payments are expected to use 47% of the pledged revenues. For the current year, principal and interest payments and Half Cent Sales Tax revenues totaled \$5,740,780 and \$12,153,082, respectively. Bond principal payments are due in annual installments beginning June 1, 2007 continuing until June 1, 2027 for serial bonds in the amount of \$35,240,000, with \$19,470,000 in term bonds maturing on June 1, 2032 and \$24,840,000 maturing June 1, 2037. The serial bonds bear interest at rates ranging from 3.75% to 5.00% and the term bonds bear interest at 5.00%.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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The annual requirements to amortize the Capital Improvement Revenue Bonds at September 30, 2013 are as follows:

Fiscal Year Ended	Principal	Interest	Total
2014	\$ 1,875,000	\$ 3,865,600	\$ 5,740,600
2015	1,950,000	3,786,838	5,736,838
2016	2,030,000	3,705,988	5,735,988
2017	2,115,000	3,620,938	5,735,938
2018	2,205,000	3,534,050	5,739,050
2019-2023	12,570,000	16,123,100	28,693,100
2024-2028	16,020,000	12,677,250	28,697,250
2029-2033	20,440,000	8,251,500	28,691,500
2034-2037	20,345,000	2,605,249	22,950,249
Total	\$ <u>79,550,000</u>	\$ <u>58,170,513</u>	\$ <u>137,720,513</u>

D. Lake County, Florida, Board of County Commissioners Limited General Obligation Bonds, Series 2007:

The County issued \$34,720,000 in bonds to provide funds to acquire and improve lands within the County, to protect drinking water sources, preserve natural areas, protect open space from overdevelopment, provide parks and trails and improve water quality. The bonds were issued pursuant to a referendum approved by the voters in 2004 approving the assessment of not more than one third of one mill of ad valorem taxes to be used for this purpose. Annual principal and interest payments are expected to use 100% of the pledged revenues. For the current year, principal and interest payments and the limited ad valorem revenues collected for this purpose totaled \$2,702,188 and \$2,702,259, respectively. Bond principal payments are due in annual installments beginning June 1, 2007 continuing until April 1, 2026. The bonds bear interest at rates ranging from 4.00% to 5.00%. The annual requirements to amortize the Limited General Obligation Bonds at September 30, 2013 are as follows:

Fiscal Year Ended	Principal	Interest	Total
2014	\$ 1,485,000	\$ 1,220,188	\$ 2,705,188
2015	1,545,000	1,160,788	2,705,788
2016	1,620,000	1,083,538	2,703,538
2017	1,685,000	1,018,738	2,703,738
2018	1,770,000	934,488	2,704,488
2019-2023	10,175,000	3,350,688	13,525,688
2024-2026	7,425,000	687,530	8,112,530
Total	\$ <u>25,705,000</u>	\$ <u>9,455,958</u>	\$ <u>35,160,958</u>

E. Lake County, Florida, Promissory Note to Hancock Bank

The County issued \$10,000,000 in a promissory note to Hancock Bank of Florida to provide funds to acquire and upgrade the County's public safety radio network. The note is secured by a pledge of infrastructure sales surtax. Annual principal and interest

LAKE COUNTY, FLORIDA
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payments are expected to use 10% of the pledged revenues. In 2012 the County renegotiated the interest rate with Hancock Bank resulting in a net present value savings of \$200,072. The prior interest rate was 2.92%. For the current year, principal and interest payments and Infrastructure Sales Surtax revenues totaled \$1,141,563 and \$11,585,339, respectively. Principal and interest payments are due in annual installments beginning June 1, 2008 continuing until June 1, 2017. The note bears interest at a fixed rate of 1.45%. The annual requirements to amortize the promissory note at September 30, 2013 are as follows:

Fiscal Year Ended	Principal	Interest	Total
2014	\$ 1,104,794	\$ 61,471	\$ 1,166,265
2015	1,120,872	45,393	1,166,265
2016	1,137,184	29,081	1,166,265
2017	1,153,734	12,531	1,166,265
Total	\$ <u>4,516,584</u>	\$ <u>148,476</u>	\$ <u>4,665,060</u>

F. Changes in Long-Term Liabilities:

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

<u>Govt Activities</u>	Balance Oct 1, 2012	Additions	Payments and Reductions	Balance Sept 30, 2013	Due Within One Year
Capital Improvement Revenue Bonds	\$ 81,350,000	\$ -	\$ 1,800,000	\$ 79,550,000	\$ 1,875,000
Limited General Obligation Bonds	27,130,000	-	1,425,000	25,705,000	1,485,000
Pari-mutuel Revenues Refunding Bond	3,415,000	-	140,000	3,275,000	150,000
Hancock Bank Note Payable	5,584,132	-	1,067,548	4,516,584	1,104,794
Add Bond Premium	4,071,685	-	195,726	3,875,959	-
Total Bonds Payable	121,550,817	-	4,628,274	116,922,543	4,614,794
Accrued Benefits Payable	11,670,820	7,670,826	7,471,741	11,869,905	5,587,254
Other Post-Employment Benefits	12,700,496	3,390,135	629,475	15,461,156	-
Total - Govt Activities	\$ <u>145,922,133</u>	\$ <u>11,060,961</u>	\$ <u>12,729,490</u>	\$ <u>144,253,604</u>	\$ <u>10,202,048</u>

LAKE COUNTY, FLORIDA
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<u>Business Activities</u>	<u>Balance Oct 1, 2012</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance Sept 30, 2013</u>	<u>Due Within One Year</u>
Note Payable	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
Accrued Benefits Payable	<u>172,131</u>	<u>142,916</u>	<u>143,625</u>	<u>171,422</u>	<u>92,914</u>
Total - Bus Activities	<u>\$ 1,172,131</u>	<u>\$ 142,916</u>	<u>\$ 1,143,625</u>	<u>\$ 171,422</u>	<u>\$ 92,914</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the totals for governmental activities. At year end \$63,550 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the respective fund where the salaries were incurred. The Other Post-Employment Benefits annual required contributions above are generally paid by the insurance funds.

The government-wide statements of net position for business type activities include \$234,769 for the current portion and \$4,659,964 for the long-term portion of landfill closing and long-term care costs.

7. NET POSITION AND FUND BALANCES

Fund balances consist of the following:

	<u>General Fund</u>	<u>Major Special Revenue Funds</u>	<u>Major Capital Project Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances:					
Nonspendable:	\$ 412,671	\$ -	\$ -	\$ -	\$ 412,671
Restricted:					
Construction	-	15,405,942	17,458,789	6,372,166	39,236,897
Public Safety	-	-	-	9,237,845	9,237,845
Transportation	-	810,108	-	8,108,711	8,918,819
Economic Env	-	-	-	4,707,349	4,707,349
Debt Service	-	-	-	1,093,641	1,093,641
Housing Programs	-	-	-	1,464,203	1,464,203
Other Purposes	-	-	-	4,582,545	4,582,545
Total	<u>-</u>	<u>16,216,050</u>	<u>17,458,789</u>	<u>35,566,460</u>	<u>69,241,299</u>
Restricted	<u>-</u>	<u>16,216,050</u>	<u>17,458,789</u>	<u>35,566,460</u>	<u>69,241,299</u>
Committed:					
Public Safety	-	-	-	1,395,570	1,395,570
Physical Env	-	-	-	5,038,839	5,038,839
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,434,409</u>	<u>6,434,409</u>
Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,434,409</u>	<u>6,434,409</u>
Assigned:					
Operations	9,769,000	-	-	-	9,769,000
Library Services	-	-	-	603,180	603,180
Total Assigned	<u>9,769,000</u>	<u>-</u>	<u>-</u>	<u>603,180</u>	<u>10,372,180</u>
Unassigned	<u>12,720,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,720,322</u>
Total	<u>\$ 22,901,993</u>	<u>\$ 16,216,050</u>	<u>\$ 17,458,789</u>	<u>\$ 42,604,049</u>	<u>\$ 99,180,881</u>

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The restricted fund balances for the major special revenue funds include \$15,405,942 restricted for construction for the Road Impact Fee fund and \$810,108 restricted for transportation for the Public Transportation fund. The restricted fund balances for the capital projects funds include \$15,478,044 restricted for construction for the Sales Tax Capital Projects fund and \$1,980,745 restricted for construction for the Facilities Expansion fund.

Net Investment in capital assets consist of the following:

Governmental activities:	
Capital assets	\$ 494,437,046
Less: Total bonds payable	(116,922,543)
Less: Accounts and retainages payable	(1,944,790)
Add: Restricted cash (Unspent bond proceeds)	6,015,092
Net investment in capital assets	<u>\$ 381,584,805</u>
Business activities:	
Capital assets	12,601,611
Less: Portion of note payable allocable to capital assets	-
Net investment in capital assets	<u>\$ 12,601,611</u>

8. 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.

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

Year Deadline	District 1	District 2	District 3	District 4	District 5	District 6
9/30/2014	\$ -	\$ 2,930,990	\$ -	\$ -	\$ -	\$ 1,717,819
9/30/2015	-	1,785,079	2,085,832	-	-	514,670
9/30/2016	-	756,154	454,076	-	136,089	135,561
9/30/2017	-	107,369	50,241	-	133,918	44,710
9/30/2018	-	69,998	42,506	-	7,931	35,227
9/30/2019	-	4,561	14,720	-	33,807	12,867

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 an additional three (3) years. The amount of fire services impact fees which may be subject to refund is \$947,908, of which \$199,152, \$323,648, and \$425,108 are subject to refund in the years ended September 30, 2017, 2018 and 2019 respectively.

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, \$200,000 for each workers' compensation claim, and \$200,000 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. Effective October 1, 2011, Clerk employees began participating in the Board's plan and the Clerk's plan was discontinued at September 30, 2012.

Effective October 1, 2006, the Sheriff began to self-insure its medical coverage. The Sheriff established an Insurance Fund to account for its uninsured risks of loss. Specific stop loss reinsurance has been obtained for all medical claims exceeding \$150,000 per individual per year.

LAKE COUNTY, FLORIDA
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Each participating entity of the County, Clerk, and Sheriff makes payments to its respective 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, 2013.

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. Settlements have not exceeded coverages for each of the last three fiscal years. All other coverages continue to be insured through commercial carriers.

The liability at the end of the year is classified as current based on historical amounts of claims payments. Changes in the reported liability during the past two years are as follows:

	<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>2011-2012</u>				
County:				
General Liability \$	2,024,000	\$ 2,276,245	\$ (1,876,245)	\$ 2,424,000
County:				
Health	630,000	10,002,708	(9,786,708)	846,000
Clerk:				
Health	220,000	(91,526)	(128,474)	-
Sheriff:				
Health	<u>894,280</u>	<u>8,300,006</u>	<u>(8,009,780)</u>	<u>1,184,506</u>
Total	<u>\$ 3,768,280</u>	<u>\$ 20,487,433</u>	<u>\$ (19,801,207)</u>	<u>\$ 4,454,506</u>
	<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>2012-2013</u>				
County:				
General Liability \$	2,424,000	\$ 2,084,704	\$ (2,033,704)	\$ 2,475,000
County:				
Health	846,000	10,076,090	(10,088,090)	834,000
Sheriff:				
Health	<u>1,184,506</u>	<u>7,037,731</u>	<u>(7,210,980)</u>	<u>1,011,257</u>
Total	<u>\$ 4,454,506</u>	<u>\$ 19,198,525</u>	<u>\$ (19,332,774)</u>	<u>\$ 4,320,257</u>

LAKE COUNTY, FLORIDA
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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. These bonds were refunded as discussed below.

On December 15, 2004 the County settled a lawsuit with Covanta Energy, Inc. 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. 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. The debt is not an obligation of Lake County. However, the County is responsible for the debt service payments through the Waste Disposal Agreement. The amount outstanding on the refunding bond at September 30, 2013 (on Covanta's books) was \$2,731,699. This amount was paid in full on October 1, 2013.

9. 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, 2013, there were fifteen series of Industrial Revenue Bonds outstanding, excluding the resource recovery bonds mentioned above. The current aggregate principal amount for all bonds issued in prior years could not be determined; however, \$43,335,000 in original issue amounts and \$7,517,000 in aggregate principal amounts remain outstanding.

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 NOTES TO FINANCIAL STATEMENTS
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10. RETIREMENT PLAN

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.

The Pension Plan provides for vesting of benefits after six to eight years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 to 65 with six to eight years or more of service. Early retirement is available after six to eight 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 to eight 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>	July 1, 2012 Employer's Contribution Rates	July 1, 2013 Employer's Contribution Rates
	_____	_____
Regular	5.18%	6.95%
Special Risk (Fire and Police)	14.90%	19.06%
Senior Management	6.30%	18.31%
Elected State Officer (Includes County Officials)	10.23%	33.03%
Deferred Retirement Option Plan (DROP)	5.44%	12.84%

The County's contribution to the plan for the years ended September 30, 2013, 2012, and 2011 was \$8,224,957, \$7,333,761, and \$11,569,787, respectively, equal to the required contributions for each year. There were no employee contributions to the plan prior to July 1, 2011, when contribution rates of 3% were applied to all employee salaries except DROP (see below) participants. Employee contributions were \$559,273,

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\$2,241,509, and \$2,201,580 for the period from July 1, 2011 to September 30, 2011 and for the years ended September 30, 2012 and 2013, respectively.

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 either 1/3% or 6.5% interest compounded monthly, depending on the employee's participation date. The employer continues to contribute to the System on behalf of the employee as indicated above.

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.

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Retiree Health Coverage:

Plan Description

The County and its constitutional officers are required by Florida Statutes to offer retirees and their eligible dependents the same health and medical coverage that is offered to active employees, at the same cost. County employees are eligible to receive coverage upon retirement under Florida Retirement System plan provisions, as discussed in Note 10. The plan is a single-employer defined benefit plan and does not issue a separate, audited GAAP-basis report.

Funding Policy

Contribution requirements of plan members are established and may be amended by the Board and each constitutional officer. The County's employer OPEB contribution consists of an implicit rate subsidy only. To determine healthcare plan costs, the County is required to comingle the claims experience of retirees with that of active employees. However, retirees and active employees pay the same premium, thus creating an implicit rate subsidy.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

The following table shows the calculation of the ARC and Net OPEB Obligation for the fiscal year ending September 30, 2013:

Determination of Annual Required Contribution:	
Normal Cost at Year-end	\$ 2,075,600
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	1,212,730
Interest on Normal Cost and Amortization	128,250
Annual Required Contribution	<u>\$ 3,416,580</u>
Determination of Net OPEB Obligation:	
Annual Required Contribution (ARC)	3,416,580
Interest on Prior Year Net OPEB Obligation	495,325
Adjustment to ARC	(521,770)
Less Contributions Made	<u>(629,475)</u>
	2,760,660
Net OPEB Obligation -beginning of year	<u>12,700,496</u>
Net OPEB Obligation -end of year	<u>\$ 15,461,156</u>

This liability is allocable to the Board and Constitutional Officers as follows:

Board of County Commissioners	\$ 2,619,858
Clerk of Courts	626,592
Property Appraiser	134,613
Sheriff	11,763,150
Supervisor of Elections	66,252
Tax Collector	250,691
	<u>\$ 15,461,156</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the new OPEB obligation for 2013 and the two preceding years were as follows:

Year Ended September 30	Annual OPEB Cost	Percent of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 3,527,215	12.8%	\$ 9,414,276
2012	3,839,080	14.0%	12,700,496
2013	3,390,135	18.0%	15,461,156

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Funded Status and Funding Progress

As of October 1, 2011, the most recent actuarial valuation date, the plan was not funded. The following is a schedule of the funding progress:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
10/1/2010	-	\$ 27,220,313	\$ 27,220,313	0.00%	\$ 78,715,421	34.58%
10/1/2011	-	27,219,808	27,219,808	0.00%	68,483,565	39.75%
10/1/2012	-	30,671,051	30,671,051	0.00%	69,336,438	44.24%

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the County and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial methods used in estimating the foregoing liabilities are:

Actuarial valuation date	10/1/2011
Actuarial cost method	Entry Age Normal
Amortization period and method	Closed amortization calculated at a level percent of payroll over 25 years

The actuarial assumptions are:

Investment rate of return	3.9%
Projected annual salaries increase	4.0%
Healthcare cost trend rate	8.5%
Inflation rate	3.0%

LAKE COUNTY, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

B. Other Post Employment Benefits

In addition to the retiree health benefits described above, the Board, the Clerk and the Supervisor also provide post employment health care benefits to employees under plans established through Nationwide Retirement Solutions, Inc. (Nationwide). Twenty-five percent of accrued sick pay for employees with less than 10 years of service and 25-75% for certain employees with ten years or more of service is paid into the trust upon termination, retirement or death if elected by the employee. 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 must be used to reimburse any qualified health insurance premiums paid by the employee.

12. INTERFUND BALANCES AND TRANSFERS

Interfund receivables and payables generally represent temporary loans between funds to cover operating expenditures or intragovernmental balances due to/from the Board and the Constitutional Officers. 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, 2013 is as follows:

Due to/from Governmental Funds		
Due to General Fund from Major Governmental Funds	\$	1,050,473
Due to General Fund from Nonmajor Governmental Funds		725,006
Due to General Fund from Internal Service Funds		730,079
Due to/from Governmental Funds	\$	<u>2,505,558</u>
Intragovernmental receivables and payables:		
Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Govt Funds	\$ 50,674
Nonmajor Govt Funds	General Fund	443,530
Internal Service Funds	General Fund	8,329
Total		<u>\$ 502,533</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

Interfund transfers for the year ended September 30, 2013 consist of the following:

Transfers In:				
Transfer out:	<u>General Fund</u>	<u>Major Funds</u>	<u>Non Major Funds</u>	<u>Total</u>
General Fund	\$ -	\$ 8,149,750	\$ 12,092,865	\$ 20,242,615
Nonmajor Funds	4,177,429	-	2,721,286	6,898,715
Internal Service	292,130	-	-	292,130
Landfill	<u>1,104,642</u>	<u>-</u>	<u>-</u>	<u>1,104,642</u>
Total	<u>\$ 5,574,201</u>	<u>\$ 8,149,750</u>	<u>\$ 14,814,151</u>	<u>\$ 28,538,102</u>
			Transfers out	<u>(29,440,450)</u>
			Net Transfers	<u>\$ (902,348)</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	\$ (1,104,642)
General Fund transfer out to Landfill Fund	2,299,120
Insurance Fund transfer out to General Fund	<u>(292,130)</u>
Total Net Transfers	<u>\$ 902,348</u>

13. 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. New landfills must be constructed in accordance with federal and state requirements. In addition, the County complies with closure and postclosure costs financial assurance requirements imposed by the state. Annually a report is filed detailing the amount of such costs and the County's financial ability to pay them when due.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

The following schedule reflects the changes in estimates and payments for the year ended September 30, 2013:

<u>Landfill</u>	Balance October 1, 2012	Additions/ Changes in Estimates	Payments	Balance September 30, 2013
Construction and Demolition	\$ 253,442	\$ 46,396	\$ -	\$ 299,838
Loghouse	17,243	513,805	50,398	480,650
Umatilla	49,896	(3,049)	13,681	33,166
Lady Lake	187,256	(14,272)	6,349	166,635
Central Landfill Phase I	785,708	5,880	49,600	741,988
Central Landfill Phase II	2,431,958	60,787	157,365	2,335,380
Central Landfill Phase III	570,455	266,621	-	837,076
Totals	<u>\$ 4,295,958</u>	<u>\$ 876,168</u>	<u>\$ 277,393</u>	<u>\$ 4,894,733</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, 2013 the Loghouse, Umatilla, Lady Lake and Central Landfill Phase I landfills had no remaining capacity.

The following schedule reflects the estimated closure and postclosure care costs for each landfill as of September 30, 2013:

<u>Landfill</u>	Remaining Postclosure Care Period	Closure Costs	Postclosure Care	Total Liability
Construction and Demolition	5 years	\$ 242,868	\$ 56,970	\$ 299,838
Loghouse	10 years	-	480,650	480,650
Umatilla	2 years	-	33,166	33,166
Lady Lake	7 years	-	166,635	166,635
Central Landfill Phase I	13 years	-	741,988	741,988
Central Landfill Phase II	30 years	-	2,335,380	2,335,380
Central Landfill Phase III	30 years	355,573	481,503	837,076
Totals		<u>\$ 598,441</u>	<u>\$ 4,296,292</u>	<u>\$ 4,894,733</u>

The Central Landfill Phase III was completed in 2009 and began accepting waste in 2011. The landfill consists of two cells, the Ash Cell and the Municipal Solid Waste Cell. The remaining closure and post closure care costs to be recognized for the Ash Cell portion of the Phase III landfill are \$524,558 and \$710,337 based on 40.4% of capacity used to date. In addition, one year of Postclosure Care amounting to \$234,769 has been included in the current portion of Long Term Obligations in the Landfill Fund.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

These amounts are based on what it would cost the County to perform all closure and postclosure care in 2013. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

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.

PARK IMPACT FEE TRUST FUND

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

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.

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.

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 County Ordinance.

STORMWATER MANAGEMENT, PARKS AND ROADS FUND

To account for ad valorem tax revenues and disbursements of the Stormwater Management, Parks and Roads 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.

FEDERAL/STATE GRANTS FUND

To account for revenues and expenditures for certain Federal and State grants including public safety grants for communications, hazard mitigation, emergency management and homeland security, transportation grants for highway planning and construction, and various community safety and compliance grants.

RESTRICTED LOCAL PROGRAMS FUND

To account for revenues and expenditures for certain restricted local programs including crime prevention, teen court, traffic education, and boating improvements.

ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT FUND

To account for revenues and expenditures for energy efficiency and conservation projects in accordance with a grant from the Federal Department of Energy.

MUNICIPAL SERVICE BENEFIT UNITS/ SPECIAL ASSESSMENTS FUNDS

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.

COUNTY SALES TAX FUND

To account for revenues collected from the discretionary infrastructure sales surtax pursuant to Chapter 212, Part I, Florida Statutes.

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 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.

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.

CLERK SPECIAL REVENUE FUNDS

To account for revenues and expenditures for the modernization of the public records system pursuant to Section 28.24, Florida Statutes, for the operations of the court-related functions of the Clerk's office pursuant to Sections 28.35, 28.36, and 28.37, Florida Statutes, and for additional Clerk court-related operational needs and program enhancements pursuant to Section 28.37, Florida Statutes.

SHERIFF SPECIAL REVENUE FUNDS

To account for revenues and expenditures of various Special Revenue projects of the Lake County Sheriff's Office, including law enforcement trust and grant funds, and to account for the operations of the Commissary operated for the benefit of County jail inmates.

LAKE EMERGENCY MEDICAL SERVICES

To account for revenues and expenditures of Lake Emergency Medical Services, Inc., a non-profit corporation governed primarily by the Lake County Board of County Commissioners, providing ambulance services to Lake County citizens.

DEBT SERVICE FUNDS

SALES TAX NOTE PAYABLE DEBT SERVICE FUND

To account for payments on the note payable issued to provide partial funding of a countywide radio system. The note is secured by infrastructure sales tax.

PARI-MUTUEL REVENUE BONDS DEBT SERVICE FUND

To accumulate monies for payment of the \$4,400,000 Pari-Mutuel Revenues Replacement Refunding Bonds, Series 2011. 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.

PUBLIC LANDS PROGRAM DEBT SERVICE FUND

To accumulate monies for the payment of the \$34,720,000 Limited General Obligation Bonds, Series 2007. The bonds are secured by a pledge of not more than one third of one mill of ad valorem taxes pursuant to a referendum approved by the voters in 2004.

FACILITIES EXPANSION DEBT SERVICE FUND

To accumulate monies for the payment of the \$87,455,000 Capital Improvement Revenue Bonds, Series 2007. The Bonds are secured by a pledge of half-cent sales tax distributed to the County by the State of Florida.

CAPITAL PROJECTS FUNDS

PARKS CAPITAL PROJECTS FUND

To account for construction of various parks throughout Lake County.

EMERGENCY COMMUNICATIONS AND OPERATIONS CENTER FUND

To account for grants and other revenues used to construct and equip the Emergency Communications and Operations Center.

PUBLIC LANDS PROGRAM CAPITAL PROJECTS FUND

To account for bond proceeds used to acquire and improve lands within the County, to protect drinking water sources, preserve natural areas, protect open space from overdevelopment, provide parks and trails and improve water quality.

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013**

	Special Revenue Funds		
	Library Impact Fee Trust	Park Impact Fee Trust	County Transportation Trust
Assets			
Cash	\$ -	\$ -	\$ 350
Pooled Cash and Investments	976,567	446,821	7,791,681
Accounts Receivable	-	-	858
Assessments Receivable	-	-	147,780
Intragovernmental Receivables	-	-	-
Due from Other Governments	25,272	-	943,960
Total Assets	\$ 1,001,839	\$ 446,821	\$ 8,884,629
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 504,098
Retainage Payable	-	-	-
Accrued Liabilities	-	-	124,040
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deposits	-	-	147,780
Total Liabilities	-	-	775,918
Fund Balances			
Restricted	1,001,839	446,821	8,108,711
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	1,001,839	446,821	8,108,711
Total Liabilities and Fund Balances	\$ 1,001,839	\$ 446,821	\$ 8,884,629

Special Revenue Funds

Fish Conservation Trust	Community Development	Lake County Ambulance	Stormwater Management Parks and Roads	Emergency 9-1-1	Resort/Development Tax
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
146,515	-	1,327,925	5,518,872	1,312,762	4,567,001
-	-	-	-	-	-
-	-	-	-	-	-
-	-	54,530	58,841	-	157,296
1,385	352,666	-	9,569	114,507	-
\$ 147,900	\$ 352,666	\$ 1,382,455	\$ 5,587,282	\$ 1,427,269	\$ 4,724,297
\$ -	\$ 92,020	\$ -	\$ 485,768	\$ 20,014	\$ 6,420
-	-	-	26,760	-	-
-	5,395	-	35,310	5,092	10,528
-	27,828	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	605	-	-
-	125,243	-	548,443	25,106	16,948
147,900	227,423	-	-	1,402,163	4,707,349
-	-	1,382,455	5,038,839	-	-
-	-	-	-	-	-
147,900	227,423	1,382,455	5,038,839	1,402,163	4,707,349
\$ 147,900	\$ 352,666	\$ 1,382,455	\$ 5,587,282	\$ 1,427,269	\$ 4,724,297

(Continued)

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013**

	Special Revenue Funds		
	Affordable Housing Assistance Trust	Section 8	Federal/ State Grants
Assets			
Cash	\$ -	\$ -	\$ -
Pooled Cash and Investments	684,987	739,829	192,937
Accounts Receivable	-	33,117	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	-	-	-
Due from Other Governments	-	24,400	623,654
Total Assets	\$ 684,987	\$ 797,346	\$ 816,591
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 210	\$ 5,036	\$ 594,469
Retainage Payable	-	-	42,058
Accrued Liabilities	679	3,656	2,846
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deposits	-	8,549	-
Total Liabilities	889	17,241	639,373
Fund Balances			
Restricted	684,098	780,105	177,218
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	684,098	780,105	177,218
Total Liabilities and Fund Balances	\$ 684,987	\$ 797,346	\$ 816,591

Special Revenue Funds

Restricted Local Programs	Energy Efficiency and Conservation Block Grant	Municipal Service Benefit Units/Special Assessments	Law Enforcement Trust	County Sales Tax	Building Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300
772,833	-	221,749	301,583	883,877	1,611,777
-	-	-	-	-	-
46,401	-	-	25,050	-	-
100	-	-	-	1,164,398	-
\$ 819,334	\$ -	\$ 221,749	\$ 326,633	\$ 2,048,275	\$ 1,612,077
\$ 7,755	\$ -	\$ 597	\$ -	\$ -	\$ 10,866
-	-	-	-	-	-
1,989	-	-	-	-	19,484
-	-	-	-	-	-
14,948	-	-	30,504	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,692	-	597	30,504	-	30,350
794,642	-	221,152	296,129	2,048,275	1,581,727
-	-	-	-	-	-
-	-	-	-	-	-
794,642	-	221,152	296,129	2,048,275	1,581,727
\$ 819,334	\$ -	\$ 221,749	\$ 326,633	\$ 2,048,275	\$ 1,612,077

(Continued)

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013**

	Special Revenue Funds		
	Lake County MTU for Fire Protection	Fire Rescue Impact Fee Trust	County-Wide Library
Assets			
Cash	\$ -	\$ -	\$ 971
Pooled Cash and Investments	5,323,586	1,861,355	688,968
Accounts Receivable	930	-	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	41,743	-	-
Due from Other Governments	50,343	-	-
	\$ 5,416,602	\$ 1,861,355	\$ 689,939
Total Assets			
	\$ 5,416,602	\$ 1,861,355	\$ 689,939
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 218,986	\$ 5,962	\$ 40,655
Retainage Payable	-	-	-
Accrued Liabilities	279,787	-	46,104
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deposits	-	-	-
	498,773	5,962	86,759
Total Liabilities			
	498,773	5,962	86,759
Fund Balances			
Restricted	4,917,829	1,855,393	-
Committed	-	-	-
Assigned	-	-	603,180
	4,917,829	1,855,393	603,180
Total Fund Balances			
	4,917,829	1,855,393	603,180
Total Liabilities and Fund Balances			
	\$ 5,416,602	\$ 1,861,355	\$ 689,939

Special Revenue Funds				Debt Service Funds	
Animal Shelter Trust	Clerk Special Revenue Funds	Sheriff Special Revenue Funds	Lake Emergency Medical Services	Sales Tax Note Payable Debt Service	Pari-Mutuel Revenue Bonds Debt Service
\$ -	\$ 2,760	\$ -	\$ 200	\$ -	\$ -
316,249	2,447,371	255,961	-	40,626	41,751
-	-	561	1,396,778	-	-
-	-	-	-	-	-
-	-	18,137	-	-	-
-	-	202,043	-	-	-
\$ 316,249	\$ 2,450,131	\$ 476,702	\$ 1,396,978	\$ 40,626	\$ 41,751
\$ 2,460	\$ 5,607	\$ 15,073	\$ 264,951	\$ -	\$ -
-	-	-	-	-	-
-	-	9,087	421,734	-	-
-	-	-	697,178	-	-
-	5,222	-	-	-	-
-	842,043	-	-	-	-
-	164,776	-	-	-	-
2,460	1,017,648	24,160	1,383,863	-	-
313,789	1,432,483	452,542	-	40,626	41,751
-	-	-	13,115	-	-
-	-	-	-	-	-
313,789	1,432,483	452,542	13,115	40,626	41,751
\$ 316,249	\$ 2,450,131	\$ 476,702	\$ 1,396,978	\$ 40,626	\$ 41,751

(Continued)

LAKE COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>
	<u>Public Lands Program Debt Service</u>	<u>Facilities Expansion Debt Service</u>	<u>Parks Capital Projects</u>
Assets			
Cash	\$ -	\$ -	\$ -
Pooled Cash and Investments	940,829	28,903	708,601
Accounts Receivable	-	-	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	41,532	-	-
Due from Other Governments	-	-	-
Total Assets	<u>\$ 982,361</u>	<u>\$ 28,903</u>	<u>\$ 708,601</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Retainage Payable	-	-	-
Accrued Liabilities	-	-	-
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deposits	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted	982,361	28,903	708,601
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	<u>982,361</u>	<u>28,903</u>	<u>708,601</u>
Total Liabilities and Fund Balances	<u>\$ 982,361</u>	<u>\$ 28,903</u>	<u>\$ 708,601</u>

Capital Projects Funds

Emergency Communications and Operations Center	Public Lands Program Capital Projects	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 4,581
62,259	2,166,630	42,380,805
-	-	1,432,244
-	-	147,780
-	-	443,530
-	-	3,512,297
\$ 62,259	\$ 2,166,630	\$ 47,921,237
\$ 52,259	\$ -	\$ 2,333,206
10,000	-	78,818
-	-	965,731
-	-	725,006
-	-	50,674
-	-	842,043
-	-	321,710
62,259	-	5,317,188
-	2,166,630	35,566,460
-	-	6,434,409
-	-	603,180
-	2,166,630	42,604,049
\$ 62,259	\$ 2,166,630	\$ 47,921,237

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	Special Revenue Funds		
	Library Impact Fee Trust	Park Impact Fee Trust	County Transportation Trust
Revenues			
Taxes	\$ -	\$ -	\$ 6,577,657
Licenses and Permits	-	-	-
Intergovernmental	-	-	4,636,644
Charges for Services	-	-	528,417
Fines and Forfeitures	-	-	-
Special Assessments	339,848	169,770	67,571
Investment Income	4,000	2,253	24,318
Miscellaneous	-	-	130,993
Total Revenues	343,848	172,023	11,965,600
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	10,985,801
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	448,067	385,811	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	448,067	385,811	10,985,801
Excess of Revenues Over (Under)			
 Expenditures	(104,219)	(213,788)	979,799
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	(573,059)
Total Other Financing Sources (Uses)	-	-	(573,059)
Net Change in Fund Balances	(104,219)	(213,788)	406,740
Fund Balances (Deficit) at Beginning of Year	1,106,058	660,609	7,701,971
Fund Balances at End of Year	\$ 1,001,839	\$ 446,821	\$ 8,108,711

Special Revenue Funds

Fish Conservation Trust	Community Development	Lake County Ambulance	Stormwater Management Parks and Roads	Emergency 9-1-1	Resort/ Development Tax
\$ -	\$ -	\$ 5,489,280	\$ 3,737,333	\$ -	\$ 2,083,808
11,714	-	-	-	-	-
-	2,976,267	-	34,723	261,658	-
-	-	-	161,504	1,465,657	-
-	-	-	-	-	-
-	-	-	-	-	-
484	-	7,943	23,374	6,364	13,441
-	227,423	109,132	10,581	-	11,291
12,198	3,203,690	5,606,355	3,967,515	1,733,679	2,108,540
-	-	100,050	-	-	-
-	-	5,726,458	-	1,359,128	-
-	-	-	1,253,107	-	-
-	2,915,312	-	-	-	1,078,217
-	60,955	-	-	-	-
-	-	-	3,389,682	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,976,267	5,826,508	4,642,789	1,359,128	1,078,217
12,198	227,423	(220,153)	(675,274)	374,551	1,030,323
-	-	52,888	57,294	-	-
(638)	-	(458,472)	(306,282)	(1,369,466)	(101,600)
(638)	-	(405,584)	(248,988)	(1,369,466)	(101,600)
11,560	227,423	(625,737)	(924,262)	(994,915)	928,723
136,340	-	2,008,192	5,963,101	2,397,078	3,778,626
\$ 147,900	\$ 227,423	\$ 1,382,455	\$ 5,038,839	\$ 1,402,163	\$ 4,707,349

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	Special Revenue Funds		
	Affordable Housing Assistance Trust	Section 8	Federal/ State Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	644,039	2,994,614	3,046,003
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Investment Income	1,962	2,565	2,480
Miscellaneous	24,314	82,863	-
Total Revenues	670,315	3,080,042	3,048,483
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	1,944,846
Physical Environment	-	-	-
Transportation	-	-	1,071,106
Economic Environment	477,898	3,105,355	-
Human Services	-	-	23,875
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	477,898	3,105,355	3,039,827
Excess of Revenues Over (Under)			
 Expenditures	192,417	(25,313)	8,656
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	192,417	(25,313)	8,656
Fund Balances (Deficit) at Beginning of Year	491,681	805,418	168,562
Fund Balances at End of Year	\$ 684,098	\$ 780,105	\$ 177,218

Special Revenue Funds

Restricted Local Programs	Energy Efficiency and Conservation Block Grant	Municipal Service Benefit Units/Special Assessments	Law Enforcement Trust	County Sales Tax	Building Services
\$ -	\$ -	\$ -	\$ -	\$ 11,585,339	\$ -
-	-	-	-	-	1,907,439
9,336	100,419	-	-	-	-
340,430	-	-	-	-	119,516
171,964	-	-	179,545	-	11,365
-	-	706,436	-	-	-
2,358	-	1,079	946	3,158	3,746
111,356	-	-	-	-	-
635,444	100,419	707,515	180,491	11,588,497	2,042,066
-	100,469	-	-	-	-
149,911	-	-	127,905	-	1,128,595
7,472	-	-	-	-	-
-	-	623,409	-	-	-
-	-	-	-	-	-
282,318	-	-	-	-	-
145,917	-	-	-	-	-
113,434	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
699,052	100,469	623,409	127,905	-	1,128,595
(63,608)	(50)	84,106	52,586	11,588,497	913,471
95,940	-	-	-	-	-
-	-	(72,809)	-	(10,877,856)	(63,571)
95,940	-	(72,809)	-	(10,877,856)	(63,571)
32,332	(50)	11,297	52,586	710,641	849,900
762,310	50	209,855	243,543	1,337,634	731,827
\$ 794,642	\$ -	\$ 221,152	\$ 296,129	\$ 2,048,275	\$ 1,581,727

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	Special Revenue Funds		
	Lake County MTU For Fire Protection	Fire Rescue Impact Fee Trust	County-Wide Library
Revenues			
Taxes	\$ 2,541,735	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	482,808	-	315,167
Charges for Services	135	-	14,669
Fines and Forfeitures	-	-	49,535
Special Assessments	15,972,137	425,108	-
Investment Income	33,579	6,930	2,409
Miscellaneous	6,304	-	67,952
Total Revenues	19,036,698	432,038	449,732
Expenditures			
Current:			
General Government	-	-	-
Public Safety	19,108,163	602,458	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	4,228,963
Court-Related Expenditures	-	-	86,017
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	19,108,163	602,458	4,314,980
Excess of Revenues Over (Under)			
 Expenditures	(71,465)	(170,420)	(3,865,248)
Other Financing Sources (Uses)			
Transfers In	531,275	-	4,001,095
Transfers Out	(1,393,152)	-	-
Total Other Financing Sources (Uses)	(861,877)	-	4,001,095
Net Change in Fund Balances	(933,342)	(170,420)	135,847
Fund Balances (Deficit) at Beginning of Year	5,851,171	2,025,813	467,333
Fund Balances at End of Year	\$ 4,917,829	\$ 1,855,393	\$ 603,180

Special Revenue Funds				Debt Service Funds	
Animal Shelter Trust	Clerk Special Revenue Funds	Sheriff Special Revenue Funds	Lake Emergency Medical Services	Sales Tax Note Payable Debt Service	Pari-Mutuel Revenue Bonds Debt Service
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	4,806,972	4,981	5,351,587	-	297,667
-	2,298,102	680,969	10,271,761	-	-
-	1,004,496	251,377	-	-	-
-	-	-	-	-	-
1,132	-	-	158	1,199	949
62,859	-	30,600	63,152	-	-
63,991	8,109,570	967,927	15,686,658	1,199	298,616
-	753,270	-	-	-	-
-	-	1,411,467	16,002,995	-	-
-	-	-	-	-	-
-	-	-	-	-	-
66,329	-	-	-	-	-
-	7,170,531	-	-	-	-
-	-	-	-	1,067,547	140,000
-	-	-	-	74,015	143,037
-	-	-	-	-	-
66,329	7,923,801	1,411,467	16,002,995	1,141,562	283,037
(2,338)	185,769	(443,540)	(316,337)	(1,140,363)	15,579
-	-	79,959	-	1,142,813	-
-	-	-	-	-	(150,000)
-	-	79,959	-	1,142,813	(150,000)
(2,338)	185,769	(363,581)	(316,337)	2,450	(134,421)
316,127	1,246,714	816,123	329,452	38,176	176,172
\$ 313,789	\$ 1,432,483	\$ 452,542	\$ 13,115	\$ 40,626	\$ 41,751

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>
	<u>Public Lands Program Debt Service</u>	<u>Facilities Expansion Debt Service</u>	<u>Parks Capital Projects</u>
Revenues			
Taxes	\$ 2,702,259	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Investment Income	6,523	5,728	2,118
Miscellaneous	-	-	-
Total Revenues	<u>2,708,782</u>	<u>5,728</u>	<u>2,118</u>
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	1,425,000	1,800,000	-
Interest and Fiscal Charges	1,277,188	3,940,780	-
Capital Outlay	-	-	481,296
Total Expenditures	<u>2,702,188</u>	<u>5,740,780</u>	<u>481,296</u>
Excess of Revenues Over (Under)			
 Expenditures	<u>6,594</u>	<u>(5,735,052)</u>	<u>(479,178)</u>
Other Financing Sources (Uses)			
Transfers In	40,821	5,740,780	350,000
Transfers Out	(68,091)	-	-
Total Other Financing Sources (Uses)	<u>(27,270)</u>	<u>5,740,780</u>	<u>350,000</u>
Net Change in Fund Balances	(20,676)	5,728	(129,178)
Fund Balances (Deficit) at Beginning of Year	<u>1,003,037</u>	<u>23,175</u>	<u>837,779</u>
Fund Balances at End of Year	<u>\$ 982,361</u>	<u>\$ 28,903</u>	<u>\$ 708,601</u>

Capital Projects Funds

Emergency Communications and Operations Center	Public Lands Program Capital Projects	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 34,717,411
-	-	1,919,153
1,348,354	-	27,311,239
-	-	15,881,160
-	-	1,668,282
-	-	17,680,870
59	8,690	169,945
-	-	938,820
1,348,413	8,690	100,286,880
-	-	953,789
-	-	47,561,926
-	-	1,260,579
-	-	12,680,316
-	-	7,576,782
-	-	433,477
-	-	8,598,440
-	-	7,369,982
-	-	4,432,547
-	-	5,435,020
3,263,586	611,101	4,355,983
3,263,586	611,101	100,658,841
(1,915,173)	(602,411)	(371,961)
2,721,286	-	14,814,151
-	-	(15,434,996)
2,721,286	-	(620,845)
806,113	(602,411)	(992,806)
(806,113)	2,769,041	43,596,855
\$ -	\$ 2,166,630	\$ 42,604,049

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 100,000	\$ 100,000	\$ 339,848	\$ 239,848
Investment Income	4,000	4,000	4,000	-
Less: Statutory Requirement	(5,200)	(5,200)	-	5,200
Total Revenues	98,800	98,800	343,848	245,048
Expenditures				
Current:				
Culture and Recreation	611,048	1,204,858	448,067	756,791
Total Expenditures	611,048	1,204,858	448,067	756,791
Excess of Revenues Over (Under) Expenditures	(512,248)	(1,106,058)	(104,219)	1,001,839
Other Financing Sources (Uses)				
Reserve for Contingencies	(525,477)	-	-	-
Total Other Financing Sources (Uses)	(525,477)	-	-	-
Net Change in Fund Balances	(1,037,725)	(1,106,058)	(104,219)	1,001,839
Fund Balances at Beginning of Year	1,037,725	1,106,058	1,106,058	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,001,839	\$ 1,001,839

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 57,000	\$ 57,000	\$ 169,770	\$ 112,770
Investment Income	3,225	3,225	2,253	(972)
Less: Statutory Requirement	(3,012)	(3,012)	-	3,012
Total Revenues	57,213	57,213	172,023	114,810
Expenditures				
Current:				
Culture and Recreation	647,041	717,822	385,811	332,011
Total Expenditures	647,041	717,822	385,811	332,011
Excess of Revenues Over (Under) Expenditures	(589,828)	(660,609)	(213,788)	446,821
Other Financing Sources (Uses)				
Reserve for Contingencies	(65,820)	-	-	-
Total Other Financing Sources (Uses)	(65,820)	-	-	-
Net Change in Fund Balances	(655,648)	(660,609)	(213,788)	446,821
Fund Balances at Beginning of Year	655,648	660,609	660,609	-
Fund Balances at End of Year	\$ -	\$ -	\$ 446,821	\$ 446,821

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 6,854,743	\$ 6,854,743	\$ 6,577,657	\$ (277,086)
Intergovernmental	4,627,908	4,627,908	4,636,644	8,736
Charges for Services	437,510	437,510	528,417	90,907
Special Assessments	34,000	34,000	67,571	33,571
Investment Income	30,050	30,050	24,318	(5,732)
Miscellaneous	58,000	58,000	130,993	72,993
Less: Statutory Requirement	(572,583)	(572,583)	-	572,583
Total Revenues	11,469,628	11,469,628	11,965,600	495,972
Expenditures				
Current:				
Transportation	14,237,905	14,276,997	10,985,801	3,291,196
Total Expenditures	14,237,905	14,276,997	10,985,801	3,291,196
Excess of Revenues Over (Under) Expenditures	(2,768,277)	(2,807,369)	979,799	3,787,168
Other Financing Sources (Uses)				
Transfers Out	(573,083)	(573,083)	(573,059)	24
Reserve for Contingencies	(1,654,528)	(4,321,519)	-	4,321,519
Total Other Financing Sources (Uses)	(2,227,611)	(4,894,602)	(573,059)	4,321,543
Net Change in Fund Balances	(4,995,888)	(7,701,971)	406,740	8,108,711
Fund Balances at Beginning of Year	4,995,888	7,701,971	7,701,971	-
Fund Balances at End of Year	\$ -	\$ -	\$ 8,108,711	\$ 8,108,711

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FISH CONSERVATION TRUST
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Licenses and Permits	\$ 12,000	\$ 12,000	\$ 11,714	\$ (286)
Investment Income	750	750	484	(266)
Less: Statutory Requirement	(638)	(638)	-	638
Total Revenues	12,112	12,112	12,198	86
Expenditures				
Current:				
Physical Environment	147,292	147,814	-	147,814
Total Expenditures	147,292	147,814	-	147,814
Excess of Revenues Over (Under) Expenditures	(135,180)	(135,702)	12,198	147,900
Other Financing Sources (Uses)				
Transfers Out	(638)	(638)	(638)	-
Total Other Financing Sources (Uses)	(638)	(638)	(638)	-
Net Change in Fund Balances	(135,818)	(136,340)	11,560	147,900
Fund Balances at Beginning of Year	135,818	136,340	136,340	-
Fund Balances at End of Year	\$ -	\$ -	\$ 147,900	\$ 147,900

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 4,663,375	\$ 4,571,391	\$ 2,976,267	\$ (1,595,124)
Miscellaneous	-	88,724	227,423	138,699
Total Revenues	4,663,375	4,660,115	3,203,690	(1,456,425)
Expenditures				
Current:				
Economic Environment	4,599,206	4,595,946	2,915,312	1,680,634
Human Services	64,169	64,169	60,955	3,214
Total Expenditures	4,663,375	4,660,115	2,976,267	1,683,848
Excess of Revenues Over (Under) Expenditures	-	-	227,423	227,423
Other Financing Sources (Uses)				
Reserve for Contingencies	(376,475)	-	-	-
Total Other Financing Sources (Uses)	(376,475)	-	-	-
Net Change in Fund Balances	(376,475)	-	227,423	227,423
Fund Balances at Beginning of Year	376,475	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ 227,423	\$ 227,423

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAKE COUNTY AMBULANCE
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 5,650,570	\$ 5,650,570	\$ 5,489,280	\$ (161,290)
Investment Income	21,000	21,000	7,943	(13,057)
Miscellaneous	-	-	109,132	109,132
Less: Statutory Requirement	(283,579)	(283,579)	-	283,579
Total Revenues	5,387,991	5,387,991	5,606,355	218,364
Expenditures				
Current:				
General Government	105,973	101,654	100,050	1,604
Public Safety	5,722,187	5,726,458	5,726,458	-
Total Expenditures	5,828,160	5,828,112	5,826,508	1,604
Excess of Revenues Over (Under) Expenditures	(440,169)	(440,121)	(220,153)	219,968
Other Financing Sources (Uses)				
Transfers In	-	-	52,888	52,888
Transfers Out	(458,426)	(458,472)	(458,472)	-
Reserve for Contingencies	(1,139,121)	(1,109,599)	-	1,109,599
Total Other Financing Sources (Uses)	(1,597,547)	(1,568,071)	(405,584)	1,162,487
Net Change in Fund Balances	(2,037,716)	(2,008,192)	(625,737)	1,382,455
Fund Balances at Beginning of Year	2,037,716	2,008,192	2,008,192	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,382,455	\$ 1,382,455

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STORMWATER MANAGEMENT PARKS AND ROADS
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 3,843,837	\$ 3,843,837	\$ 3,737,333	\$ (106,504)
Intergovernmental	130,000	717,009	34,723	(682,286)
Charges for Services	65,000	65,000	161,504	96,504
Investment Income	32,100	32,100	23,374	(8,726)
Miscellaneous	10,050	10,050	10,581	531
Less: Statutory Requirement	(197,600)	(197,600)	-	197,600
Total Revenues	3,883,387	4,470,396	3,967,515	(502,881)
Expenditures				
Current:				
Physical Environment	5,242,818	5,344,687	1,253,107	4,091,580
Culture and Recreation	3,551,229	4,629,817	3,389,682	1,240,135
Total Expenditures	8,794,047	9,974,504	4,642,789	5,331,715
Excess of Revenues Over (Under) Expenditures	(4,910,660)	(5,504,108)	(675,274)	4,828,834
Other Financing Sources (Uses)				
Transfers In	1,000	1,000	57,294	56,294
Transfers Out	(307,039)	(307,995)	(306,282)	1,713
Reserve for Contingencies	(889,097)	(151,998)	-	151,998
Total Other Financing Sources (Uses)	(1,195,136)	(458,993)	(248,988)	210,005
Net Change in Fund Balances	(6,105,796)	(5,963,101)	(924,262)	5,038,839
Fund Balances at Beginning of Year	6,105,796	5,963,101	5,963,101	-
Fund Balances at End of Year	\$ -	\$ -	\$ 5,038,839	\$ 5,038,839

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 261,658	\$ 261,658	\$ 261,658	\$ -
Charges for Services	1,414,000	1,414,000	1,465,657	51,657
Investment Income	30,000	30,000	6,364	(23,636)
Less: Statutory Requirement	(85,283)	(85,283)	-	85,283
Total Revenues	1,620,375	1,620,375	1,733,679	113,304
Expenditures				
Current:				
Public Safety	1,487,376	1,890,824	1,359,128	531,696
Total Expenditures	1,487,376	1,890,824	1,359,128	531,696
Excess of Revenues Over (Under) Expenditures	132,999	(270,449)	374,551	645,000
Other Financing Sources (Uses)				
Transfers Out	(1,369,466)	(1,369,466)	(1,369,466)	-
Reserve for Contingencies	(1,146,972)	(757,163)	-	757,163
Total Other Financing Sources (Uses)	(2,516,438)	(2,126,629)	(1,369,466)	757,163
Net Change in Fund Balances	(2,383,439)	(2,397,078)	(994,915)	1,402,163
Fund Balances at Beginning of Year	2,383,439	2,397,078	2,397,078	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,402,163	\$ 1,402,163

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESORT/DEVELOPMENT TAX
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 2,000,000	\$ 2,000,000	\$ 2,083,808	\$ 83,808
Investment Income	10,000	10,000	13,441	3,441
Miscellaneous	22,000	22,000	11,291	(10,709)
Less: Statutory Requirement	(101,600)	(101,600)	-	101,600
Total Revenues	1,930,400	1,930,400	2,108,540	178,140
Expenditures				
Current:				
Economic Environment	1,629,501	1,634,615	1,078,217	556,398
Total Expenditures	1,629,501	1,634,615	1,078,217	556,398
Excess of Revenues Over (Under) Expenditures	300,899	295,785	1,030,323	734,538
Other Financing Sources (Uses)				
Transfers Out	(101,600)	(101,600)	(101,600)	-
Reserve for Contingencies	(3,599,374)	(3,972,811)	-	3,972,811
Total Other Financing Sources (Uses)	(3,700,974)	(4,074,411)	(101,600)	3,972,811
Net Change in Fund Balances	(3,400,075)	(3,778,626)	928,723	4,707,349
Fund Balances at Beginning of Year	3,400,075	3,778,626	3,778,626	-
Fund Balances at End of Year	\$ -	\$ -	\$ 4,707,349	\$ 4,707,349

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 118,024	\$ 644,039	\$ 526,015
Investment Income	2,000	1,300	1,962	662
Miscellaneous	10,000	5,000	24,314	19,314
Total Revenues	12,000	124,324	670,315	545,991
Expenditures				
Current:				
Economic Environment	530,033	616,005	477,898	138,107
Total Expenditures	530,033	616,005	477,898	138,107
Excess of Revenues Over (Under) Expenditures	(518,033)	(491,681)	192,417	684,098
Net Change in Fund Balances	(518,033)	(491,681)	192,417	684,098
Fund Balances at Beginning of Year	518,033	491,681	491,681	-
Fund Balances at End of Year	\$ -	\$ -	\$ 684,098	\$ 684,098

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SECTION 8
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 3,458,494	\$ 3,032,104	\$ 2,994,614	\$ (37,490)
Investment Income	4,800	2,000	2,565	565
Miscellaneous	75,000	83,000	82,863	(137)
Total Revenues	3,538,294	3,117,104	3,080,042	(37,062)
Expenditures				
Current:				
Economic Environment	3,783,903	3,339,530	3,105,355	234,175
Total Expenditures	3,783,903	3,339,530	3,105,355	234,175
Excess of Revenues Over (Under) Expenditures	(245,609)	(222,426)	(25,313)	197,113
Other Financing Sources (Uses)				
Reserve for Contingencies	(142,895)	(582,992)	-	582,992
Total Other Financing Sources (Uses)	(142,895)	(582,992)	-	582,992
Net Change in Fund Balances	(388,504)	(805,418)	(25,313)	780,105
Fund Balances at Beginning of Year	388,504	805,418	805,418	-
Fund Balances at End of Year	\$ -	\$ -	\$ 780,105	\$ 780,105

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FEDERAL/STATE GRANTS
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 6,820,324	\$ 9,312,653	\$ 3,046,003	\$ (6,266,650)
Investment Income	-	-	2,480	2,480
Total Revenues	6,820,324	9,312,653	3,048,483	(6,264,170)
Expenditures				
Current:				
Public Safety	2,304,372	3,090,919	1,944,846	1,146,073
Transportation	4,497,452	6,366,419	1,071,106	5,295,313
Human Services	24,333	23,877	23,875	2
Total Expenditures	6,826,157	9,481,215	3,039,827	6,441,388
Excess of Revenues Over (Under) Expenditures	(5,833)	(168,562)	8,656	177,218
Other Financing Sources (Uses)				
Reserve for Contingencies	(610,184)	-	-	-
Total Other Financing Sources (Uses)	(610,184)	-	-	-
Net Change in Fund Balances	(616,017)	(168,562)	8,656	177,218
Fund Balances at Beginning of Year	616,017	168,562	168,562	-
Fund Balances at End of Year	\$ -	\$ -	\$ 177,218	\$ 177,218

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESTRICTED LOCAL PROGRAMS
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 11,781	\$ 11,781	\$ 9,336	\$ (2,445)
Charges for Services	314,925	314,925	340,430	25,505
Fines and Forfeitures	160,000	160,000	171,964	11,964
Investment Income	-	-	2,358	2,358
Miscellaneous	77,000	77,000	111,356	34,356
Total Revenues	563,706	563,706	635,444	71,738
Expenditures				
Current:				
Public Safety	306,567	348,992	149,911	199,081
Physical Environment	105,847	101,721	7,472	94,249
Human Services	542,502	550,376	282,318	268,058
Culture and Recreation	139,361	232,231	145,917	86,314
Court-Related Expenditures	109,925	188,636	113,434	75,202
Total Expenditures	1,204,202	1,421,956	699,052	722,904
Excess of Revenues Over (Under) Expenditures	(640,496)	(858,250)	(63,608)	794,642
Other Financing Sources (Uses)				
Transfers In	-	95,940	95,940	-
Reserve for Contingencies	(46,278)	-	-	-
Total Other Financing Sources (Uses)	(46,278)	95,940	95,940	-
Net Change in Fund Balances	(686,774)	(762,310)	32,332	794,642
Fund Balances at Beginning of Year	686,774	762,310	762,310	-
Fund Balances at End of Year	\$ -	\$ -	\$ 794,642	\$ 794,642

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 100,419	\$ 100,419	\$ -
Total Revenues	<u>-</u>	<u>100,419</u>	<u>100,419</u>	<u>-</u>
Expenditures				
Current:				
General Government	6,101	100,469	100,469	-
Total Expenditures	<u>6,101</u>	<u>100,469</u>	<u>100,469</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,101)</u>	<u>(50)</u>	<u>(50)</u>	<u>-</u>
Other Financing Sources (Uses)				
Reserve for Contingencies	(266,022)	-	-	-
Total Other Financing Sources (Uses)	<u>(266,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(272,123)</u>	<u>(50)</u>	<u>(50)</u>	<u>-</u>
Fund Balances at Beginning of Year	<u>272,123</u>	<u>50</u>	<u>50</u>	<u>-</u>
Fund Balances at End of Year	<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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 732,015	\$ 732,015	\$ 706,436	\$ (25,579)
Investment Income	1,629	1,629	1,079	(550)
Less: Statutory Requirement	(36,682)	(36,682)	-	36,682
Total Revenues	696,962	696,962	707,515	10,553
Expenditures				
Current:				
Transportation	616,261	626,260	623,409	2,851
Total Expenditures	616,261	626,260	623,409	2,851
Excess of Revenues Over (Under) Expenditures	80,701	70,702	84,106	13,404
Other Financing Sources (Uses)				
Transfers Out	(80,701)	(80,701)	(72,809)	7,892
Reserve for Contingencies	(194,490)	(199,856)	-	199,856
Total Other Financing Sources (Uses)	(275,191)	(280,557)	(72,809)	207,748
Net Change in Fund Balances	(194,490)	(209,855)	11,297	221,152
Fund Balances at Beginning of Year	194,490	209,855	209,855	-
Fund Balances at End of Year	\$ -	\$ -	\$ 221,152	\$ 221,152

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Fines and Forfeitures	\$ -	\$ -	\$ 179,545	\$ 179,545
Investment Income	1,250	1,250	946	(304)
Less: Statutory Requirement	(63)	(63)	-	63
Total Revenues	<u>1,187</u>	<u>1,187</u>	<u>180,491</u>	<u>179,304</u>
Expenditures				
Current:				
Public Safety	162,050	244,730	127,905	116,825
Total Expenditures	<u>162,050</u>	<u>244,730</u>	<u>127,905</u>	<u>116,825</u>
Excess of Revenues Over (Under) Expenditures	<u>(160,863)</u>	<u>(243,543)</u>	<u>52,586</u>	<u>296,129</u>
Net Change in Fund Balances	<u>(160,863)</u>	<u>(243,543)</u>	<u>52,586</u>	<u>296,129</u>
Fund Balances at Beginning of Year	<u>160,863</u>	<u>243,543</u>	<u>243,543</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 296,129</u></u>	<u><u>\$ 296,129</u></u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY SALES TAX
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 10,795,079	\$ 10,795,079	\$ 11,585,339	\$ 790,260
Investment Income	-	-	3,158	3,158
Less: Statutory Requirement	(539,754)	(539,754)	-	539,754
Total Revenues	<u>10,255,325</u>	<u>10,255,325</u>	<u>11,588,497</u>	<u>1,333,172</u>
Expenditures				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>10,255,325</u>	<u>10,255,325</u>	<u>11,588,497</u>	<u>1,333,172</u>
Other Financing Sources (Uses)				
Transfers Out	(11,343,030)	(11,592,959)	(10,877,856)	715,103
Total Other Financing Sources (Uses)	<u>(11,343,030)</u>	<u>(11,592,959)</u>	<u>(10,877,856)</u>	<u>715,103</u>
Net Change in Fund Balances	<u>(1,087,705)</u>	<u>(1,337,634)</u>	<u>710,641</u>	<u>2,048,275</u>
Fund Balances at Beginning of Year	<u>1,087,705</u>	<u>1,337,634</u>	<u>1,337,634</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,048,275</u>	<u>\$ 2,048,275</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING SERVICES
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Licenses and Permits	\$ 1,192,626	\$ 1,192,626	\$ 1,907,439	\$ 714,813
Charges for Services	71,798	71,798	119,516	47,718
Fines and Forfeitures	5,500	5,500	11,365	5,865
Investment Income	1,500	1,500	3,746	2,246
Less: Statutory Requirement	(63,571)	(63,571)	-	63,571
Total Revenues	1,207,853	1,207,853	2,042,066	834,213
Expenditures				
Current:				
Public Safety	1,189,661	1,325,265	1,128,595	196,670
Total Expenditures	1,189,661	1,325,265	1,128,595	196,670
Excess of Revenues Over (Under) Expenditures	18,192	(117,412)	913,471	1,030,883
Other Financing Sources (Uses)				
Transfers Out	(63,571)	(63,571)	(63,571)	-
Reserve for Contingencies	(409,364)	(550,844)	-	550,844
Total Other Financing Sources (Uses)	(472,935)	(614,415)	(63,571)	550,844
Net Change in Fund Balances	(454,743)	(731,827)	849,900	1,581,727
Fund Balances at Beginning of Year	454,743	731,827	731,827	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,581,727	\$ 1,581,727

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 2,621,001	\$ 2,621,001	\$ 2,541,735	\$ (79,266)
Intergovernmental	198,880	485,436	482,808	(2,628)
Charges for Services	-	-	135	135
Special Assessments	16,490,000	16,490,000	15,972,137	(517,863)
Investment Income	60,000	60,000	33,579	(26,421)
Miscellaneous	-	-	6,304	6,304
Less: Statutory Requirement	(967,634)	(967,634)	-	967,634
Total Revenues	18,402,247	18,688,803	19,036,698	347,895
Expenditures				
Current:				
Public Safety	19,659,416	20,084,164	19,108,163	976,001
Total Expenditures	19,659,416	20,084,164	19,108,163	976,001
Excess of Revenues Over (Under) Expenditures	(1,257,169)	(1,395,361)	(71,465)	1,323,896
Other Financing Sources (Uses)				
Transfers In	492,298	492,298	531,275	38,977
Transfers Out	(1,392,656)	(1,393,152)	(1,393,152)	-
Reserve for Contingencies	(2,914,470)	(3,554,956)	-	3,554,956
Total Other Financing Sources (Uses)	(3,814,828)	(4,455,810)	(861,877)	3,593,933
Net Change in Fund Balances	(5,071,997)	(5,851,171)	(933,342)	4,917,829
Fund Balances at Beginning of Year	5,071,997	5,851,171	5,851,171	-
Fund Balances at End of Year	\$ -	\$ -	\$ 4,917,829	\$ 4,917,829

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Special Assessments	\$ 150,000	\$ 150,000	\$ 425,108	\$ 275,108
Investment Income	15,000	15,000	6,930	(8,070)
Less: Statutory Requirement	(8,250)	(8,250)	-	8,250
Total Revenues	156,750	156,750	432,038	275,288
Expenditures				
Current:				
Public Safety	569,355	687,233	602,458	84,775
Total Expenditures	569,355	687,233	602,458	84,775
Excess of Revenues Over (Under) Expenditures	(412,605)	(530,483)	(170,420)	360,063
Other Financing Sources (Uses)				
Reserve for Contingencies	(1,570,014)	(1,495,330)	-	1,495,330
Total Other Financing Sources (Uses)	(1,570,014)	(1,495,330)	-	1,495,330
Net Change in Fund Balances	(1,982,619)	(2,025,813)	(170,420)	1,855,393
Fund Balances at Beginning of Year	1,982,619	2,025,813	2,025,813	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,855,393	\$ 1,855,393

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY-WIDE LIBRARY
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 338,390	\$ 315,167	\$ 315,167	\$ -
Charges for Services	25,600	10,600	14,669	4,069
Fines and Forfeitures	52,700	52,700	49,535	(3,165)
Investment Income	2,500	2,500	2,409	(91)
Miscellaneous	52,800	52,800	67,952	15,152
Less: Statutory Requirement	(14,100)	(14,100)	-	14,100
Total Revenues	457,890	419,667	449,732	30,065
Expenditures				
Current:				
Culture and Recreation	4,520,462	4,504,300	4,228,963	275,337
Court-Related Expenditures	182,017	178,567	86,017	92,550
Total Expenditures	4,702,479	4,682,867	4,314,980	367,887
Excess of Revenues Over (Under) Expenditures	(4,244,589)	(4,263,200)	(3,865,248)	397,952
Other Financing Sources (Uses)				
Transfers In	4,001,095	4,001,095	4,001,095	-
Reserve for Contingencies	(94,202)	(205,228)	-	205,228
Total Other Financing Sources (Uses)	3,906,893	3,795,867	4,001,095	205,228
Net Change in Fund Balances	(337,696)	(467,333)	135,847	603,180
Fund Balances at Beginning of Year	337,696	467,333	467,333	-
Fund Balances at End of Year	\$ -	\$ -	\$ 603,180	\$ 603,180

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ANIMAL SHELTER TRUST
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 1,400	\$ 1,400	\$ 1,132	\$ (268)
Miscellaneous	80,000	80,000	62,859	(17,141)
Less: Statutory Requirement	(4,070)	(4,070)	-	4,070
Total Revenues	77,330	77,330	63,991	(13,339)
Expenditures				
Current:				
Human Services	80,000	99,999	66,329	33,670
Total Expenditures	80,000	99,999	66,329	33,670
Excess of Revenues Over (Under) Expenditures	(2,670)	(22,669)	(2,338)	20,331
Other Financing Sources (Uses)				
Reserve for Contingencies	(297,677)	(293,458)	-	293,458
Total Other Financing Sources (Uses)	(297,677)	(293,458)	-	293,458
Net Change in Fund Balances	(300,347)	(316,127)	(2,338)	313,789
Fund Balances at Beginning of Year	300,347	316,127	316,127	-
Fund Balances at End of Year	\$ -	\$ -	\$ 313,789	\$ 313,789

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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 6,297,891	\$ 4,748,380	\$ 4,806,972	\$ 58,592
Charges for Services	590,000	1,701,766	2,298,102	596,336
Fines and Forfeitures	400,000	886,000	1,004,496	118,496
Total Revenues	<u>7,287,891</u>	<u>7,336,146</u>	<u>8,109,570</u>	<u>773,424</u>
Expenditures				
Current:				
General Government	1,583,295	1,801,483	753,270	1,048,213
Court-Related Expenditures	6,297,891	6,346,146	7,170,531	(824,385)
Total Expenditures	<u>7,881,186</u>	<u>8,147,629</u>	<u>7,923,801</u>	<u>223,828</u>
Excess of Revenues Over (Under) Expenditures	<u>(593,295)</u>	<u>(811,483)</u>	<u>185,769</u>	<u>997,252</u>
Other Financing Sources (Uses)				
Reserve for Contingencies	(187,541)	(199,769)	-	199,769
Total Other Financing Sources (Uses)	<u>(187,541)</u>	<u>(199,769)</u>	<u>-</u>	<u>199,769</u>
Net Change in Fund Balances	<u>(780,836)</u>	<u>(1,011,252)</u>	<u>185,769</u>	<u>1,197,021</u>
Fund Balances at Beginning of Year	<u>780,836</u>	<u>1,011,252</u>	<u>1,246,714</u>	<u>235,462</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,432,483</u></u>	<u><u>\$ 1,432,483</u></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, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 4,981	\$ 4,981	\$ -
Charges for Services	-	675,000	680,969	5,969
Fines and Forfeitures	-	-	251,377	251,377
Miscellaneous	-	26,200	30,600	4,400
Total Revenues	<u>-</u>	<u>706,181</u>	<u>967,927</u>	<u>261,746</u>
Expenditures				
Current:				
Public Safety	-	1,411,501	1,411,467	34
Total Expenditures	<u>-</u>	<u>1,411,501</u>	<u>1,411,467</u>	<u>34</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(705,320)</u>	<u>(443,540)</u>	<u>261,780</u>
Other Financing Sources (Uses)				
Transfers In	-	79,959	79,959	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>79,959</u>	<u>79,959</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(625,361)</u>	<u>(363,581)</u>	<u>261,780</u>
Fund Balances at Beginning of Year	<u>-</u>	<u>625,361</u>	<u>816,123</u>	<u>190,762</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 452,542</u>	<u>\$ 452,542</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAKE EMERGENCY MEDICAL SERVICES
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 5,208,843	\$ 5,351,587	\$ 5,351,587	\$ -
Charges for Services	11,100,338	11,100,339	10,271,761	(828,578)
Investment Income	-	-	158	158
Miscellaneous	20,100	38,290	63,152	24,862
Total Revenues	16,329,281	16,490,216	15,686,658	(803,558)
Expenditures				
Current:				
Public Safety	16,319,281	16,404,668	16,002,995	401,673
Total Expenditures	16,319,281	16,404,668	16,002,995	401,673
Excess of Revenues Over (Under) Expenditures	10,000	85,548	(316,337)	(401,885)
Other Financing Sources (Uses)				
Transfers Out	(160,000)	(160,000)	-	160,000
Reserve for Contingencies	(150,000)	(255,000)	-	255,000
Total Other Financing Sources (Uses)	(310,000)	(415,000)	-	415,000
Net Change in Fund Balances	(300,000)	(329,452)	(316,337)	13,115
Fund Balances at Beginning of Year	300,000	329,452	329,452	-
Fund Balances at End of Year	\$ -	\$ -	\$ 13,115	\$ 13,115

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SALES TAX NOTE PAYABLE DEBT SERVICE
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 1,000	\$ 1,000	\$ 1,199	\$ 199
Less: Statutory Requirement	(50)	(50)	-	50
Total Revenues	950	950	1,199	249
Expenditures				
Debt Service:				
Principal	1,067,548	1,067,547	1,067,547	-
Interest and Fiscal Charges	75,265	74,015	74,015	-
Total Expenditures	1,142,813	1,141,562	1,141,562	-
Excess of Revenues Over (Under) Expenditures	(1,141,863)	(1,140,612)	(1,140,363)	249
Other Financing Sources (Uses)				
Transfers In	1,208,398	1,142,813	1,142,813	-
Reserve for Contingencies	(128,010)	(40,377)	-	40,377
Total Other Financing Sources (Uses)	1,080,388	1,102,436	1,142,813	40,377
Net Change in Fund Balances	(61,475)	(38,176)	2,450	40,626
Fund Balances at Beginning of Year	61,475	38,176	38,176	-
Fund Balances at End of Year	\$ -	\$ -	\$ 40,626	\$ 40,626

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, 2013

	<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	1,000	1,000	949	(51)
Less: Statutory Requirement	(14,933)	(14,933)	-	14,933
Total Revenues	283,734	283,734	298,616	14,882
Expenditures				
Debt Service:				
Principal	135,000	139,855	140,000	(145)
Interest and Fiscal Charges	135,028	144,391	143,037	1,354
Total Expenditures	270,028	284,246	283,037	1,209
Excess of Revenues Over (Under) Expenditures	13,706	(512)	15,579	16,091
Other Financing Sources (Uses)				
Transfers Out	-	(150,000)	(150,000)	-
Reserve for Contingencies	(187,480)	(25,660)	-	25,660
Total Other Financing Sources (Uses)	(187,480)	(175,660)	(150,000)	25,660
Net Change in Fund Balances	(173,774)	(176,172)	(134,421)	41,751
Fund Balances at Beginning of Year	173,774	176,172	176,172	-
Fund Balances at End of Year	\$ -	\$ -	\$ 41,751	\$ 41,751

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC LANDS PROGRAM DEBT SERVICE
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Taxes	\$ 2,786,422	\$ 2,786,422	\$ 2,702,259	\$ (84,163)
Investment Income	30,100	30,100	6,523	(23,577)
Less: Statutory Requirement	(140,826)	(140,826)	-	140,826
Total Revenues	2,675,696	2,675,696	2,708,782	33,086
Expenditures				
Debt Service:				
Principal	1,425,000	1,425,000	1,425,000	-
Interest and Fiscal Charges	1,278,688	1,278,688	1,277,188	1,500
Total Expenditures	2,703,688	2,703,688	2,702,188	1,500
Excess of Revenues Over (Under) Expenditures	(27,992)	(27,992)	6,594	34,586
Other Financing Sources (Uses)				
Transfers In	15,500	15,500	40,821	25,321
Transfers Out	(70,092)	(70,092)	(68,091)	2,001
Reserve for Contingencies	(925,644)	(920,453)	-	920,453
Total Other Financing Sources (Uses)	(980,236)	(975,045)	(27,270)	947,775
Net Change in Fund Balances	(1,008,228)	(1,003,037)	(20,676)	982,361
Fund Balances at Beginning of Year	1,008,228	1,003,037	1,003,037	-
Fund Balances at End of Year	\$ -	\$ -	\$ 982,361	\$ 982,361

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FACILITIES EXPANSION DEBT SERVICE
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 10,000	\$ 10,000	\$ 5,728	\$ (4,272)
Less: Statutory Requirement	(500)	(500)	-	500
Total Revenues	9,500	9,500	5,728	(3,772)
Expenditures				
Debt Service:				
Principal	1,800,000	1,800,000	1,800,000	-
Interest and Fiscal Charges	3,942,280	3,942,280	3,940,780	1,500
Total Expenditures	5,742,280	5,742,280	5,740,780	1,500
Excess of Revenues Over (Under) Expenditures	(5,732,780)	(5,732,780)	(5,735,052)	(2,272)
Other Financing Sources (Uses)				
Transfers In	5,740,780	5,740,780	5,740,780	-
Reserve for Contingencies	(30,058)	(31,175)	-	31,175
Total Other Financing Sources (Uses)	5,710,722	5,709,605	5,740,780	31,175
Net Change in Fund Balances	(22,058)	(23,175)	5,728	28,903
Fund Balances at Beginning of Year	22,058	23,175	23,175	-
Fund Balances at End of Year	\$ -	\$ -	\$ 28,903	\$ 28,903

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARKS CAPITAL PROJECTS
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 3,000	\$ 3,000	\$ 2,118	\$ (882)
Less: Statutory Requirement	(150)	(150)	-	150
Total Revenues	2,850	2,850	2,118	(732)
Expenditures				
Capital Outlay	996,873	1,190,629	481,296	709,333
Total Expenditures	996,873	1,190,629	481,296	709,333
Excess of Revenues Over (Under) Expenditures	(994,023)	(1,187,779)	(479,178)	708,601
Other Financing Sources (Uses)				
Transfers In	350,000	350,000	350,000	-
Reserve for Contingencies	(530,392)	-	-	-
Total Other Financing Sources (Uses)	(180,392)	350,000	350,000	-
Net Change in Fund Balances	(1,174,415)	(837,779)	(129,178)	708,601
Fund Balances at Beginning of Year	1,174,415	837,779	837,779	-
Fund Balances at End of Year	\$ -	\$ -	\$ 708,601	\$ 708,601

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMERGENCY COMMUNICATIONS AND OPERATIONS CENTER
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 1,305,587	\$ 1,348,354	\$ 42,767
Investment Income	-	-	59	59
Total Revenues	-	1,305,587	1,348,413	42,826
Expenditures				
Capital Outlay	3,382,889	3,935,863	3,263,586	672,277
Total Expenditures	3,382,889	3,935,863	3,263,586	672,277
Excess of Revenues Over (Under) Expenditures	(3,382,889)	(2,630,276)	(1,915,173)	715,103
Other Financing Sources (Uses)				
Transfers In	3,382,889	3,436,389	2,721,286	(715,103)
Reserve for Contingencies	(2,105,974)	-	-	-
Total Other Financing Sources (Uses)	1,276,915	3,436,389	2,721,286	(715,103)
Net Change in Fund Balances	(2,105,974)	806,113	806,113	-
Fund Balances at Beginning of Year	2,105,974	(806,113)	(806,113)	-
Fund Balances at End of Year	\$ -	\$ -	\$ -	\$ -

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC LANDS PROGRAM CAPITAL PROJECTS
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 5,000	\$ 5,000	\$ 8,690	\$ 3,690
Less: Statutory Requirement	(250)	(250)	-	250
Total Revenues	4,750	4,750	8,690	3,940
Expenditures				
Capital Outlay	2,569,715	2,773,791	611,101	2,162,690
Total Expenditures	2,569,715	2,773,791	611,101	2,162,690
Excess of Revenues Over (Under) Expenditures	(2,564,965)	(2,769,041)	(602,411)	2,166,630
Other Financing Sources (Uses)				
Reserve for Contingencies	(762,447)	-	-	-
Total Other Financing Sources (Uses)	(762,447)	-	-	-
Net Change in Fund Balances	(3,327,412)	(2,769,041)	(602,411)	2,166,630
Fund Balances at Beginning of Year	3,327,412	2,769,041	2,769,041	-
Fund Balances at End of Year	\$ -	\$ -	\$ 2,166,630	\$ 2,166,630

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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.

FACILITIES EXPANSION CAPITAL PROJECTS FUND

To account for bond proceeds used to acquire, construct and equip various capital improvements including the Downtown Tavares Center for Governmental Operations and the Judicial Center Expansion.

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - CAPITAL PROJECTS
SALES TAX CAPITAL PROJECTS
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income	\$ 65,000	\$ 65,000	\$ 49,055	\$ (15,945)
Miscellaneous	-	-	29,950	29,950
Less: Statutory Requirement	(3,250)	(3,250)	-	3,250
Total Revenues	61,750	61,750	79,005	17,255
Expenditures				
Capital Outlay	11,972,729	17,594,131	4,876,016	12,718,115
Total Expenditures	11,972,729	17,594,131	4,876,016	12,718,115
Excess of Revenues Over (Under) Expenditures	(11,910,979)	(17,532,381)	(4,797,011)	12,735,370
Other Financing Sources (Uses)				
Transfers In	6,481,455	6,743,469	6,743,469	-
Reserve for Contingencies	(6,595,156)	(2,742,674)	-	2,742,674
Total Other Financing Sources (Uses)	(113,701)	4,000,795	6,743,469	2,742,674
Net Change in Fund Balances	(12,024,680)	(13,531,586)	1,946,458	15,478,044
Fund Balances at Beginning of Year	12,024,680	13,531,586	13,531,586	-
Fund Balances at End of Year	\$ -	\$ -	\$ 15,478,044	\$ 15,478,044

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - CAPITAL PROJECTS
FACILITIES EXPANSION
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income	\$ 200,000	\$ 200,000	\$ 23,212	\$ (176,788)
Less: Statutory Requirement	(10,000)	(10,000)	-	10,000
Total Revenues	190,000	190,000	23,212	(166,788)
Expenditures				
Capital Outlay	5,454,693	6,198,557	4,051,024	2,147,533
Total Expenditures	5,454,693	6,198,557	4,051,024	2,147,533
Excess of Revenues Over (Under) Expenditures	(5,264,693)	(6,008,557)	(4,027,812)	1,980,745
Other Financing Sources (Uses)				
Reserve for Contingencies	(8,530,677)	-	-	-
Total Other Financing Sources (Uses)	(8,530,677)	-	-	-
Net Change in Fund Balances	(13,795,370)	(6,008,557)	(4,027,812)	1,980,745
Fund Balances at Beginning of Year	13,795,370	6,008,557	6,008,557	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,980,745	\$ 1,980,745

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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, Clerk of the Circuit Court, Supervisor of Elections, and Property Appraiser and Tax Collector. 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 – SHERIFF

To account for the revenues and expenses of the Employee Group Health Insurance Program of the Sheriff.

FLEET MANAGEMENT INTERNAL SERVICE FUND

To account for the revenues and expenses of the Fleet Management Division, which provides fleet services to the county and other agencies.

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 ALL INTERNAL SERVICE FUNDS
September 30, 2013

	Board Insurance	Sheriff Insurance
Assets		
Current Assets:		
Pooled Cash and Investments	\$ 15,489,814	\$ 2,115,616
Cash with Fiscal Agent	51,566	-
Accounts Receivable	171,249	90,465
Intragovernmental Receivables	-	-
Due from Other Governments	-	-
Inventory	-	-
Total Current Assets	15,712,629	2,206,081
Capital Assets:		
Equipment	-	-
Less: Accumulated Depreciation	-	-
Total Capital Assets	-	-
Total Assets	15,712,629	2,206,081
Liabilities		
Current Liabilities:		
Accounts Payable	1,630,136	634,824
Accrued Liabilities	-	-
Due to Other Funds	-	560,000
Estimated Insurance Claims Payable	3,309,000	1,011,257
Current Portion of Long Term Obligations	-	-
Total Current Liabilities	4,939,136	2,206,081
Long-Term Liabilities:		
Accrued Benefits Payable	-	-
Total Long-Term Liabilities	-	-
Total Liabilities	4,939,136	2,206,081
Net Position		
Net Investment in Capital Assets	-	-
Unrestricted, (Deficit)	10,773,493	-
Total Net Position	\$ 10,773,493	\$ -

<u>Fleet Management</u>	<u>Total</u>
\$ -	\$ 17,605,430
-	51,566
937	262,651
8,329	8,329
5,381	5,381
357,913	357,913
372,560	18,291,270
635,926	635,926
(603,454)	(603,454)
32,472	32,472
405,032	18,323,742
129,626	2,394,586
17,547	17,547
170,079	730,079
-	4,320,257
21,903	21,903
339,155	7,484,372
41,647	41,647
41,647	41,647
380,802	7,526,019
32,472	32,472
(8,242)	10,765,251
\$ 24,230	\$ 10,797,723

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2013

	<u>Board Insurance</u>	<u>Sheriff Insurance</u>
Operating Revenues:		
Charges for Services	\$ 13,936,368	\$ 7,587,750
Miscellaneous	2,662	-
Total Operating Revenues	<u>13,939,030</u>	<u>7,587,750</u>
Operating Expenses:		
Benefit Payments and Claims	12,160,794	7,037,731
Personal Services	-	-
Contracted Services	-	-
Supplies and Materials	-	-
Repairs and Maintenance	-	-
Utilities	-	-
Other Charges and Services	1,539,149	555,962
Depreciation and Amortization	-	-
Total Operating Expenses	<u>13,699,943</u>	<u>7,593,693</u>
Operating Income (Loss)	239,087	(5,943)
Non-Operating Revenues:		
Interest Revenue	53,829	5,943
Net Gain (Loss) on Disposal of Capital Assets	-	-
Total Non-Operating Revenues	<u>53,829</u>	<u>5,943</u>
Income (Loss) Before Transfers	292,916	-
Transfers Out	(292,130)	-
Total Transfers	<u>(292,130)</u>	<u>-</u>
Change in Net Position	786	-
Net Position at Beginning of Year	<u>10,772,707</u>	<u>-</u>
Net Position at End of Year	<u>\$ 10,773,493</u>	<u>\$ -</u>

<u>Fleet Management</u>	<u>Total</u>
\$ 3,572,793	\$ 25,096,911
12,977	15,639
<u>3,585,770</u>	<u>25,112,550</u>
-	19,198,525
843,720	843,720
24,492	24,492
1,285,887	1,285,887
1,497,444	1,497,444
28,486	28,486
55,788	2,150,899
12,145	12,145
<u>3,747,962</u>	<u>25,041,598</u>
(162,192)	70,952
-	59,772
726	726
<u>726</u>	<u>60,498</u>
(161,466)	131,450
-	(292,130)
<u>-</u>	<u>(292,130)</u>
(161,466)	(160,680)
185,696	10,958,403
<u>\$ 24,230</u>	<u>\$ 10,797,723</u>

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2013

	<u>Insurance</u>	
	<u>Board</u>	<u>Sheriff</u>
Cash Flows from Operating Activities:		
Cash Received from Customers and for Contributions	\$ 13,904,931	\$ 7,497,285
Cash Paid to Suppliers and for Claims	(13,654,294)	(7,843,876)
Cash Paid to Employees	-	-
Cash Paid to Insurance Fund	-	-
Net Cash Provided (Used) by Operating Activities	250,637	(346,591)
Cash Flows from NonCapital Financing Activities:		
Cash Transfers to Other Funds	(292,130)	-
Net Cash Provided (Used) by NonCapital Financing Activities	(292,130)	-
Cash Flows from Capital Activities:		
Proceeds from Sale of Fixed Assets	-	-
Net Cash Provided (Used) by Capital Activities	-	-
Cash Flows from Investing Activities:		
Interest Received	53,829	5,943
Net Cash Provided (Used) by Investing Activities	53,829	5,943
Net Change in Cash and Cash Equivalents	12,336	(340,648)
Cash and Cash Equivalents at October 1	15,529,044	2,456,264
Cash and Cash Equivalents at September 30	\$ 15,541,380	\$ 2,115,616

**RECONCILIATION OF OPERATING INCOME (LOSS) TO
NET CASH USED BY OPERATING ACTIVITIES**

	<u>Insurance</u>	
	<u>Board</u>	<u>Sheriff</u>
Operating Income (Loss)	\$ 239,087	\$ (5,943)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	-	-
Change in Accounts Receivable	(31,437)	(90,465)
Change in Intragovernmental Receivables	-	-
Change in Due from Other Governments	-	-
Change in Inventory	-	-
Change in Accounts Payable	3,987	(250,183)
Change in Due to Other Funds	-	-
Change in Accrued Liabilities	-	-
Change in Estimated Claims Payable	39,000	-
Change in Accrued Benefits Payable	-	-
Total Adjustments	11,550	(340,648)
Net Cash Provided (Used) by Operating Activities	\$ 250,637	\$ (346,591)
Noncash Investing, Capital and Financing Activities		
Gain on Disposition of Capital Assets	-	-

Fleet Management	Total
\$ 3,595,196	\$ 24,997,412
(2,724,637)	(24,222,807)
(723,215)	(723,215)
(148,070)	(148,070)
(726)	(96,680)
-	(292,130)
-	(292,130)
726	726
726	726
-	59,772
-	59,772
-	(328,312)
-	17,985,308
\$ -	\$ 17,656,996

Fleet Maintenance	Total
\$ (162,192)	\$ 70,952
12,145	12,145
(937)	(122,839)
3,341	3,341
7,022	7,022
126,614	126,614
24,975	(221,221)
15,871	15,871
2,071	2,071
-	39,000
(29,636)	(29,636)
161,466	(167,632)
\$ (726)	\$ (96,680)
\$ 726	\$ 726

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, 2013

	<u>AGENCY FUNDS</u>		<u>AGENCY FUNDS</u>	
	<u>Board of County Commissioners</u>		<u>Clerk of the Circuit Court</u>	
	Educational System Impact Fee Trust	Escrow Deposits	Agency	Clerk Cash Bonds
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	10,422	357,873	1,227,284	120,836
Accounts Receivable	-	-	-	-
Due from Other Governments	209,932	-	-	-
Total Assets	<u>\$ 220,354</u>	<u>\$ 357,873</u>	<u>\$ 1,227,284</u>	<u>\$ 120,836</u>
<u>Liabilities</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 8,596	\$ -
Due to Other Governments	220,354	-	1,114,091	-
Deposits	-	357,873	104,597	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	120,836
Total Liabilities	<u>\$ 220,354</u>	<u>\$ 357,873</u>	<u>\$ 1,227,284</u>	<u>\$ 120,836</u>

AGENCY FUNDS

Clerk of the Circuit Court

Fines and Costs	Tax Deed Sales	Juror and Witness	Uniform Support	Suspense	Courts Registry
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
595,391	1,308,531	6,358	2,121	918	13,189,643
-	-	-	1,780	-	-
-	-	-	-	-	-
\$ 595,391	\$ 1,308,531	\$ 6,358	\$ 3,901	\$ 918	\$ 13,189,643

\$ 42,099	\$ -	\$ 3,758	\$ -	\$ -	\$ -
553,292	3,137	2,600	3,901	-	-
-	1,305,394	-	-	918	13,189,643
-	-	-	-	-	-
-	-	-	-	-	-
\$ 595,391	\$ 1,308,531	\$ 6,358	\$ 3,901	\$ 918	\$ 13,189,643

(Continued)

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
September 30, 2013

	<u>AGENCY FUNDS</u>			<u>AGENCY FUNDS</u>
	<u>Tax Collector</u>			<u>Sheriff</u>
	<u>Tax Collections Trust</u>	<u>Tag and Title Trust</u>	<u>Hunting and Fishing License</u>	<u>Sheriff Cash Bonds</u>
<u>Assets</u>				
Cash	\$ 3,621,886	\$ 760,873	\$ 3,479	\$ 62,698
Pooled Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 3,621,886</u>	<u>\$ 760,873</u>	<u>\$ 3,479</u>	<u>\$ 62,698</u>
<u>Liabilities</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	1,224,682	760,873	3,479	-
Deposits	-	-	-	-
Taxes Collected in Advance	2,397,204	-	-	-
Cash Bonds Payable	-	-	-	62,698
Total Liabilities	<u>\$ 3,621,886</u>	<u>\$ 760,873</u>	<u>\$ 3,479</u>	<u>\$ 62,698</u>

AGENCY FUNDS

Sheriff

Civil	Inmate Trust	Suspense	Flexible Spending	Total Agency Funds
\$ 31,523	\$ 518,286	\$ -	\$ 1,857	\$ 5,000,602
-	-	35,989	-	16,855,366
-	-	-	-	1,780
-	-	-	-	209,932
\$ 31,523	\$ 518,286	\$ 35,989	\$ 1,857	\$ 22,067,680
\$ -	\$ -	\$ -	\$ -	\$ 54,453
-	197,288	-	-	4,083,697
31,523	320,998	35,989	1,857	15,348,792
-	-	-	-	2,397,204
-	-	-	-	183,534
\$ 31,523	\$ 518,286	\$ 35,989	\$ 1,857	\$ 22,067,680

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	<u>Balance 9/30/12</u>	<u>Educational System Impact Fee Trust</u>		<u>Balance 9/30/13</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	19,702	44	9,324	10,422
Accounts Receivable	-	-	-	-
Due from Other Governments	200,608	9,324	-	209,932
Total Assets	\$ 220,310	\$ 9,368	\$ 9,324	\$ 220,354
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 9,324	\$ 9,324	\$ -
Due to Other Governments	220,310	9,368	9,324	220,354
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 220,310	\$ 18,692	\$ 18,648	\$ 220,354

Balance 9/30/12	Escrow Deposits		Balance 9/30/13	Balance 9/30/12	Agency - Clerk		Balance 9/30/13
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
498,732	39,141	180,000	357,873	1,338,901	29,226,281	29,337,898	1,227,284
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 498,732	\$ 39,141	\$ 180,000	\$ 357,873	\$ 1,338,901	\$ 29,226,281	\$ 29,337,898	\$ 1,227,284
\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 3,315	\$ 23,886,425	\$ 23,881,144	\$ 8,596
-	-	-	-	1,257,998	29,612,186	29,756,093	1,114,091
498,732	39,141	180,000	357,873	77,588	69,627	42,618	104,597
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 498,732	\$ 44,141	\$ 185,000	\$ 357,873	\$ 1,338,901	\$ 53,568,238	\$ 53,679,855	\$ 1,227,284

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	<u>Balance 9/30/12</u>	<u>Cash Bonds - Clerk</u>		<u>Balance 9/30/13</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	180,525	382,472	442,161	120,836
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	\$ 180,525	\$ 382,472	\$ 442,161	\$ 120,836
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	180,525	382,472	442,161	120,836
Total Liabilities	\$ 180,525	\$ 382,472	\$ 442,161	\$ 120,836

Balance 9/30/12	Fines and Costs		Balance 9/30/13	Balance 9/30/12	Tax Deed Sales		Balance 9/30/13
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
802,717	9,503,483	9,710,809	595,391	523,792	2,609,380	1,824,641	1,308,531
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 802,717	\$ 9,503,483	\$ 9,710,809	\$ 595,391	\$ 523,792	\$ 2,609,380	\$ 1,824,641	\$ 1,308,531
\$ 23,943	\$ 915,995	\$ 897,839	\$ 42,099	\$ -	\$ 1,620,387	\$ 1,620,387	\$ -
778,774	9,632,873	9,858,355	553,292	2,213	3,137	2,213	3,137
-	-	-	-	521,579	3,355,952	2,572,137	1,305,394
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 802,717	\$ 10,548,868	\$ 10,756,194	\$ 595,391	\$ 523,792	\$ 4,979,476	\$ 4,194,737	\$ 1,308,531

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	<u>Juror and Witness</u>			Balance 9/30/13
	Balance 9/30/12	Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	2,869	14,299	10,810	6,358
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 2,869</u>	<u>\$ 14,299</u>	<u>\$ 10,810</u>	<u>\$ 6,358</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 16,014	\$ 12,256	\$ 3,758
Due to Other Governments	2,869	9,088	9,357	2,600
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	<u>\$ 2,869</u>	<u>\$ 25,102</u>	<u>\$ 21,613</u>	<u>\$ 6,358</u>

Balance 9/30/12	Uniform Support		Balance 9/30/13	Balance 9/30/12	Suspense - Clerk		Balance 9/30/13
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,707	91,714	95,300	2,121	170	141,138	140,390	918
2,444	2,694	3,358	1,780	-	-	-	-
-	-	-	-	-	-	-	-
\$ 8,151	\$ 94,408	\$ 98,658	\$ 3,901	\$ 170	\$ 141,138	\$ 140,390	\$ 918
\$ -	\$ 93,052	\$ 93,052	\$ -	\$ -	\$ 545	\$ 545	\$ -
8,151	89,499	93,749	3,901	-	-	-	-
-	-	-	-	170	141,138	140,390	918
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 8,151	\$ 182,551	\$ 186,801	\$ 3,901	\$ 170	\$ 141,683	\$ 140,935	\$ 918

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	Balance 9/30/12	Courts Registry		Balance 9/30/13
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	4,367,404	49,792,837	40,970,598	13,189,643
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	\$ 4,367,404	\$ 49,792,837	\$ 40,970,598	\$ 13,189,643
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 1,014,573	\$ 1,014,573	\$ -
Due to Other Governments	-	-	-	-
Deposits	4,367,404	50,030,931	41,208,692	13,189,643
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 4,367,404	\$ 51,045,504	\$ 42,223,265	\$ 13,189,643

<u>Tax Collections Trust</u>			<u>Tag and Title Trust</u>				
<u>Balance</u> <u>9/30/12</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/13</u>	<u>Balance</u> <u>9/30/12</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/13</u>
\$ 3,721,355	\$ 317,420,258	\$ 317,519,727	\$ 3,621,886	\$ 515,465	\$ 35,769,228	\$ 35,523,820	\$ 760,873
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,721,355</u>	<u>\$ 317,420,258</u>	<u>\$ 317,519,727</u>	<u>\$ 3,621,886</u>	<u>\$ 515,465</u>	<u>\$ 35,769,228</u>	<u>\$ 35,523,820</u>	<u>\$ 760,873</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,262,154	316,636,066	316,673,538	1,224,682	515,465	35,769,228	35,523,820	760,873
-	-	-	-	-	-	-	-
2,459,201	2,558,673	2,620,670	2,397,204	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,721,355</u>	<u>\$ 319,194,739</u>	<u>\$ 319,294,208</u>	<u>\$ 3,621,886</u>	<u>\$ 515,465</u>	<u>\$ 35,769,228</u>	<u>\$ 35,523,820</u>	<u>\$ 760,873</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	Balance 9/30/12	Hunting and Fishing License		Balance 9/30/13
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ 3,324	\$ 96,664	\$ 96,509	\$ 3,479
Pooled Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	\$ 3,324	\$ 96,664	\$ 96,509	\$ 3,479
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	3,324	96,664	96,509	3,479
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 3,324	\$ 96,664	\$ 96,509	\$ 3,479

<u>Balance</u> <u>9/30/12</u>	<u>Cash Bonds - Sheriff</u>		<u>Balance</u> <u>9/30/13</u>	<u>Balance</u> <u>9/30/12</u>	<u>Civil</u>		<u>Balance</u> <u>9/30/13</u>
	<u>Additions</u>	<u>Deletions</u>			<u>Additions</u>	<u>Deletions</u>	
\$ 66,847	\$ 22,004	\$ 26,153	\$ 62,698	\$ 26,885	\$ 394,980	\$ 390,342	\$ 31,523
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 66,847</u>	<u>\$ 22,004</u>	<u>\$ 26,153</u>	<u>\$ 62,698</u>	<u>\$ 26,885</u>	<u>\$ 394,980</u>	<u>\$ 390,342</u>	<u>\$ 31,523</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,863	20,046	21,909	-	19,593	-	19,593	-
-	-	-	-	7,292	417,452	393,221	31,523
-	-	-	-	-	-	-	-
64,984	19,751	22,037	62,698	-	-	-	-
<u>\$ 66,847</u>	<u>\$ 39,797</u>	<u>\$ 43,946</u>	<u>\$ 62,698</u>	<u>\$ 26,885</u>	<u>\$ 417,452</u>	<u>\$ 412,814</u>	<u>\$ 31,523</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	<u>Balance</u> <u>9/30/12</u>	<u>Inmate Trust</u>		<u>Balance</u> <u>9/30/13</u>
		<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ 195,634	\$ 1,270,357	\$ 947,705	\$ 518,286
Pooled Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	\$ 195,634	\$ 1,270,357	\$ 947,705	\$ 518,286
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	8,965	197,288	8,965	197,288
Deposits	186,669	1,287,751	1,153,422	320,998
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 195,634	\$ 1,485,039	\$ 1,162,387	\$ 518,286

<u>Balance</u> <u>9/30/12</u>	<u>Suspense - Sheriff</u>		<u>Balance</u> <u>9/30/13</u>	<u>Balance</u> <u>9/30/12</u>	<u>Flexible Spending - Sheriff</u>		<u>Balance</u> <u>9/30/13</u>
	<u>Additions</u>	<u>Deletions</u>			<u>Additions</u>	<u>Deletions</u>	
\$ -	\$ -	\$ -	\$ -	\$ 5,979	\$ 20,019	\$ 24,141	\$ 1,857
22,565	14,272	848	35,989	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 22,565</u>	<u>\$ 14,272</u>	<u>\$ 848</u>	<u>\$ 35,989</u>	<u>\$ 5,979</u>	<u>\$ 20,019</u>	<u>\$ 24,141</u>	<u>\$ 1,857</u>
\$ -	\$ 848	\$ 848	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
22,565	14,272	848	35,989	5,979	20,019	24,141	1,857
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 22,565</u>	<u>\$ 15,120</u>	<u>\$ 1,696</u>	<u>\$ 35,989</u>	<u>\$ 5,979</u>	<u>\$ 20,019</u>	<u>\$ 24,141</u>	<u>\$ 1,857</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2013

	<u>Totals - All Agency Funds</u>			<u>Balance 9/30/13</u>
	<u>Balance 9/30/12</u>	<u>Additions</u>	<u>Deletions</u>	
<u>Assets</u>				
Cash	\$ 4,535,489	\$ 354,993,510	\$ 354,528,397	\$ 5,000,602
Pooled Cash and Investments	7,763,084	91,815,061	82,722,779	16,855,366
Accounts Receivable	2,444	2,694	3,358	1,780
Due from Other Governments	200,608	9,324	-	209,932
Total Assets	<u>\$ 12,501,625</u>	<u>\$ 446,820,589</u>	<u>\$ 437,254,534</u>	<u>\$ 22,067,680</u>
<u>Liabilities</u>				
Accounts Payable	\$ 27,258	\$ 27,562,163	\$ 27,534,968	\$ 54,453
Due to Other Governments	4,081,679	392,075,443	392,073,425	4,083,697
Deposits	5,687,978	55,376,283	45,715,469	15,348,792
Taxes Collected in Advance	2,459,201	2,558,673	2,620,670	2,397,204
Cash Bonds Payable	245,509	402,223	464,198	183,534
Total Liabilities	<u>\$ 12,501,625</u>	<u>\$ 477,974,785</u>	<u>\$ 468,408,730</u>	<u>\$ 22,067,680</u>

FINANCIAL DATA SCHEDULES – HUD SECTION 8

The Department of Housing and Urban Development provides funding for Section 8 – housing assistance. The following financial data schedules include HUD-required Balance Sheet and Revenues and Expenditures Data in their required format for grant compliance. These schedules include HAP Portability-in amounts of \$1,199,419 in revenues and expenditures that are not included in the financial statements of the County's Section 8 nonmajor special revenue fund.

LAKE COUNTY, FLORIDA
FINANCIAL DATA SCHEDULE - BALANCE SHEET
HUD - SECTION 8
For the Year Ended September 30, 2013

Line Item #	Account Description	Housing Choice Vouchers 14.871	Shelter Plus Care 14.238	Total
111.0	Cash - Unrestricted	\$ 331,577	\$ -	\$ 331,577
113.0	Cash - Other Restricted	399,559	-	399,559
115.0	Cash - Restricted for Payment of Current Liabilities	8,693	-	8,693
100.0	Total Cash	<u>739,829</u>	-	<u>739,829</u>
124.0	Accounts Receivable - Other Government	43,711	-	43,711
125.0	Accounts Receivable - Miscellaneous	5,257	-	5,257
120.0	Total Accounts Receivables, Net of Allowances for Doubtful Accounts	<u>48,968</u>	-	<u>48,968</u>
150.0	Total Current Assets	<u>788,797</u>	-	<u>788,797</u>
190.0	Total Assets	<u><u>\$ 788,797</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 788,797</u></u>
312.0	Accounts Payable <= 90 Days	\$ 5,036	\$ -	\$ 5,036
321.0	Accrued Wage/Payroll Taxes Payable	3,656	-	3,656
345.0	Other Current Liabilities	-	-	-
310.0	Total Current Liabilities	<u>8,692</u>	-	<u>8,692</u>
300.0	Total Liabilities	<u>8,692</u>	-	<u>8,692</u>
509.2	Fund Balance Reserved	780,105	-	780,105
511.2	Unreserved, Designated Fund Balance	-	-	-
513.0	Total Equity/Net Assets	<u>780,105</u>	-	<u>780,105</u>
600.0	Total Liabilities and Equity/Net Assets	<u><u>\$ 788,797</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 788,797</u></u>

LAKE COUNTY, FLORIDA
FINANCIAL DATA SCHEDULE - REVENUES AND EXPENDITURES
HUD - SECTION 8
For the Year Ended September 30, 2013

Line Item #	Account Description	Housing Choice Vouchers 14.871	Shelter Plus Care 14.238	Total
70600	HUD PHA Operating Grants	\$ 4,197,449 *	\$ 79,447	\$ 4,276,896
72000	Investment Income - Restricted	2,565	-	2,565
70000	Total Revenue	<u>4,200,014</u>	<u>79,447</u>	<u>4,279,461</u>
91100	Administrative Salaries	152,225	-	152,225
91500	Employee Benefit Contributions - Administrative	45,068	-	45,068
91600	Office Expenses	24,923	1,943	26,866
91800	Travel	3,385	341	3,726
91900	Other	19,931	2,007	21,938
91000	Total Operating - Administrative	<u>245,532</u>	<u>4,291</u>	<u>249,823</u>
93400	Fuel	909	92	1,001
93000	Total Utilities	<u>909</u>	<u>92</u>	<u>1,001</u>
94200	Ordinary Maintenance and Operations-Materials and Other	12,368	1,245	13,613
94000	Total Maintenance	<u>12,368</u>	<u>1,245</u>	<u>13,613</u>
96110	Property Insurance	2,549	257	2,806
96130	Workers Compensation	773	-	773
96100	Total Insurance Premiums	<u>3,322</u>	<u>257</u>	<u>3,579</u>
96200	Other General Expenses	22,999	-	22,999
96000	Total Other General Expenses	<u>22,999</u>	<u>-</u>	<u>22,999</u>
96900	Total Operating Expenses	<u>285,130</u>	<u>5,885</u>	<u>291,015</u>
97000	Excess of Operating Revenue Over Operating Expenses	3,914,884	73,562	3,988,446
97300	Housing Assistance Payments	2,740,778	73,562	2,814,340
97350	HAP Portability-In	1,199,419 *	-	1,199,419
90000	Total Expense	<u>4,225,327</u>	<u>79,447</u>	<u>4,304,774</u>
10000	Excess of Total Revenue Over Total Expenses	(25,313)	-	(25,313)
11030	Beginning Equity	805,418	-	805,418
	Total Equity/Net Assets	<u>780,105</u>	<u>-</u>	<u>780,105</u>
11170	Administrative Fee Equity	380,546	-	380,546
11180	Housing Assistance Payments Equity	399,559	-	399,559
	Total Equity/Net Assets	<u>\$ 780,105</u>	<u>\$ -</u>	<u>\$ 780,105</u>
11190	Unit Months Available	5,820	144	5,964
11210	Number of Unit Months Leased	4,588	134	4,722

* This schedule includes HAP Portability-in amounts of \$1,199,419 in revenues and expenditures that are not included in the financial statements of the County's Section 8 nonmajor special revenue fund.

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**LAKE COUNTY, FLORIDA
OVERVIEW OF STATISTICAL SECTION CONTENTS**

Financial Trends Information

These schedules show trend information to help the reader understand how the County's financial performance and financial condition have changed over time.

Revenue Capacity Information

These schedules provide information to help the reader assess the County's most significant local revenue source- property taxes.

Debt Capacity Information

These schedules provide information to help the reader assess the County's current debt load and its ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County operates.

Operating Information

These schedules provide service and infrastructure data related to County services and activities in order to help the reader better understand the information presented in the financial statements.

**LAKE COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

(accrual basis of accounting - amounts in thousands)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental Activities				
Net investment in capital assets	\$ 381,585	\$ 390,755	\$ 384,298	\$ 371,850
Restricted	46,806	53,113	49,277	59,675
Unrestricted	31,802	41,907	57,710	70,335
Total Governmental Activities Net Position	<u>\$ 460,193</u>	<u>\$ 485,775</u>	<u>\$ 491,285</u>	<u>\$ 501,860</u>
Business-Type Activities				
Net investment in capital assets	\$ 12,602	\$ 12,552	\$ 12,584	\$ 12,436
Restricted	-	-	-	-
Unrestricted	(2,060)	268	849	(405)
Total Business-Type Activities Net Position	<u>\$ 10,542</u>	<u>\$ 12,820</u>	<u>\$ 13,433</u>	<u>\$ 12,031</u>
Primary Government				
Net investment in capital assets	\$ 394,187	\$ 403,307	\$ 396,882	\$ 384,286
Restricted	46,806	53,113	49,277	59,675
Unrestricted	29,742	42,175	58,559	69,930
Total Primary Government Net Position	<u>\$ 470,735</u>	<u>\$ 498,595</u>	<u>\$ 504,718</u>	<u>\$ 513,891</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 349,166	\$ 352,924	\$ 283,205	\$ 244,263	\$ 218,964	\$ 201,842
64,621	69,992	101,683	103,296	111,616	87,460
74,994	71,817	92,703	69,829	42,172	30,816
<u>\$ 488,781</u>	<u>\$ 494,733</u>	<u>\$ 477,591</u>	<u>\$ 417,388</u>	<u>\$ 372,752</u>	<u>\$ 320,118</u>
\$ 12,305	\$ 11,683	\$ 3,577	\$ 3,592	\$ 3,336	\$ 3,338
-	1,535	1,370	1,272	1,270	941
1,582	2,404	-	8,157	5,963	9,883
<u>\$ 13,887</u>	<u>\$ 15,622</u>	<u>\$ 4,947</u>	<u>\$ 13,021</u>	<u>\$ 10,569</u>	<u>\$ 14,162</u>
\$ 361,471	\$ 364,607	\$ 286,782	\$ 247,855	\$ 222,300	\$ 205,180
64,621	71,527	103,053	104,568	112,886	88,401
76,576	74,221	92,703	77,986	48,135	40,699
<u>\$ 502,668</u>	<u>\$ 510,355</u>	<u>\$ 482,538</u>	<u>\$ 430,409</u>	<u>\$ 383,321</u>	<u>\$ 334,280</u>

**LAKE COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

(accrual basis of accounting - amounts in thousands)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses				
Governmental Activities:				
General Government	\$ 32,294	\$ 33,505	\$ 34,833	\$ 37,972
Public Safety	116,043	118,604	107,143	104,650
Physical Environment	2,427	3,485	3,203	5,446
Transportation	37,581	31,771	29,432	24,046
Economic Environment	9,031	8,338	7,934	9,657
Human Services	9,937	9,438	10,063	8,637
Culture and Recreation	9,515	9,756	9,386	9,892
Court-Related	10,229	9,232	9,335	9,552
Interest on Long-Term Debt	6,782	5,763	6,092	6,084
Total Governmental Activities	233,839	229,892	217,421	215,936
Business-Type Activities:				
Landfill	20,181	20,456	19,354	20,513
Total Primary Government Expenses	254,020	250,348	236,775	236,449
Program Revenues				
Governmental Activities:				
Charges for services				
General Government	7,667	7,332	7,114	7,474
Public Safety	35,852	35,150	25,101	24,989
Court-related	4,177	1,950	1,895	1,838
Other	3,723	3,736	3,801	3,772
Operating grants and contributions	29,480	32,612	25,074	27,048
Capital grants and contributions	4,049	17,711	11,052	12,887
Total Governmental Activities	84,948	98,491	74,037	78,008
Business-Type Activities:				
Landfill				
Charges for services	16,264	16,574	16,611	16,523
Operating grants and contributions	-	-	-	-
Total Business-Type Activities	16,264	16,574	16,611	16,523
Total Government Program Revenues	101,212	115,065	90,648	94,531
Net (Expense)/Revenue				
Governmental activities	(148,891)	(131,401)	(143,384)	(137,928)
Business-type activities	(3,917)	(3,882)	(2,743)	(3,990)
Total Primary Government Net Expense	\$ (152,808)	\$ (135,283)	\$ (146,127)	\$ (141,918)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	42,640	\$ 48,758	\$ 37,545	\$ 37,309	\$ 23,869	\$ 27,344
	117,323	103,493	99,901	84,337	90,105	69,980
	4,790	5,533	5,874	2,961	1,938	1,756
	24,922	23,863	23,672	20,993	19,184	17,561
	12,184	16,539	10,525	8,485	6,744	6,271
	9,179	8,599	9,162	8,393	7,123	5,100
	9,372	9,702	8,402	11,648	11,975	5,735
	10,906	11,289	10,749	8,587	8,385	7,303
	6,203	6,334	352	220	225	226
	237,519	234,110	206,182	182,933	169,549	141,276
	<u>21,969</u>	<u>22,336</u>	<u>21,884</u>	<u>21,761</u>	<u>27,072</u>	<u>18,918</u>
	259,488	256,446	228,066	204,694	196,621	160,194
	7,612	8,486	9,797	11,358	10,160	8,098
	24,967	27,730	25,816	25,338	25,329	23,875
	7,274	9,562	9,016	8,778	7,506	4,349
	3,494	3,862	2,644	2,761	2,331	2,099
	23,166	18,311	26,877	20,066	32,557	19,814
	10,240	12,173	15,875	17,964	27,679	19,333
	76,753	80,124	90,025	86,265	105,562	77,568
	15,556	15,294	16,087	15,712	15,250	15,189
	-	-	-	-	-	24
	15,556	15,294	16,087	15,712	15,250	15,213
	92,309	95,418	106,112	101,976	120,811	92,781
	(160,766)	(153,986)	(116,157)	(96,668)	(63,986)	(63,708)
	(6,413)	(7,042)	(5,797)	(6,049)	(11,822)	(3,705)
\$	(167,179)	(161,028)	(121,954)	(102,717)	(75,808)	(67,412)

LAKE COUNTY, FLORIDA
CHANGES IN NET POSITION (continued)
LAST TEN FISCAL YEARS

(accrual basis of accounting - amounts in thousands)

	2013	2012	2011	2010
General Revenues				
Governmental Activities:				
Taxes				
Property Taxes	\$ 81,864	\$ 85,904	\$ 93,820	\$ 105,820
Sales Taxes	11,585	10,833	10,479	9,974
Gas Taxes	6,578	6,622	6,889	6,893
Communication Services Tax	1,833	1,846	2,057	2,204
Other	2,084	1,935	1,970	1,883
Intergovernmental Revenues, unrestricted	17,798	16,580	16,259	15,751
Investment Income	677	1,398	1,992	3,241
Miscellaneous	2,085	3,261	2,146	6,268
Transfers	(1,194)	(2,491)	(2,803)	(1,027)
Total Governmental Activities	123,310	125,888	132,809	151,007
 Business-Type Activities:				
Investment earnings	25	72	80	138
Miscellaneous	419	706	1,262	970
Transfers	1,194	2,491	2,803	1,027
Total Business-Type Activities	1,638	3,269	4,145	2,135
Total Primary Government General Revenues	124,948	129,157	136,954	153,142
 Change in Net Position				
Governmental Activities	(25,582)	(5,510)	(10,575)	13,079
Business-type Activities	(2,278)	(613)	1,402	(1,855)
Total Primary Government Change in Net Position	\$ (27,860)	\$ (6,123)	\$ (9,173)	\$ 11,224

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	114,701	\$ 121,597	\$ 124,744	\$ 90,654	\$ 76,776	\$ 66,364
	10,012	10,761	11,179	11,989	10,599	9,018
	6,737	6,736	7,009	6,992	6,946	6,785
	2,650	2,215	2,141	1,988	1,606	1,201
	1,830	2,211	2,267	2,241	2,069	1,807
	15,708	17,325	19,043	20,221	18,305	16,280
	5,278	11,751	15,073	8,948	4,264	2,628
	1,617	2,271	2,015	5,226	3,043	1,741
	(3,720)	(3,739)	(7,111)	(6,955)	(6,988)	(8,074)
	154,813	171,128	176,360	141,303	116,620	97,750
	261	808	1,418	1,050	693	547
	697	1,503	861	496	548	496
	3,720	3,739	7,111	6,955	6,988	8,074
	4,678	6,050	9,390	8,501	8,229	9,117
	159,491	177,178	185,750	149,804	124,849	106,867
	16,885	10,362	22,374	44,636	52,634	34,042
	688	(363)	2,348	2,452	(3,593)	5,412
\$	17,573	9,999	24,722	47,088	49,041	39,454

LAKE COUNTY, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting - amounts in thousands)

General Fund	2013	2012	2011	2010
Reserved	\$ -	\$ -	\$ -	\$ 764
Unreserved	-	-	-	43,774
Nonspendable	413	606	800	-
Assigned	9,769	17,800	12,000	-
Unassigned	12,720	14,853	26,947	-
Total General Fund	\$ 22,902	\$ 33,259	\$ 39,747	\$ 44,538
All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ -	\$ 37,306
Unreserved, reported in:				
Special revenue funds	-	-	-	58,914
Capital projects funds	-	-	-	30,332
Debt service funds	-	-	-	5,100
Restricted	69,242	77,027	91,191	-
Committed	6,434	8,301	8,484	-
Assigned	603	467	644	-
Unassigned	-	(806)	-	-
Total All Other Governmental Funds	\$ 76,279	\$ 84,989	\$ 100,319	\$ 131,652

Note: GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented in Fiscal Year 2011 resulting in fund balance reclassifications.

2009	2008	2007	2006	2005	2004
\$ 5,232	\$ 10,719	\$ 3,084	\$ 2,469	\$ 2,279	\$ 1,554
39,129	42,207	71,543	51,896	37,496	22,863
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 44,361	\$ 52,926	\$ 74,627	\$ 54,365	\$ 39,775	\$ 24,417
\$ 18,502	\$ 46,251	\$ 15,530	\$ 18,932	\$ 14,710	\$ 8,480
68,234	72,482	83,124	88,350	80,112	65,767
51,116	47,217	113,788	10,276	18,253	11,738
5,687	6,060	3,971	2,247	2,193	3,927
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 143,539	\$ 172,010	\$ 216,413	\$ 119,805	\$ 115,268	\$ 89,912

LAKE COUNTY, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting - amounts in thousands)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Revenues				
Taxes	\$ 103,944	\$ 107,140	\$ 115,214	\$ 126,774
Licenses and Permits	2,286	1,787	2,381	1,695
Intergovernmental	50,768	56,154	50,739	54,064
Charges for Services	29,919	28,019	16,962	16,810
Fines and Forfeitures	1,996	1,166	1,416	1,491
Special Assessments	17,690	21,838	18,047	19,410
Investment Income	421	1,093	1,651	2,799
Miscellaneous	2,024	3,342	2,224	1,653
Total Revenues	<u>209,048</u>	<u>220,539</u>	<u>208,634</u>	<u>224,696</u>
Expenditures				
Current				
General Government	30,100	30,406	31,403	34,429
Public Safety	108,909	109,064	101,815	102,320
Physical Environment	2,365	3,243	3,059	5,401
Transportation	25,775	25,473	34,246	35,206
Economic Environment	8,996	8,530	8,132	10,092
Human Services	9,545	10,196	9,693	8,307
Culture and Recreation	8,806	8,284	8,471	8,904
Court-Related Expenditures	9,563	8,376	8,285	8,358
Debt Service				
Principal	4,433	4,248	4,069	3,935
Interest and Fiscal Charges	5,435	5,699	5,807	6,015
Issuance Costs	-	-	39	-
Advance Refunding Escrow	-	-	46	-
Capital Outlay	13,283	28,431	27,238	12,133
Total Expenditures	<u>227,210</u>	<u>241,950</u>	<u>242,303</u>	<u>235,100</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(18,162)</u>	<u>(21,411)</u>	<u>(33,669)</u>	<u>(10,404)</u>
Other Financing Sources (Uses)				
Bonds Issued/Additions to Long Term Debt	-	-	-	-
Bond Premium	-	-	-	-
Transfers In	28,538	31,643	31,241	22,371
Transfers Out	(29,440)	(32,046)	(33,765)	(23,668)
Refunding Bonds Issued	-	-	3,635	-
Payment to Refunded Bond Escrow Agent	-	-	(3,592)	-
Total Other Financing Sources (Uses)	<u>(902)</u>	<u>(403)</u>	<u>(2,481)</u>	<u>(1,297)</u>
Net Change in Fund Balances	<u>(19,064)</u>	<u>(21,814)</u>	<u>(36,150)</u>	<u>(11,701)</u>
Fund Balances at Beginning of Year	<u>118,248</u>	<u>140,066</u>	<u>176,190</u>	<u>187,900</u>
Inventory Reserve Increase (Decrease)	(3)	(4)	26	(9)
Fund Balances at End of Year	<u>\$ 99,181</u>	<u>\$ 118,248</u>	<u>\$ 140,066</u>	<u>\$ 176,190</u>
Debt Service as a Percentage of Non-capital Expenditures	4.77%	4.91%	5.17%	5.29%

	2009	2008	2007	2006	2005	2004
\$	135,930	\$ 143,521	\$ 147,340	\$ 113,864	\$ 97,995	\$ 85,175
	1,926	2,987	4,039	5,866	6,917	6,428
	45,154	38,598	47,201	41,276	61,535	31,125
	20,661	22,376	22,799	24,437	19,948	16,026
	2,927	3,633	3,533	4,372	4,565	2,768
	21,333	28,183	30,240	28,563	34,498	31,194
	4,677	10,833	14,129	8,461	3,990	2,447
	1,802	4,962	3,951	7,855	5,274	3,311
	234,410	255,093	273,232	234,694	234,722	178,474
	36,147	52,759	39,205	34,491	28,645	25,667
	106,793	132,700	102,519	84,288	87,709	68,720
	4,885	5,661	7,557	4,275	3,630	2,667
	37,346	34,115	41,667	33,435	24,610	20,198
	12,134	18,211	10,646	8,468	7,101	6,939
	8,698	8,836	9,566	8,600	7,267	5,198
	9,138	11,660		7,442	11,839	5,730
	9,268	10,322	9,180	8,145	7,683	6,631
	3,268	1,861	1,325	85	80	75
	6,134	6,266	327	215	221	222
	-	-	1,690	-	-	-
	-	-	-	-	-	-
	33,357	45,245	41,756	17,886	7,716	7,278
	267,168	327,636	265,438	207,330	186,501	149,325
	(32,758)	(72,543)	7,794	27,364	48,221	29,149
	-	10,000	122,175	-	-	-
	-	-	5,116	-	-	-
	21,493	33,620	30,152	25,563	26,101	21,543
	(25,766)	(37,229)	(37,599)	(33,025)	(33,577)	(29,911)
	-	-	-	-	-	-
	-	-	-	-	-	-
	(4,273)	6,391	119,844	(7,462)		(8,368)
	(37,031)	(66,152)	127,638	19,902	40,745	20,781
	224,936	291,040	174,170	155,043	114,329	93,386
	(5)	48	(24)	(775)	(31)	162
\$	187,900	224,936	301,784	174,170	155,043	114,329
	4.42%	3.71%	1.69%	0.18%	0.20%	0.23%

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

(amounts in millions)

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY	
	ASSESSED TAXABLE VALUE	ESTIMATED ACTUAL VALUE	ASSESSED TAXABLE VALUE	ESTIMATED ACTUAL VALUE
2004	\$ 9,230	\$ 12,541	\$ 1,153	\$ 1,447
2005	10,568	14,415	1,155	1,482
2006	12,995	17,332	1,202	1,583
2007	17,588	24,010	1,340	1,733
2008	20,845	27,891	1,432	1,824
2009	19,659	27,929	1,298	1,803
2010	17,749	24,976	1,352	1,881
2011	15,719	22,162	1,299	1,821
2012	14,329	20,286	1,301	1,819
2013	13,436	19,108	1,272	1,790

NOTE: The assessed value is one year behind the fiscal year. For example, the assessed value at January 1, 2012 is for the fiscal year ended September 30, 2013.

SOURCE: Lake County Property Appraiser

CENTRALLY ASSESSED PROPERTY		TOTAL		TOTAL DIRECT TAX RATE	PERCENTAGE OF ASSESSED VALUE TO ESTIMATED ACTUAL VALUE
ASSESSED TAXABLE VALUE	ESTIMATED ACTUAL VALUE	ASSESSED TAXABLE VALUE	ESTIMATED ACTUAL VALUE		
\$ 4	\$ 4	\$ 10,387	\$ 13,992	6.417	74.24 %
4	4	11,727	15,901	6.317	73.75 %
4	4	14,201	18,919	6.297	75.06 %
4	4	18,932	25,747	6.547	73.53 %
4	4	22,281	29,719	5.4394	71.97 %
4	5	20,961	29,737	5.5818	70.49 %
4	5	19,105	26,862	5.5818	71.12 %
4	5	17,022	23,988	5.6616	70.96 %
2	3	15,632	22,108	5.6616	70.71 %
2	2	14,710	20,900	5.7415	70.38 %

LAKE COUNTY, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

(per \$1,000 of assessed value)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Direct Rates				
Board of County Commissioners				
General Revenue Fund	4.7309	4.7309	4.7309	4.6511
Stormwater Municipal Services Taxing Unit	0.4984	0.4984	0.4984	0.4984
Voted Debt Service	0.1900	0.1101	0.1101	0.1101
Fire Municipal Services Taxing Unit	0.3222	0.3222	0.3222	0.3222
Total Direct Rate	<u>5.7415</u>	<u>5.6616</u>	<u>5.6616</u>	<u>5.5818</u>
Overlapping Rates				
Board of Public Instruction	7.3200	7.3940	7.5230	7.5320
Lake County Water Authority (Independent Special District) (1)	0.2554	0.2405	0.2405	0.2130
Total Overlapping Rates	<u>7.5754</u>	<u>7.6345</u>	<u>7.7635</u>	<u>7.7450</u>
Total County Wide	<u>13.3169</u>	<u>13.2961</u>	<u>13.4251</u>	<u>13.3268</u>
Special Districts				
Dependent Districts				
Lake County Ambulance District	0.3853	0.3853	0.3853	0.4651
Independent Districts				
South Lake County Hospital District	0.8000	0.8000	0.8666	0.8666
Southwest Florida Water Management	0.3928	0.3928	0.3770	0.3866
St. Johns River Water Management	0.3313	0.3313	0.4158	0.4158
North Lake County Hospital District	1.0000	1.0000	1.0000	1.0000
Cities				
Astatula	6.2500	6.5000	4.8500	4.5000
Clermont	3.1420	3.1420	3.1420	3.1420
Eustis	6.7158	6.2432	5.6849	5.1266
Fruitland Park	4.6442	4.3284	4.3600	4.3600
Groveland	5.6000	5.6000	5.1800	5.1800
Howey-in-the-Hills	8.6965	8.0000	7.0000	6.8317
Lady Lake	3.2808	3.2808	3.2080	3.2808
Leesburg	4.3179	4.3179	4.3179	4.3179
Mascotte	9.6147	9.6147	7.9800	6.8009
Minneola	6.3000	6.5716	5.4826	4.4990
Montverde	2.8300	2.8300	2.8300	2.8300
Mount Dora	5.6667	5.3891	5.0190	5.0190
Tavares	5.9850	6.8900	6.9500	6.2500
Tavares Voted Debt Service	0.4612	-	-	-
Umatilla	8.2480	7.6419	6.8795	6.5000

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

SOURCE: Lake County Property Appraiser

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
4.6511	4.7410	5.7470	5.7970	5.8170	5.9170
0.4984	0.4984	0.6000	0.5000	0.5000	0.5000
0.1101	0.2000	0.2000	-	-	-
0.3222	-	-	-	-	-
5.5818	5.4394	6.5470	6.2970	6.3170	6.4170
7.5170	7.6980	7.6480	7.9810	7.9900	8.4400
0.2130	0.2130	0.2530	0.3370	0.3831	0.4080
7.7300	7.9110	7.9010	8.3180	8.3731	8.8480
13.3118	13.3504	14.4480	14.6150	14.6901	15.2650
0.4651	0.4651	0.5289	0.5289	0.5289	0.5289
0.8666	0.8666	1.0000	1.0000	1.0000	1.0000
0.3866	0.3866	0.4220	0.4220	0.4220	0.4220
0.4158	0.4158	0.4620	0.4620	0.4620	0.4620
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
4.5000	4.5000	4.5000	3.9000	3.4000	2.8500
3.1420	3.1420	3.7290	3.7290	3.7290	3.7290
4.7083	4.7083	5.5000	5.8400	5.8400	5.4870
4.3600	4.1400	4.3900	4.3900	3.8900	3.8900
4.8205	3.9680	5.6500	5.7500	5.8500	5.9500
5.9900	5.4450	5.4450	5.4450	5.4450	5.4450
3.0870	2.2000	2.2000	2.2000	2.2000	2.2000
4.3179	4.2500	4.5000	4.5000	4.5000	4.5000
5.9990	5.6530	5.9990	5.9990	5.9990	5.9990
4.4990	3.7370	4.1500	4.5000	3.3900	3.3900
2.8300	2.8300	2.9900	2.9900	2.9900	2.9900
5.0190	5.0190	5.9750	6.1050	6.1810	6.1810
6.2500	5.4200	5.4200	5.4200	5.4200	5.4200
-	-	-	-	-	-
6.5000	5.7593	6.2400	6.2400	5.9900	5.9900

**LAKE COUNTY, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

<u>TAXPAYER</u>	<u>2013</u>			<u>2004</u>		
	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENT OF TOTAL ASSESSED VALUE</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENT OF TOTAL ASSESSED VALUE</u>
Summer Bay Partnership	\$ 203,715,673	1	1.38 %	\$ 66,590,682	5	0.64 %
Duke Energy (2)	162,418,623	2	1.10	108,387,867	2	1.04
Sumter Electric Co-op, Inc.	129,461,074	3	0.88	70,666,200	4	0.68
Embarq-Florida Inc. (1)	86,611,008	4	0.59	147,100,002	1	1.42
Niagra Bottling, LLC	52,057,230	5	0.35	-	-	-
Villages Operating Company (3)	34,040,459	6	0.23	53,788,345	7	0.52
Wal-Mart Store East LP	33,711,928	7	0.23	-	-	-
Federal National Mortgage Assn.	31,172,713	8	0.21	-	-	-
Cutrale Citrus Juices USA Inc.	30,590,211	9	0.21	43,472,280	8	0.42
Lowes Home Centers Inc.	29,980,778	10	0.20	-	-	-
Lake Cogen, Ltd	-	-	-	81,661,692	3	0.79
Covanta Lake, Inc.	-	-	-	55,024,601	6	0.53
SDG Macerich Properties, LP	-	-	-	26,377,929	9	0.25
Lake Port Square	-	-	-	23,097,943	10	0.22
	<u>\$ 793,759,697</u>		<u>5.38 %</u>	<u>\$ 676,167,541</u>		<u>6.51 %</u>

(1) Known as Sprint-Florida, Inc. in 2004.

(2) Known as Florida Power Corp. in 2004.

(3) Known as Villages of Lake Sumter, Inc. in 2004.

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

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

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTED	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTED	TOTAL TAX COLLECTED	PERCENT OF TOTAL COLLECTED TO LEVY
2004	\$ 69,926,515	\$ 65,926,221	94.3%	\$ 437,904	\$ 66,364,125	94.9 % (1)
2005	77,701,911	74,986,572	96.5	1,789,262	76,775,834	98.8 (1)
2006	93,853,142	88,045,476	93.8	2,608,263	90,653,739	96.6 (1)
2007	129,053,220	119,806,216	92.8	4,937,748	124,743,964	96.7 (2)
2008	126,616,206	114,233,408	90.2	7,363,986	121,597,394	96.0 (2)
2009	118,894,103	106,296,815	89.4	8,404,678	114,701,493	96.5 (3)
2010	108,306,725	98,484,493	90.9	7,335,985	105,820,478	97.7 (3)
2011	96,542,877	88,728,086	91.9	5,091,428	93,819,514	97.2 (3)
2012	88,657,064	82,232,152	92.8	3,671,740	85,903,892	96.9 (3)
2013	84,537,190	78,713,031	93.1	3,151,025	81,864,057	96.8 (3)

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

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

(3) These figures include property tax levies of the General County, Lake County Ambulance MSTU, Lake County Stormwater MSTU, Lake County Voted Debt Service and Lake County Fire MSTU.

NOTE: Property taxes become due and payable on November 1st of each year. A four (4) percent discount is allowed of 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
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Governmental Activities</u>				
Pari-mutuel Revenues Replacement Bonds (1)	\$ 3,275,000	\$ 3,415,000	\$ 3,545,000	\$ 3,545,000
Limited General Obligation Bonds, Series 2007	25,705,000	27,130,000	28,500,000	29,820,000
Promissory Note to Hancock Bank	4,516,584	5,584,132	6,607,069	7,600,779
Capital Improvement Revenue Bonds, Series 2007	79,550,000	81,350,000	83,075,000	84,740,000
Total Government Activities	113,046,584	117,479,132	121,727,069	125,705,779
<u>Business-type Activities</u>				
Solid Waste Line of Credit Note Payable	-	1,000,000	2,000,000	3,000,000
Total Primary Government	\$ 113,046,584	\$ 118,479,132	\$ 123,727,069	\$ 128,705,779
Percentage of Personal Income	*	1.13%	1.21%	1.33%
Per Capita	*	\$ 391	\$ 411	\$ 439

* Statistics not yet published.

(1) The previously outstanding Sales Tax Revenue Bonds (Pari-mutuel Revenues Replacement Program), Series 2000 were refunded in fiscal year 2011. For additional information regarding the refunding, see Note 6 to the financial statements for that year.

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	3,645,000	\$ 3,740,000	\$ 3,830,000	\$ 3,920,000	\$ 4,005,000	\$ 4,085,000
	31,090,000	32,310,000	33,485,000	-	-	-
	8,566,094	9,503,826	-	-	-	-
	<u>86,340,000</u>	<u>87,355,000</u>	<u>87,455,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>129,641,094</u>	<u>132,908,826</u>	<u>124,770,000</u>	<u>3,920,000</u>	<u>4,005,000</u>	<u>4,085,000</u>
	<u>4,000,000</u>	<u>5,000,000</u>	<u>6,000,000</u>	<u>7,000,000</u>	<u>8,000,000</u>	<u>9,000,000</u>
\$	<u>133,641,094</u>	<u>137,908,826</u>	<u>130,770,000</u>	<u>10,920,000</u>	<u>12,005,000</u>	<u>13,085,000</u>
	1.39%	1.42%	1.43%	0.13%	0.15%	0.18%
	\$ 458	\$ 478	\$ 456	\$ 39	\$ 46	\$ 52

**LAKE COUNTY, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR	LIMITED GENERAL OBLIGATION BONDS	ACCUMULATED RESOURCES FOR PRINCIPAL REPAYMENT	NET LIMITED AD VALOREM BONDS	RATIO OF DEBT TO ASSESSED TAXABLE VALUE	DEBT PER CAPITA
2004	\$ -	\$ -	\$ -	0.00 %	\$ -
2005	-	-	-	0.00	-
2006	-	-	-	0.00	-
2007	33,485,000	2,279,161	31,205,839	0.16	109
2008	32,310,000	3,963,462	28,346,538	0.13	98
2009	31,090,000	3,545,909	27,544,091	0.13	94
2010	29,820,000	2,927,443	26,892,557	0.14	92
2011	28,500,000	2,046,184	26,453,816	0.16	88
2012	27,130,000	1,003,037	26,126,963	0.17	86
2013	25,705,000	982,361	24,722,639	0.17	*

* Statistics not yet published

**LAKE COUNTY, FLORIDA
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS**

**SALES TAX REFUNDING REVENUE BOND
PARI-MUTUEL REVENUES REPLACEMENT PROGRAM, SERIES 2011 (1)**

FISCAL YEAR	NET REVENUE AVAILABLE	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	COVERAGE
2004	\$ 401,824	\$ 75,000	\$ 218,288	\$ 293,288	137 %
2005	375,989	80,000	214,987	294,987	127
2006	391,716	85,000	211,387	296,387	132
2007	323,758	90,000	207,563	297,563	109
2008	305,355	90,000	203,513	293,513	104
2009	303,275	95,000	199,372	294,372	103
2010	301,223	100,000	194,979	294,979	102
2011	299,808	90,000	131,498	221,498	135
2012	299,565	130,000	138,610	268,610	112
2013	298,616	140,000	120,037	260,037	115

SOURCE OF REVENUE: 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.

(1) The previously outstanding Sales Tax Revenue Bonds (Pari-mutuel Revenues Replacement Program), Series 2000 were refunded in fiscal year 2011. For additional information regarding the refunding, see Note 6 to the financial statements for that year.

CAPTIAL IMPROVEMENT REVENUE BONDS, SERIES 2007

FISCAL YEAR	NET REVENUE AVAILABLE	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	COVERAGE
2004	\$ -	\$ -	\$ -	\$ -	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	12,756,522	-	-	-	-
2008	11,996,162	100,000	4,495,591	4,595,591	261
2009	10,942,813	1,015,000	4,177,945	5,192,945	211
2010	10,925,473	1,600,000	4,137,345	5,737,345	190
2011	11,217,779	1,665,000	4,073,345	5,738,345	195
2012	11,272,996	1,725,000	4,013,405	5,738,405	196
2013	12,158,810	1,800,000	3,940,780	5,740,780	212

SOURCE OF REVENUE: Local government half-cent sales tax

**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**

(amounts in millions)

<u>STATE FISCAL YEARS ENDED JUNE 30</u>	<u>SALES AND USE TAX</u>
2004	\$ 15,768.60
2005	17,599.80
2006	19,377.70
2007	19,435.20
2008	19,165.90
2009	15,871.10
2010	16,014.70
2011	16,638.30
2012	17,422.00
2013	18,417.60

NOTE: This information is provided in connection with the \$3,635,000 Lake County, Florida Sales Tax Refunding Revenue Bond (Pari-Mutuel Revenues Replacement Program), Series 2011.

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

**LAKE COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>CALENDAR YEAR</u>	<u>POPULATION</u>	<u>PERSONAL INCOME (THOUSANDS)</u>	<u>PER CAPITA INCOME</u>	<u>UNEMPLOYMENT RATE</u> (3)	
				<u>COUNTY</u>	<u>NATIONAL</u>
2004	251,878	\$ 7,101,873	\$ 27,122	4.1	5.6 %
2005	263,017	8,011,686	28,942	3.6	5.2
2006	277,035	8,622,820	29,815	3	4.1
2007	286,499	9,147,196	30,460	4.4	4.7
2008	288,379	9,707,141	31,520	7.1	6
2009	291,993	9,608,622	30,785	12.7	9.4
2010	297,875	9,697,080	32,554	12.4	9.6
2011	301,019	10,188,278	33,846	10.6	8.8
2012	303,186	10,442,325	34,442	8.9	7.8
2013	*	*	*	6.9	7.2

* Statistics not yet published.

SOURCES: (1) US Department of Commerce, Bureau of Economic Analysis
(2) US Department of Commerce, Bureau of Economic Analysis
(3) Labor Market Statistics, Local Area Unemployment Statistics Program

**LAKE COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

EMPLOYER	2013			2004		
	EMPLOYEES	RANK	PERCENT OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	RANK	PERCENT OF TOTAL COUNTY EMPLOYMENT
Lake County Public Schools	6,796	1	5.51%	4,353	1	4.10%
Leesburg Regional Medical	2,299	2	1.86%	2,300	2	2.17%
Florida Hospital Waterman	1,500	3	1.22%	1,400	5	1.32%
South Lake Hospital	1,500	3	1.22%	-	-	-
Lake County Government	1,411	4	1.14%	2,220	3	2.09%
Villages of Lake-Sumter, Inc.	1,120	5	0.91%	1,654	4	1.56%
Lake Medical Imaging	500	6	0.41%	-	-	-
Dura-Stress, Inc.	425	7	0.34%	-	-	-
Lake Port Square	400	8	0.32%	400	10	0.38%
Raney Components	400	8	0.32%	-	-	-
Vista Clinicals	300	9	0.24%	-	-	-
Senninger Irrigation, Inc.	295	10	0.24%	-	-	-
Sprint	-	-	-	811	6	0.76%
G&T Conveyor Company, Inc.	-	-	-	550	7	0.52%
Bailey Industries	-	-	-	509	8	0.48%
Accent	-	-	-	500	9	0.47%
	16,946		13.73%	14,697		13.85%
Total Employment	123,410			106,136		

SOURCES:

Metro Orlando Economic Development Commission
Labor Market Statistics, Local Area Unemployment Statistics Program

LAKE COUNTY, FLORIDA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

FUNCTION	FULL-TIME EMPLOYEES (AS OF SEPTEMBER 30)									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government	335	345	348	375	393	404	395	451	423	414
Public Safety	963	991	1,019	1,033	1,042	1,041	1,027	900	925	837
Culture and Recreation	86	90	78	79	80	76	77	67	66	67
Physical Environment	57	60	58	67	78	84	86	77	70	64
Transportation	146	143	146	122	131	144	135	133	129	123
Economic Development	16	15	16	17	27	24	23	23	20	18
Human Services	36	37	36	49	54	56	54	34	29	24
Courts	133	136	145	145	160	156	147	118	106	107
Total	<u>1,772</u>	<u>1,817</u>	<u>1,846</u>	<u>1,887</u>	<u>1,965</u>	<u>1,985</u>	<u>1,944</u>	<u>1,803</u>	<u>1,768</u>	<u>1,654</u>

SOURCE: Lake County Adopted Budget

**LAKE COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST NINE FISCAL YEARS**

FUNCTION	2013	2012	2011	2010
General Government				
Number of new employees recruited	123	83	59	43
Number of employee educational programs/participants	6/459 *	6/845 *	6/110 *	10/756
Number of term and supply contracts managed	380	365	367	375
Public Safety				
Calls to Fire Rescue Department	19,779	18,449	17,447	16,312
Number of inspections for code violations	6,513	6,836	7,705	10,554
Single family building permits issued	624	413	271	295
Physical Environment				
Gallons of used oil recycled	13,578	13,623	18,123	14,877
Number of samples tested by lab	16,033	15,886	15,541	15,911
Transportation				
Number of transportation disadvantaged trips billed	132,683	148,039	152,663	152,751
Economic Environment				
Number of quarterly event guides distributed	-	-	-	-
Number of homes rehabilitated/replaced	4	7	14	3
Human Services				
Number of citizens receiving hardship assistance for fire and solid waste assessments	162	168	182	199
Culture and Recreation				
Circulation in branch libraries	775,545	888,539	863,428	939,271
Court Related Expenditures				
Number of cases heard in Teen Court	232	270	385	360
Solid Waste System				
Total tons collected	162,347	170,269	173,624	161,359
Residents receiving collection service	67,504	67,137	67,021	66,860
Resource Recovery Plant - revenue earned from electricity production	\$ 10,555,115	\$ 10,026,213	\$ 9,702,823	\$ 8,994,984

* Number of educational programs based on topic/type of program versus actual number of classes/sessions held as reported in prior years.

NOTE: This information is not available for prior to Fiscal Year 2005 as these statistics were not collected.

SOURCE: Lake County Adopted Budget and Lake County Departments

2009	2008	2007	2006	2005
34	85	230	223	168
78/859	86/1641	44/1244	60/1095	18/321
350	335	310	283	240
15,100	14,885	15,824	16,287	14,841
11,293	18,897	11,641	10,876	10,796
208	494	1,149	2,595	3,805
19,465	19,533	17,000	18,544	19,730
17,284	15,895	16,564	15,952	1,789
156,417	162,334	211,169	241,177	229,678
-	380,000	480,000	240,000	240,000
35	21	8	27	25
248	332	509	510	399
894,012	872,436	736,494	672,068	544,193
277	263	223	185	107
163,940	170,522	165,743	166,323	164,007
66,687	66,601	65,192	64,309	61,970
\$ 8,619,903	\$ 8,111,404	\$ 7,756,932	\$ 7,258,771	\$ 6,793,289

**LAKE COUNTY, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST EIGHT FISCAL YEARS**

FUNCTION	2013	2012	2011	2010
Public Safety				
Number of fire stations	24	23	23	23
Sheriff's marked and unmarked patrol vehicles	429	406	448	553
Transportation				
Miles of maintained roadway	1,389	1,392	1,393	1,390
Traffic signals	380	373	368	348
Traffic signs	31,853	28,376	27,321	26,420
Facilities				
Number of County owned buildings	124	137	130	132
Number of building square feet maintained	1,965,851	1,200,826	1,173,090	1,670,930
Human Services				
Number of Transportation Disadvantaged busses and vans	84	80	90	77
Culture and Recreation				
Number of libraries	15	15	15	15
Acres of parks	961	961	943	916
Number of boat ramps	15	15	15	15
Solid Waste System				
Number of acres developed for use as landfills	45	45	45	45
Number of acres available for landfill development	30	30	30	30

NOTE: Lake County Board of County Commissioners Departments

SOURCE: No data available prior to Fiscal Year 2006 as these statistics were not collected.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
22	22	21	21
443	369	332	367
1,387	1,382	1,371	1,350
321	292	291	264
26,113	25,585	25,332	24,333
127	115	122	127
1,345,022	1,119,965	1,023,194	983,196
77	61	56	35
15	13	13	13
916	916	916	877
15	15	15	15
45	45	22	22
30	30	53	53

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LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2013 Expenditures</u>
Department of Agriculture:			
Indirect:			
Florida Department of Banking and Finance			
Schools and Roads - Grants to Counties	10.666	None	\$ 82,461
Total Department of Agriculture			82,461
Department of Housing and Urban Development:			
Direct:			
Community Development Block Grant	14.218	N/A	900,074
Community Development Block Grant - NSP3	14.218	N/A	2,076,193
			2,976,267
Shelter Care Plus	14.238	FL29C620001	79,447
Section 8 Housing Choice Voucher (FL 106 VO)	14.871	N/A	3,025,910
Total Department of Housing and Urban Development			6,081,624
Department of the Interior			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	96,272
Cooperative Endangered Species Conservation Fund	15.615	N/A	7,330
Refuge Revenue Sharing	15.659	N/A	906
Total Department of the Interior			104,508
Department of Justice			
Direct:			
State Criminal Alien Assistance Program	16.606	N/A	53,587
Edward Byrne Memorial Formula Grant Program	16.738	2010-DJ-BX-1166	363
Edward Byrne Memorial Formula Grant Program	16.738	2012-DJ-BX-0903	41,038
Criminal & Juvenile Justice & Mental Health Collaboration Program	16.745	2011-DJ-BX-3108	53,290
Indirect:			148,278
Florida Department of Law Enforcement:			
Edward Byrne Memorial Formula Grant Program	16.738	2013-JACG-LAKE-7-D7-068	39,822
Total Department of Justice			188,100

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2013 Expenditures</u>
Department of Transportation			
Direct:			
ARRA - Federal Transit Formula Grants	20.507	FL-96-X017	243,137
Federal Transit Formula Grants	20.507	FL-90-X779	130,228
Federal Transit Formula Grants	20.507	FL-90-X755	101,768
Federal Transit Formula Grants	20.507	FL-90-X691	83,569
Federal Transit Formula Grants	20.507	FL-90-X724	460,722
Federal Transit Formula Grants	20.507	FL-90-X817	1,511,773
			<u>2,531,197</u>
Indirect:			
Florida Department of Transportation:			
Highway Planning and Construction	20.205	AQX67	18,956
Highway Planning and Construction	20.205	AQV63	470,381
Highway Planning and Construction	20.205	AP858	14,999
Highway Planning and Construction	20.205	AQ245	19,999
Highway Planning and Construction	20.205	AQL31	24,133
			<u>548,468</u>
Formula Grants for Other Than Urbanized Areas	20.509	AQR81 / FM# 424120-1-84-31	491,320
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	AL863	85,388
Total Department of Transportation			<u>3,656,373</u>
Department of Environmental Protection			
Direct:			
Environmental Education Grants	66.951	95491212	21,938
Total Department of Environmental Protection			<u>21,938</u>
Department of Energy			
Direct:			
ARRA - State Energy Program	81.128	DE-EE0000786	100,469
Total Department of Energy			<u>100,469</u>
Election Assistance Commission			
Indirect:			
Florida Department of State Division of Elections			
Help America Vote Act Requirements Payments	90.401	N/A	50,944
Total Election Assistance Commission			<u>50,944</u>
Department of Health and Human Services			
Indirect:			
Florida Department of Revenue:			
Child Support Enforcement	93.563	CD335	452,545
Florida Healthy Kids Corp:			
State Children's Insurance Program	93.767	N/A	5,376
Total Department of Health and Human Services			<u>457,921</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2013 Expenditures</u>
Department of Homeland Security			
Direct:			
Assistance to Firefighters	97.044	EMW-2008-FF-00366	119,098
Assistance to Firefighters	97.044	EMW-2012-FO-00424	236,566
			<u>355,664</u>
Indirect:			
Florida Division of Emergency Management:			
Hazard Mitigation Grant	97.039	07-EC-33-06-45-01-497	229,007
Emergency Operations Center	97.052	12-DS-8Z-06-45-01-145	369,726
Emergency Management Performance Grant	97.042	14-FG-1M-06-45-01-102	33,821
Emergency Management Performance Grant	97.042	13-FG-86-06-45-01-102	83,341
			<u>117,162</u>
Homeland Security Grant Program	97.067	11-DS-58-06-45-01-114	548,047
Homeland Security Grant Program	97.067	10-DS-39-06-45-01-371	21,893
Homeland Security Grant Program	97.067	11-DS-9Z-06-41-01-345	731,897
Homeland Security Grant Program	97.067	12-DS-20-06-15-01-485	19,887
Homeland Security Grant Program	97.067	10-DS-39-13-00-16-414	8,790
			<u>1,330,514</u>
Orange County Sheriff's Office			
Homeland Security Grant Program	97.067	11-DS-A1-06-58-02-458	630,999
Homeland Security Grant Program	97.067	13-DS-22-06-58-02-231	3,840
			<u>634,839</u>
Orange County Health Services Department Office of the Medical Director			
Homeland Security Grant Program	97.067	11-DS-36-06-58-20-399	33,099
Homeland Security Grant Program	97.067	09-DS-48-06-58-02-442	109,645
			<u>142,744</u>
Total Department of Homeland Security			<u>3,179,656</u>
Total Expenditures of Federal Awards			<u>\$ 13,923,994</u>

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

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2013 Expenditures</u>
Florida Department of Agriculture and Consumer Affairs			
Mosquito Control (Waste Tire and State Aid)	42.003	None	18,500
Total Florida Department of Agriculture and Consumer Affairs			18,500
Florida Division of Emergency Management			
Emergency Management Programs	31.063	14-BG-83-06-45-01-035	1,048
Emergency Management Programs	31.063	13-BG-05-06-45-01-035	79,365
Emergency Management Projects	31.067	13-CP-11-06-45-01-235	9,411
Local Emergency Management & Mitigation Initiatives	52.010	07-CP-5M-06-45-01-392	140,922
Total Florida Division of Emergency Management			230,746
Florida Department of Environmental Protection			
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0472	9,569
Total Florida Department of Environmental Protection			9,569
Florida Department of State			
State Aid to Libraries FY 12	45.030	12-ST-23	54,303
State Aid to Libraries FY 13	45.030	13-ST-23	121,201
Total Florida Department of State			175,504
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program (SHIP)	52.901	None	477,897
Total Florida Housing Finance Corporation			477,897
Florida Department of Transportation			
Commission for the Transportation Disadvantaged Trip and Equipment	55.001	AQO16 / FM# 43202718401	424,251
Commission for the Transportation Disadvantaged Trip and Equipment	55.001	AR184 / FM# 43202718401	177,394
			601,645
Public Transit Block Grant Program	55.010	422648-1-84-01 / APX46	661,979
County and School District Infrastructure Pilot Program	55.029	430267-1-38/58-01 /AQ898	189,196
Total Florida Department of Transportation			1,452,820
Florida Department of Children and Families			
Public Safety, Mental Health, and Substance Abuse Local Matching Grant	60.115	LHZ30	235,395
Total Florida Department of Children and Families			235,395

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2013 Expenditures</u>
Florida Department of Health			
County Grant Awards	64.005	C0035	50,072
Total Florida Department of Health			<u>50,072</u>
Department of Management Services			
E911 State Grant Program	72.002	S4-11-07-28	100,076
E911 State Grant Program	72.002	S4-11-07-35	161,582
E911 State Grant Program	72.002	S5-12-12-03	85,825
Total Florida Department Management Services			<u>347,483</u>
Total Expenditures of State Financial Assistance			<u>\$ 2,997,986</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, 2013

1. Summary of Significant Accounting Policies

General

The Schedule of Expenditures of Federal Awards and State Financial Assistance has been prepared using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become measurable and available and expenditures generally when a 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 by 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.

3. American Recovery and Reinvestment Act (ARRA)

Lake County was awarded certain grants funded by the American Recovery and Reinvestment Act (ARRA). Each grant is identified as ARRA in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER
COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Board of County Commissioners
Lake County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the compliance of Lake County, Florida (the "County"), with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2013. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, 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 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 on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2013.

Honorable Board of County Commissioners
Lake County, Florida

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General

We have audited the financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 10, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis, as required by OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 10, 2014

LAKE COUNTY, FLORIDA
Schedule of Findings and Questioned Costs (Continued)
For The Year Ended September 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

None Reported.

SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION

None Reported.

SECTION IV - PRIOR-YEAR AUDIT FINDINGS

None Reported.

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

Honorable Board of County Commissioners
Lake County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 10, 2014.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain other matters that we reported to County management in a separate letter dated March 10, 2014.

Honorable Board of County Commissioners
Lake County, Florida

Purpose of this Report

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida

March 10, 2014

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Board of County Commissioners
Lake County, Florida

We have audited the basic financial statements of Lake County, Florida (the "County"), as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated March 10, 2014.

We conducted our audit in accordance with auditing standards generally accepted in United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 10, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Correction actions have been taken to address the finding and recommendation made in the preceding annual financial report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the County complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

- Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the County for the fiscal year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2013. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures as of the fiscal year ended September 30, 2013. 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 financial information provided by same. In connection with our financial condition assessment, we had the following finding:

2013-001 – FINANCIAL CONDITION ASSESSMENT

Criteria

Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, the scope of the financial audit includes the use of financial condition assessment procedures in determining whether deteriorating financial conditions exist pursuant to Section 218.39(5), Florida Statutes.

Condition

As part of our financial condition assessment procedures, we evaluated the results of financial indicators developed by the Auditor General for quantitative analysis. This assessment resulted in an overall unfavorable rating.

Cause

The primary cause is the economic recession experienced by the U.S., State of Florida, and the County.

Effect

Continuing declines in financial position, if not appropriately monitored and addressed, could result in the determination of a financial emergency.

Recommendation

We recommend that the County continue to carefully monitor its overall financial position and take steps to reverse the downward trend in financial position.

Management Response

We recognize the effect the economy has had on assessed taxable value and ad valorem taxes over the last several years. We have been closely monitoring the County's financial condition and will continue to do so. We are comfortable with our current fund balances. The fund balance in the General Fund meets the goal of 7% to 12% of the total operating budget of the fund as required by the County's Economic Stabilization Reserve Policy.

We have also taken measures to decrease expenses and to stimulate the local economy. We believe that the economy is improving and that assessed values will begin to increase soon. In addition, we have seen increases in building permit revenue and intergovernmental revenues such as sales tax. Transportation and school impact fees were reinstated in January, 2014. We believe the County's financial condition will improve in 2014.

In terms of positive trends, the Villages are commencing construction on a 2000+ unit development in Northwest Lake County. Work continues in preparing long range development plans for the Mt. Dora Employment Center as well as the Wellness Way Sector Plan in South Lake County.

Honorable Board of County Commissioners
Lake County, Florida

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 10, 2014

