



Lake County, Florida

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2012



Lake County, Florida

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2012



LAKE COUNTY FLORIDA

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2012

This page intentionally left blank.

LAKE COUNTY, FLORIDA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Year Ended
September 30, 2012**

**Neil Kelly
Clerk of the Circuit Court**

COUNTY FINANCE DEPARTMENT

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

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

This page intentionally left blank.

**PRINCIPAL OFFICIALS
LAKE COUNTY, FLORIDA**

AS OF SEPTEMBER 30, 2012

BOARD OF COUNTY COMMISSIONERS

Jennifer Hill, Vice Chairman
Sean M. Parks
Jimmy Conner
Leslie Campione, Chairman
Welton G. Cadwell

District 1
District 2
District 3
District 4
District 5

ELECTED COUNTY OFFICIALS

Neil Kelly
Ed Havill
Gary Borders
Emogene W. Stegall
Bob McKee

Clerk of the Circuit Court
Property Appraiser
Sheriff
Supervisor of Elections
Tax Collector

APPOINTED COUNTY OFFICIALS

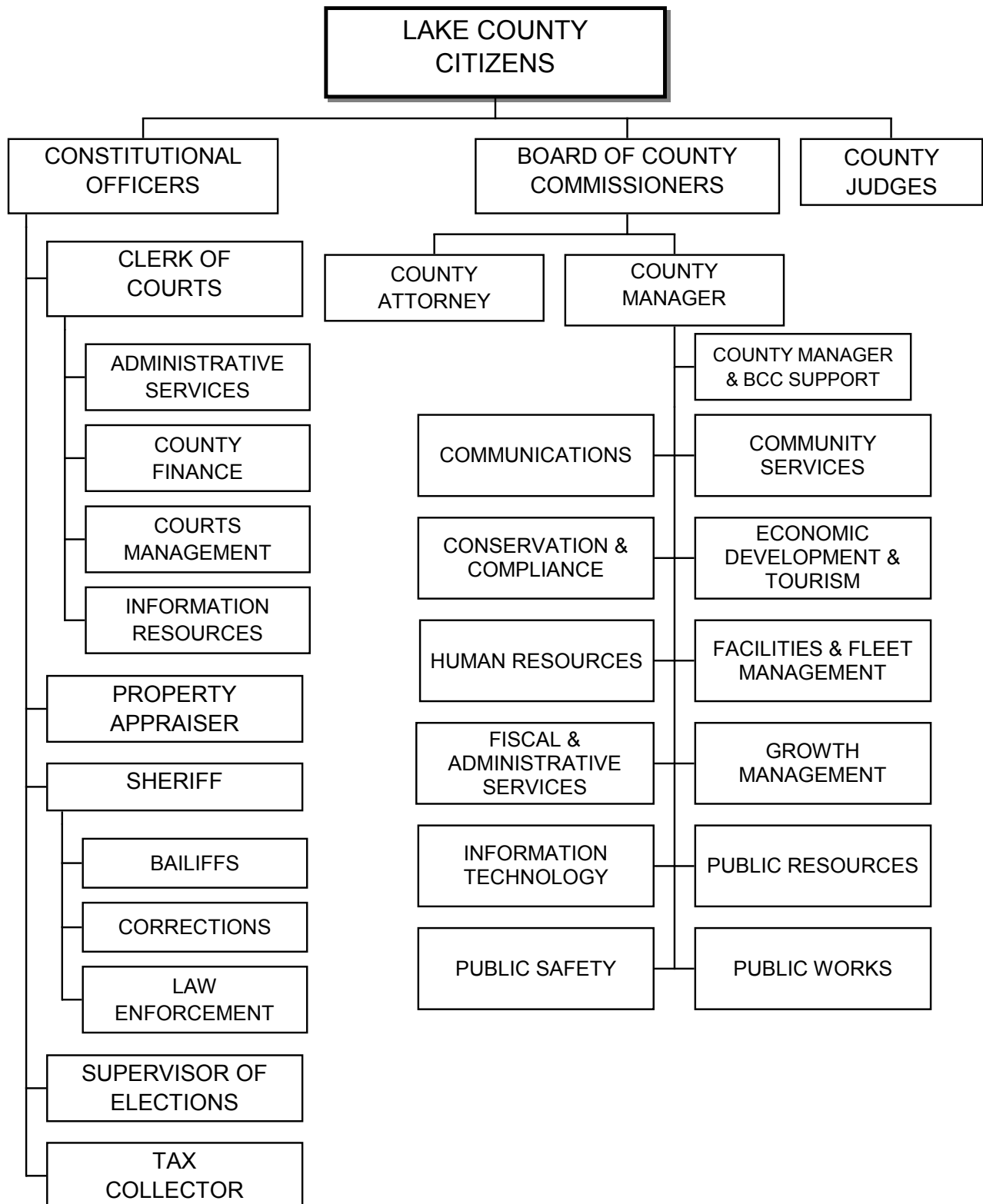
David Heath
Sanford A. Minkoff

County Manager
County Attorney

This page intentionally left blank.

ORGANIZATIONAL CHART

LAKE COUNTY ORGANIZATIONAL CHART LAKE COUNTY, FLORIDA



LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Principal Officials	iii
Organizational Chart	vi
Table of Contents	vii
Letters of Transmittal	3
Certificate of Achievement	12
II. <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	13
Management's Discussion and Analysis	17
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	31
Statement of Activities	33
Fund Financial Statements:	
Balance Sheet - Governmental Funds	34
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Assets - Governmental Activities	37
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	41
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	42

LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

TABLE OF CONTENTS

	<u>Page</u>
II. <u>FINANCIAL SECTION</u> (Continued)	
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Major Special Revenue Fund – Road Impact Fees	45
Statement of Net Assets - Proprietary Funds	46
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	47
Statement of Cash Flows - Proprietary Funds	48
Statement of Fiduciary Assets and Liabilities - Fiduciary Funds	50
Notes to Financial Statements	51
Combining and Individual Fund Statements and Schedules: Combining Balance Sheet - Nonmajor Governmental Funds	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	94
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
All Nonmajor Funds	102
Major Capital Projects Funds:	
Facilities Expansion	138
Emergency Communications and Operations Center	139
Combining Statement of Net Assets - Internal Service Funds	142
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds	144
Combining Statement of Cash Flows - Internal Service Funds	146
Combining Statement of Fiduciary Assets and Liabilities	152
Combining Statement of Changes in Assets and Liabilities All Agency Funds	158
Financial Data Schedules - HUD Section 8	171

LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

TABLE OF CONTENTS

	<u>Page</u>
III. <u>STATISTICAL SECTION</u>	
<u>FINANCIAL TRENDS INFORMATION</u>	
Net Assets by Component, last ten fiscal years	176
Changes in Net Assets, last ten fiscal years	178
Fund Balances, Governmental Funds, last ten fiscal years	182
Changes in Fund Balances, Governmental Funds, last ten fiscal years	184
<u>REVENUE CAPACITY INFORMATION</u>	
Assessed and Estimated Value of Taxable Property, last ten fiscal years	186
Property Tax Rates – Direct and Overlapping Governments, last ten fiscal years	188
Principal Property Taxpayers, current year and nine years ago	190
Property Tax Levies and Collections, last ten fiscal years	191
<u>DEBT CAPACITY INFORMATION</u>	
Ratios of Outstanding Debt by Type, last ten fiscal years	192
Ratios of General Bonded Debt Outstanding, last ten fiscal years	194
Revenue Bond Coverage, last ten fiscal years	195
Sales and Use Tax Revenues remaining in State General Revenue Fund after Required Transfers pursuant to Section 212.20 (6), Florida Statutes	197
<u>DEMOGRAPHIC AND ECONOMIC INFORMATION</u>	
Demographic Statistics, last ten calendar years	198

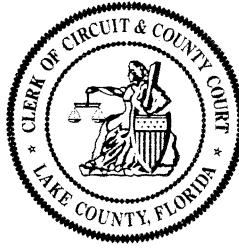
LAKE COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

TABLE OF CONTENTS

	<u>Page</u>
III. <u>STATISTICAL SECTION, continued</u>	
<u>DEMOGRAPHIC AND ECONOMIC INFORMATION, continued</u>	
Principal Employers, current year and nine years ago	199
<u>OPERATING INFORMATION</u>	
Full-time Equivalent County Government Employees by Function, last ten fiscal years	200
Operating Indicators by Function, last eight fiscal years	202
Capital Asset Statistics by Function, last seven fiscal years	204
IV. <u>SINGLE AUDIT</u>	
Schedule of Expenditures of Federal Awards and State Financial Assistance	207
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	212
Independent Auditor's Report on Compliance with Requirements That could have a Direct and Material Effect on each Major Federal Program and Major State Project and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General	213
Schedule of Findings and Questioned Costs	215
V. <u>OTHER REPORTS</u>	
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 <i>Government Auditing Standards</i>	217
Independent Auditor's Management Letter	219

LETTERS OF TRANSMITTAL

This page intentionally left blank.



Clerk of the Circuit Court

March 31, 2013

The Honorable Board of County Commissioners
Lake County, Florida

The Comprehensive Annual Financial Report of Lake County, Florida, as of September 30, 2012, and for the 2011-2012 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 2011 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, 2012, include all of the Constitutional Officers, dependent special districts, and other agencies of the County. It is my belief that the accompanying fiscal year 2012 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*

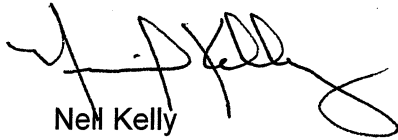
March 31, 2013

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,

A handwritten signature in black ink, appearing to read 'Neil Kelly', is written over a horizontal line.

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, 2013

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, 2012. 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 unqualified 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, 2012 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 301,019. 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 45 and 102 to 139.

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 continues to experience a decline in property values and high unemployment. 2013 is the fifth year that the County has had a decrease in assessed taxable value of property, losing about \$6.7 billion in value since 2008. At the end of FY 2012, however, the County experienced some improvement in unemployment with a rate at year end of 8.9% compared to 10.6% at the end of last year. State and national rates were also lower at 8.7% and 7.8%, respectively.

Economic development has been a top priority of the Board during 2012. An Economic Action Plan was developed and posted to the County's website for review.

In addition, the County has:

- Conducted over 300 site visits by economic development staff to local businesses. The ongoing visits provide information to business owners on county incentives and assistance that the county can offer.
- Enhanced the online permitting making it easier for Lake County residents and builders to receive a building permit.
- Implemented a Tourism Impact Model to gauge the economic impact of local festivals and celebrations to assist in determining the level of sponsorship the County provides. In addition, the County organized a Wings and Wildflowers Festival that attracted visitors from around the country.

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 \$21.6 million in state and federal assistance in 2012. In addition, as a part of the budget process, a new grant tracking system was implemented which includes an evaluation of local match requirements and long term financial obligations, to determine feasibility and long term fiscal impact of all grants.

Federal and state funds were also used in the construction of the Emergency Communications and Operations Center (ECOC). The County did not have an emergency operations center that met federal standards and grant funds were available for the construction of a new building that would meet these requirements. The total cost of construction was estimated at \$9 million with approximately \$4.1 million in grant funding and the remainder from infrastructure sales tax and other sources. The ECOC will be used for 9-1-1 operations and dispatch for the Sheriff's Office, Public Safety (Fire) and Lake Emergency Medical Services.

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, 2012, the unassigned fund balance of \$14,853,304 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 2012, .1101 mills were assessed to cover the debt service. About \$2.8 million of these proceeds remain. An advisory group consisting of citizens, staff and a County commissioner make recommendations for purchases.

Major Initiatives. A long term issue that is of major concern to the County is the completion of the Judicial Center Expansion. A space study completed in 2005 by a consulting firm determined that the County's space needs in 2020 would be approximately 750,000 square feet, a substantial increase over the current space available. The Capital Improvement Revenue bonds mentioned earlier were issued to finance these projects. The Judicial Center Expansion, which will expand the existing Judicial Center by approximately 150,000 square feet, is currently underway and is expected to be completed in 2013. This project will be completed using the remaining bond funds, infrastructure sales tax and other county funds.

Other major initiatives include working with citizens and business leaders for ideas that will help stimulate the economy as discussed above. In addition, individuals visiting the County's website are encouraged to post their ideas on "how to grow business in Lake County".

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, 2011. This was the 31st 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 6 fiscal years and the Clerk's Office for the last 21 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,

A handwritten signature in cursive script, appearing to read "Barbara F. Lehman".

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

CERTIFICATE OF ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lake County
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2011

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



Christopher P. Morinell

President

Jeffrey R. Emer

Executive Director



INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Lake County, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Lake County, Florida (the "County"), as of and for the year ended September 30, 2012, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Road Impact Fees Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2013, 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* and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

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.

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. The 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 information is fairly stated, in all material respects, in relation to the 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.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 29, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

This page intentionally left blank.

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, 2012. 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, 2012 by \$498,595,280 (net assets). Of this amount, \$42,175,160 (unrestricted net assets) may be used to meet the County's ongoing obligations to its citizens and creditors.
- The County's total net assets decreased \$6,123,057 from the previous year with \$5,510,196 of the decrease resulting from governmental activities and a \$612,861 decrease from business-type activity.
- At September 30, 2012, Lake County's governmental fund statements report combined ending fund balances of \$118,248,331, a decrease of \$21,817,828 from the previous fiscal year. Of this amount, \$14,047,191 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 \$14,853,304 and a decrease in total fund balance from the last fiscal year of \$6,487,614. The unassigned general fund balance of \$14,853,304 represents approximately 14% of total general fund expenditures.
- Total bonded debt outstanding at year-end amounted to \$111,895,000. There were no new borrowings in 2012; however, a bank note 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.

Government-wide financial statements

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

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

The **Statement of Activities** presents information showing how the County's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, accounts payable and earned but unused vacation leave.)

Both statements attempt to distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activity). Governmental activities include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court-related expenses. Business-type activity includes a solid waste system, which uses an incinerator and landfills to dispose of solid waste.

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

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

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

The County maintains 39 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, Facilities Expansion Projects and the Emergency Communications and Operations Center Capital Projects Funds, all of which are considered to be major funds. Data from the other 35 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 78 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 170 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. In the case of Lake County, governmental activities net assets exceed liabilities by \$485,775,149 at September 30, 2012.

By far the largest portion of the County's governmental activities net assets (80%) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of Lake County net assets for governmental and business-type activities for 2012 and 2011, with amounts expressed in thousands.

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

	Governmental Activities		Business-type Activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 152,684	\$ 185,496	\$ 6,640	\$ 8,385	\$ 159,324	\$ 193,881
Capital Assets	500,885	480,988	12,988	13,458	513,873	494,446
Total Assets	653,569	666,484	19,628	21,843	673,197	688,327
Long-term liabilities outstanding	136,045	137,727	4,179	6,096	140,224	143,823
Other liabilities	31,749	37,471	2,629	2,314	34,378	39,785
Total Liabilities	167,794	175,198	6,808	8,410	174,602	183,608
Net Assets:						
Invested in capital assets, net of related debt	390,755	384,298	12,552	12,584	403,307	396,882
Restricted	53,113	49,277	-	-	53,113	49,277
Unrestricted	41,907	57,710	268	849	42,175	58,559
Total net assets	\$ 485,775	\$ 491,285	\$ 12,820	\$ 13,433	\$ 498,595	\$ 504,718

An additional portion of the County's governmental activities net assets (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted governmental activities net assets (\$41,906,900) 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 assets in the Landfill Fund (Business-type Activity) consist of the amount invested in capital assets net of related debt (98%). The Landfill fund has unrestricted net assets of \$268,260.

Governmental activities

Governmental activities account for 97% of the County's net assets. One of the major components of general revenue collected by governmental activities is property taxes. In 2012, property taxes were assessed at a millage rate of 4.7309 mills for the general fund, the same rate as 2011. Property taxes collected amounted to \$85,903,892, a decrease of \$7,915,622 from the prior year. This decrease was due to a decrease in taxable value of about 8%. Other taxes amounted to \$21,236,291 and include infrastructure sales tax

(\$10,832,882), gas taxes (\$6,622,423), communications services taxes (\$1,845,753) and tourist development taxes (\$1,935,233).

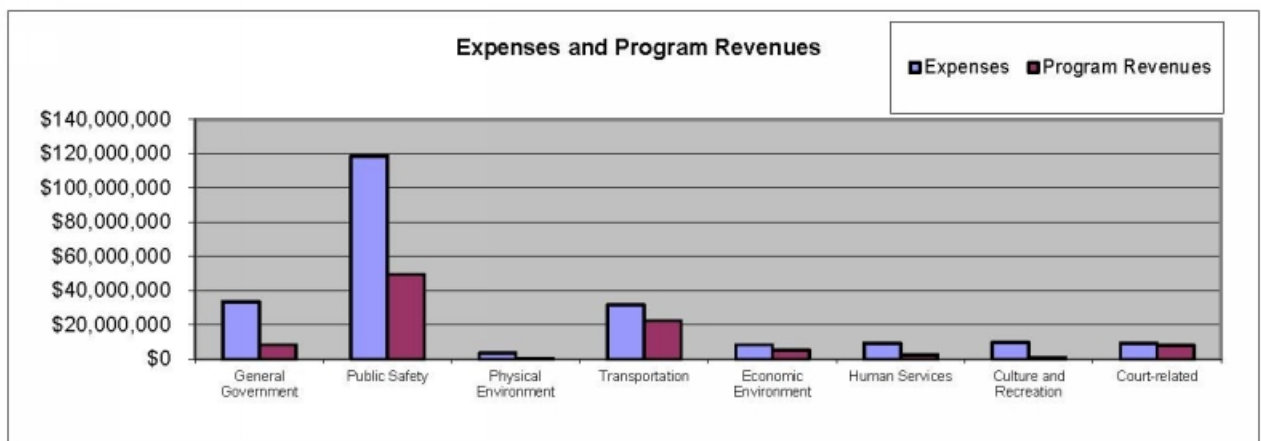
Other variances in governmental activities include:

- 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 2012 and 2011. The Voter Approved debt millage was .1101, the same as 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 \$13.7 million of the total \$85.9 million that was collected.
- Other revenues increased approximately \$25.1 million in 2012. This increase results primarily from the inclusion in the financial statements of Lake Emergency Medical Services, Inc. (Lake EMS). Lake EMS was a joint venture with Sumter County until September 30, 2011, when Sumter County withdrew. Lake EMS is now a blended component unit of the County. This resulted in an increase of \$10.2 million in charges for services, \$7.5 million in operating grants and \$3.7 million in capital grants for the transfer of equipment.
- Public Safety expenses were higher by about \$11.4 million in 2012 due to the inclusion of Lake EMS discussed above.

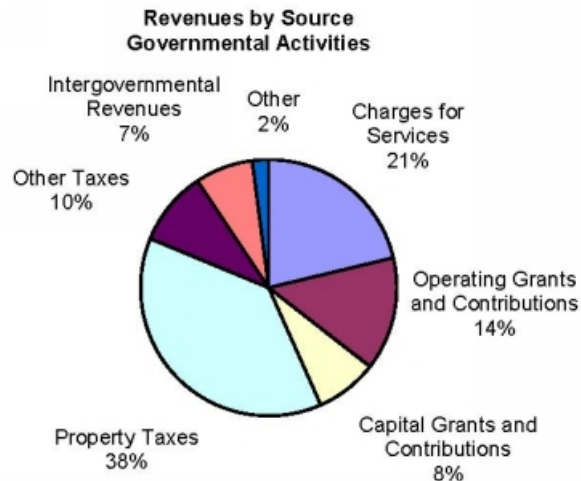
The following is a summary of Lake County governmental and business-type activities for 2012 and 2011, including revenues and expenses, with amounts expressed in thousands:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 48,168	\$ 37,911	\$ 16,574	\$ 16,611	\$ 64,742	\$ 54,522
Operating grants and contributions	32,612	25,074	-	-	32,612	25,074
Capital grants and contributions	17,711	11,052	-	-	17,711	11,052
General Revenues:						
Property taxes	85,904	93,820	-	-	85,904	93,820
Other taxes	21,236	21,395	-	-	21,236	21,395
Intergovernmental	16,580	16,259	-	-	16,580	16,259
Other	4,660	4,138	778	1,342	5,438	5,480
Total Revenues	226,871	209,649	17,352	17,953	244,223	227,602
Expenses:						
General government	33,504	34,833	-	-	33,504	34,833
Public safety	118,604	107,143	-	-	118,604	107,143
Physical environment	3,484	3,203	-	-	3,484	3,203
Transportation	31,771	29,432	-	-	31,771	29,432
Economic environment	8,338	7,934	-	-	8,338	7,934
Human Services	9,438	10,063	-	-	9,438	10,063
Culture and recreation	9,756	9,386	-	-	9,756	9,386
Court-related	9,232	9,335	-	-	9,232	9,335
Interest on long-term debt	5,763	6,092	-	-	5,763	6,092
Landfill	-	-	20,456	19,354	20,456	19,354
Total Expenses	229,890	217,421	20,456	19,354	250,346	236,775
Increase (decrease) in net assets before transfers	(3,019)	(7,772)	(3,104)	(1,401)	(6,123)	(9,173)
Transfers	(2,491)	(2,803)	2,491	2,803	-	-
Increase (decrease) in net assets	(5,510)	(10,575)	(613)	1,402	(6,123)	(9,173)
Net Assets beginning	491,285	501,860	13,433	12,031	504,718	513,891
Net Assets ending	\$ 485,775	\$ 491,285	\$ 12,820	\$ 13,433	\$ 498,595	\$ 504,718

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.

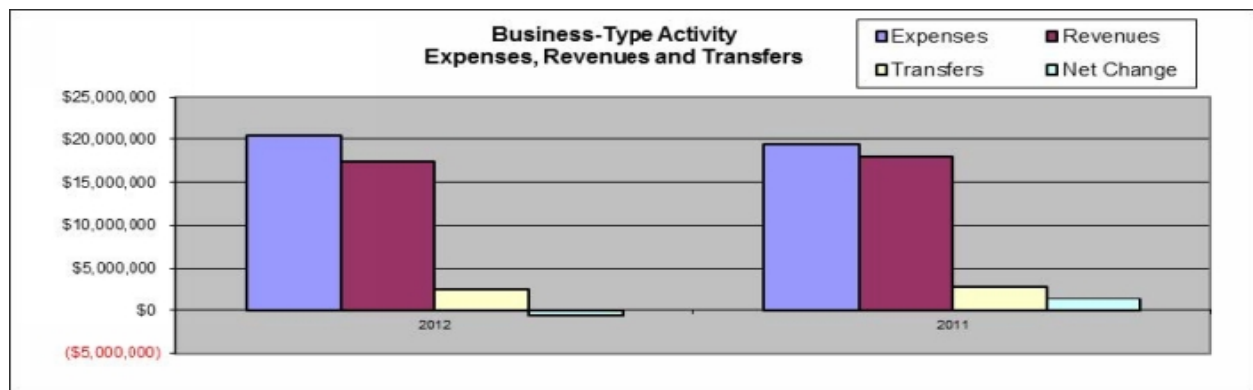
The County has a service agreement with Covanta, Inc. for the operation of the incinerator mentioned above. In FY 2005, the County entered into a new waste disposal agreement for the operation of the plant. In addition, the bonds used to construct the plant were refunded in 2005. In 2010, the debt service 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, 2012 was \$7,992,515. 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 is in the process of determining how solid waste will be handled after that date.

The activities of the solid waste management system are reported in the Landfill Fund. The fund finished the year with a decrease in net assets of \$612,861 compared to an increase of \$1,401,615 in 2011. Operating Expenses in the

Landfill Fund were higher in 2012, \$20,378,662 compared to \$19,127,515 in 2011, primarily due to increased closure costs for the Phase II landfill.

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 2012 of \$3,586,000.

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, 2012 was \$118,248,331, a decrease of \$21,817,828 from the prior year. The fund balance decreased by \$36,124,573 in 2011. This change of approximately \$14.3 million results from an increase in revenues of about \$11.9 million, and a \$2.1 million decrease in other financing uses. The reasons for these increases and decreases are discussed in the section "Governmental Activities" beginning on page 21.

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 prior years, fund balances in governmental funds were classified as either reserved, such as for inventory or encumbrances or as unreserved. In 2011, the County implemented Governmental Accounting Standards Board Statement Number 54 which changed these classifications. Fund balances are now classified as indicated in Note 1K to the financial statements.

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

Nonspendable	\$ 606,256
Restricted	77,026,806
Committed	8,300,745
Assigned	18,267,333
Unassigned	<u>14,047,191</u>
Total Fund Balances	<u>\$ 118,248,331</u>

In addition to the General Fund, the County has three governmental funds that are considered major funds under criteria set forth by GASB Statement Number 34. Those funds include the Road Impact Fees Special Revenue Fund and the Facilities Expansion Projects and Emergency Communications and Operations Center Capital Projects Funds. 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 March 2, 2013. Collections were \$5,398 in 2012 and \$214,525 in 2011. Expenditures were \$2,539,536 in 2012 compared to \$6,724,313 in 2011. Concurrency reservation fees of \$4,666,555 are also included as revenue in the Road Impact Fees Fund in 2012.

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 \$16,336,285, primarily for the Judicial Center Expansion, were incurred in this fund in 2012 compared \$19,409,072 in 2011. The construction of the Judicial Center Expansion began in June, 2010 and is expected to be completed in June, 2013. The total anticipated expense for this project is approximately \$45 million.

Emergency Communications and Operations Center (ECOC) Project: This fund was created to account for the revenues and expenditures related to the construction of an emergency operations center for the County. This project will provide the County with a hardened building that will meet federal standards for an emergency operations center. The project is funded by state and federal grants and by infrastructure sales tax. The completed facility will house 9-1-1 operations and dispatch for the Sheriff, Public Safety (Fire) and Lake Emergency Medical Services. Revenues were \$2,278,356, transfers were \$1,110,209 and expenditures were \$4,194,678 in 2012; the deficit of \$806,113 will be offset by an additional transfer of infrastructure sales tax in 2013. The project is expected to be completed in April, 2013.

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 \$3,408,629 (increase in appropriations for expenditures) and can be briefly summarized as follows:

- General government administrative expenses increase of \$684,354.
- Economic Development increases of \$973,538 primarily for a rail study and the South Lake Sector Plan.
- Human Services increases of \$1,484,761 primarily for a health department clinic in Clermont and for Medicaid and Medicare expenses.

The Final amended budget was higher than the original budget for revenues by \$2,343,838 primarily for grants received for the construction of a new health clinic in South Lake as discussed above and other grant funding.

Actual expenditures in the General Fund were under the final amended budget by \$5,708,438. A brief description of some of these differences follows:

- General government decreases of \$2,397,368 primarily from reductions in personal services and operating expenses by the Board and Constitutional Officers.
- Economic environmental decreases of \$1,178,012 primarily from expenses that were budgeted for a joint rail study of the US 441 corridor that were not spent.

- Human Services decreases of \$674,657 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, 2012, amounts to \$513,873,582 (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 2012.

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 remaining bond proceeds of approximately \$8.6 million along with other County funds have been budgeted for the completion of the Judicial Center mentioned above.

In addition, 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 2012 and 2011, net of accumulated depreciation, with amounts expressed in thousands.

LAKE COUNTY'S CAPITAL ASSETS (amounts expressed in thousands)						
	<u>Governmental Activities</u>		<u>Business-type Activity</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 77,728	\$ 81,638	\$ 2,913	\$ 2,913	\$ 80,641	\$ 84,551
Buildings	123,643	120,346	900	986	124,543	121,332
Improvements	25,983	27,912	8,678	8,973	34,661	36,885
Machinery and equipment	27,782	27,783	473	561	28,255	28,344
Infrastructure	167,018	157,454	-	-	167,018	157,454
Construction in progress	78,731	65,855	25	25	78,756	65,880
Total	<u>\$ 500,885</u>	<u>\$ 480,988</u>	<u>\$ 12,989</u>	<u>\$ 13,458</u>	<u>\$ 513,874</u>	<u>\$ 494,446</u>

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

Long-Term debt

At September 30, 2012 Lake County had bonded debt outstanding of \$111,895,000 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, 2012 was \$81,350,000.

\$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, 2012 was \$27,130,000.

\$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. The bond is held by Branch Banking & Trust Company. The balance outstanding at September 30, 2012 was \$3,415,000.

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, 2012 was \$5,584,132.

Other debt outstanding consists of a note payable in the Landfill Fund that amounted to \$1,000,000 at year end at an interest rate of 3.69%. The note will be 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 8.9% for Lake County, 8.7% for the state of Florida and 7.8% for the nation at September 30, 2012. Last year's rate for the County was 10.6%.
- Inflation nationally as indicated by the consumer price index was 2.0% as of September 30, 2012.

These factors were considered in preparing the County's budget for the 2013 fiscal year. In addition, at its final budget hearing on September 25, 2012, the Board adopted the following millage rates:

- General Fund: 4.7309 mills
- Stormwater, Parks and Roads: .4984 mills
- Lake County Ambulance Fund: .3853 mills
- Voter approved debt: .1900 mills
- Fire/EMS MSTU: .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 ASSETS
September 30, 2012

	Governmental Activities	Business-Type Activity	Total
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 126,752,401	\$ 6,059,287	\$ 132,811,688
Restricted Cash and Investments	11,420,893	-	11,420,893
Accounts Receivable	2,231,248	369,208	2,600,456
Due from Other Governments	9,632,094	-	9,632,094
Inventories	704,169	-	704,169
Prepaid Expenses	386,614	-	386,614
Total Current Assets	151,127,419	6,428,495	157,555,914
Noncurrent Assets:			
Assessments Receivable	210,361	-	210,361
Deferred Charge	1,346,631	211,061	1,557,692
Land and Other Nondepreciable Assets	156,459,397	2,937,779	159,397,176
Depreciable Capital Assets, Net	344,425,590	10,050,816	354,476,406
Total Noncurrent Assets	502,441,979	13,199,656	515,641,635
Total Assets	653,569,398	19,628,151	673,197,549
Liabilities			
Current Liabilities:			
Accounts Payable	9,912,518	1,071,165	10,983,683
Retainage Payable	2,192,122	181,220	2,373,342
Accrued Liabilities	3,716,947	44,509	3,761,456
Due to Other Governments	846,921	-	846,921
Deferred Revenue	349,164	-	349,164
Deposits	399,938	43,037	442,975
Estimated Claims Payable	4,454,506	-	4,454,506
Current Portion of Long Term Obligations	9,877,141	1,289,009	11,166,150
Total Current Liabilities	31,749,257	2,628,940	34,378,197
Noncurrent Liabilities:			
Noncurrent Portion of Long Term Obligations	136,044,992	84,249	136,129,241
Landfill Closure and Post Closure Care Costs	-	4,094,831	4,094,831
Total Noncurrent Liabilities	136,044,992	4,179,080	140,224,072
Total Liabilities	167,794,249	6,808,020	174,602,269
Net Assets			
Invested in Capital Assets, Net of Related Debt	390,755,063	12,551,871	403,306,934
Restricted for Transportation Expenses	29,553,744	-	29,553,744
Restricted for Public Safety	13,987,499	-	13,987,499
Restricted for Debt Service	1,240,560	-	1,240,560
Restricted for Housing Programs	1,297,099	-	1,297,099
Restricted for Other Purposes	7,034,284	-	7,034,284
Unrestricted	41,906,900	268,260	42,175,160
Total Net Assets	\$ 485,775,149	\$ 12,820,131	\$ 498,595,280

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

This page intentionally left blank.

LAKE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activity	Total
Governmental Activities:							
General Government	\$ 33,504,558	\$ 7,332,435	\$ 1,137,964	\$ -	\$(25,034,159)	\$ -	\$(25,034,159)
Public Safety	118,603,825	35,149,598	7,873,336	6,444,631	(69,136,260)	-	(69,136,260)
Physical Environment	3,484,754	363,371	38,026	85,438	(2,997,919)	-	(2,997,919)
Transportation	31,771,127	2,716,781	8,828,638	10,891,757	(9,333,951)	-	(9,333,951)
Economic Environment	8,337,816	484	5,368,793	-	(2,968,539)	-	(2,968,539)
Human Services	9,437,553	348,802	2,309,391	-	(6,779,360)	-	(6,779,360)
Culture and Recreation	9,756,308	307,041	425,640	289,296	(8,734,331)	-	(8,734,331)
Court-Related	9,231,697	1,949,631	6,332,579	-	(949,487)	-	(949,487)
Interest on Long-Term Debt	5,763,135	-	297,667	-	(5,465,468)	-	(5,465,468)
Total Governmental Activities	229,890,773	48,168,143	32,612,034	17,711,122	(131,399,474)	-	(131,399,474)
Business-Type Activity:							
Landfill	20,455,853	16,573,537	-	-	-	(3,882,316)	(3,882,316)
Total Primary Government	\$ 250,346,626	\$ 64,741,680	\$ 32,612,034	\$ 17,711,122	(131,399,474)	(3,882,316)	(135,281,790)
General Revenues							
Taxes:							
Property Taxes					85,903,892	-	85,903,892
Sales Taxes					10,832,882	-	10,832,882
Gas Taxes					6,622,423	-	6,622,423
Communication Services Tax					1,845,753	-	1,845,753
Other					1,935,233	-	1,935,233
Intergovernmental Revenues, unrestricted					16,580,354	-	16,580,354
Investment Income					1,398,247	72,285	1,470,532
Miscellaneous income					3,261,276	706,388	3,967,664
Transfers					(2,490,782)	2,490,782	-
Total General Revenues and Transfers					125,889,278	3,269,455	129,158,733
Change in Net Assets					(5,510,196)	(612,861)	(6,123,057)
Net Assets at Beginning of Year					491,285,345	13,432,992	504,718,337
Net Assets at End of Year					\$ 485,775,149	\$ 12,820,131	\$ 498,595,280

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

**LAKE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2012**

	General Fund	Major Special Revenue Fund Road Impact Fees
Assets		
Cash	\$ 3,780,102	\$ -
Pooled Cash and Investments	26,344,194	21,748,406
Accounts Receivable	135,275	5,885
Assessments Receivable	-	-
Due from Other Funds	4,788,492	-
Intragovernmental Receivables	1,892,356	-
Due from Other Governments	1,996,587	-
Inventories	219,642	-
Prepaid Expenditures	386,614	-
Total Assets	\$ 39,543,262	\$ 21,754,291
Liabilities and Fund Balances		
Liabilities:		
Accounts Payable	\$ 2,062,772	\$ 311,065
Retainage Payable	-	59,078
Accrued Liabilities	2,678,508	-
Due to Other Funds	-	-
Intragovernmental Payables	431,831	-
Due to Other Governments	831,974	-
Deferred Revenue	87,504	-
Deposits	191,113	-
Total Liabilities	6,283,702	370,143
Fund Balances:		
Nonspendable:		
Inventories	219,642	-
Prepays	386,614	-
Restricted	-	21,384,148
Committed	-	-
Assigned	17,800,000	-
Unassigned	14,853,304	-
Total Fund Balances (Deficit)	33,259,560	21,384,148
Total Liabilities and Fund Balances	\$ 39,543,262	\$ 21,754,291

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

Major Capital Projects Funds			
Facilities Expansion Projects	Emergency Communications and Operations Center	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 4,828	\$ 3,784,930
8,597,076	-	57,789,366	114,479,042
-	-	1,950,276	2,091,436
-	-	210,361	210,361
-	-	-	4,788,492
-	-	420,161	2,312,517
-	2,219,978	5,403,126	9,619,691
-	-	-	219,642
-	-	-	386,614
\$ 8,597,076	\$ 2,219,978	\$ 65,778,118	\$ 137,892,725
\$ 1,098,125	\$ 1,204,232	\$ 2,678,766	\$ 7,354,960
1,490,394	349,341	293,309	2,192,122
-	-	1,022,963	3,701,471
-	1,472,518	2,601,766	4,074,284
-	-	83,342	515,173
-	-	14,947	846,921
-	-	472,021	559,525
-	-	208,825	399,938
2,588,519	3,026,091	7,375,939	19,644,394
-	-	-	219,642
-	-	-	386,614
6,008,557	-	49,634,101	77,026,806
-	-	8,300,745	8,300,745
-	-	467,333	18,267,333
-	(806,113)	-	14,047,191
6,008,557	(806,113)	58,402,179	118,248,331
\$ 8,597,076	\$ 2,219,978	\$ 65,778,118	\$ 137,892,725

This page intentionally left blank.

LAKE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE NET ASSETS OF GOVERNMENTAL ACTIVITIES
September 30, 2012

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

Fund balances-total governmental funds	\$ 118,248,331
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.	500,840,370
Long-term revenues for which recognition is deferred in the governmental funds are recorded as revenue in the statement of activities.	210,361
Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	10,958,403
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(144,482,316)</u>
Net assets of governmental activities	<u>\$ 485,775,149</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, 2012

	General Fund	Major Special Revenue Fund Road Impact Fees
Revenues		
Taxes	\$ 73,502,607	\$ -
Licenses and Permits	356,736	-
Intergovernmental	19,524,516	-
Charges for Services	11,627,711	-
Fines and Forfeitures	320,153	-
Special Assessments	2,694	4,671,953
Investment Income	337,450	156,841
Miscellaneous	784,127	-
Total Revenues	106,455,994	4,828,794
Expenditures		
Current:		
General Government	29,073,622	-
Public Safety	61,059,007	-
Physical Environment	1,236,908	-
Transportation	-	2,539,536
Economic Environment	1,198,189	-
Human Services	9,132,441	-
Culture and Recreation	204,297	-
Court-Related Expenditures	1,874,542	-
Debt Service:		
Principal	-	-
Interest and Fiscal Charges	-	-
Capital Outlay	-	-
Total Expenditures	103,779,006	2,539,536
Excess of Revenues Over (Under) Expenditures	2,676,988	2,289,258
Other Financing Sources (Uses)		
Transfers In	7,751,282	-
Transfers Out	(16,912,043)	-
Total Other Financing Sources (Uses)	(9,160,761)	-
Net Change in Fund Balances	(6,483,773)	2,289,258
Fund Balances at Beginning of Year	39,747,174	19,094,890
Inventory Reserve Increase (Decrease)	(3,841)	-
Fund Balances (Deficit) at End of Year	\$ 33,259,560	\$ 21,384,148

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

Major Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
Facilities Expansion Projects	Emergency Communications and Operations Center		
\$ -	\$ -	\$ 33,637,576	\$ 107,140,183
-	-	1,430,147	1,786,883
-	2,278,356	34,350,920	56,153,792
-	-	16,391,194	28,018,905
-	-	846,146	1,166,299
-	-	17,163,308	21,837,955
147,682	-	450,768	1,092,741
-	-	2,557,672	3,341,799
147,682	2,278,356	106,827,731	220,538,557
-	-	1,332,770	30,406,392
-	-	48,005,375	109,064,382
-	-	2,005,980	3,242,888
-	-	22,933,603	25,473,139
-	-	7,331,330	8,529,519
-	-	1,063,846	10,196,287
-	-	8,079,257	8,283,554
-	-	6,501,789	8,376,331
-	-	4,247,939	4,247,939
-	-	5,698,803	5,698,803
16,336,285	4,194,678	7,900,144	28,431,107
16,336,285	4,194,678	115,100,836	241,950,341
(16,188,603)	(1,916,322)	(8,273,105)	(21,411,784)
-	1,110,209	22,781,916	31,643,407
-	-	(15,133,567)	(32,045,610)
-	1,110,209	7,648,349	(402,203)
(16,188,603)	(806,113)	(624,756)	(21,813,987)
22,197,160	-	59,026,935	140,066,159
-	-	-	(3,841)
\$ 6,008,557	\$ (806,113)	\$ 58,402,179	\$ 118,248,331

This page intentionally left blank.

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, 2012

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

Net change in fund balances-total governmental funds	\$	(21,813,987)
---	-----------	---------------------

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 \$39,261,199 exceeded depreciation of \$25,441,629 in the current period.		13,819,570
---	--	------------

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		6,085,440
---	--	-----------

Long-term revenues for which recognition is deferred in the governmental funds are recorded as revenue in the statement of activities.		(64,084)
--	--	----------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,093,114
---	--	-----------

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.		132,451
---	--	---------

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.		(4,762,700)
---	--	-------------

Change in net assets of governmental activities	\$	<u>(5,510,196)</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, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 77,295,768	\$ 77,295,768	\$ 73,502,607	\$ (3,793,161)
Licenses and Permits	375,000	375,000	356,736	(18,264)
Intergovernmental	17,843,461	19,773,943	19,524,516	(249,427)
Charges for Services	11,654,933	11,884,089	11,627,711	(256,378)
Fines and Forfeitures	308,350	308,350	320,153	11,803
Special Assessments	-	-	2,694	2,694
Investment Income	509,000	509,000	337,450	(171,550)
Miscellaneous	830,712	1,014,912	784,127	(230,785)
Less: Statutory Requirement	(5,154,729)	(5,154,729)	-	5,154,729
Total Revenues	103,662,495	106,006,333	106,455,994	449,661
Expenditures				
Current:				
General Government:				
Legislative Offices	501,623	491,883	477,813	14,070
Executive Offices	2,842,831	2,852,571	2,784,738	67,833
Administrative Services	3,281,611	3,435,415	3,069,758	365,657
Facilities Development	4,725,814	4,751,775	4,322,368	429,407
Growth Management	1,336,892	1,336,892	1,178,593	158,299
Public Resources	393,618	528,148	431,024	97,124
Constitutional Officers	859,321	859,321	818,779	40,542
Clerk of the Circuit Court	5,698,888	5,698,888	5,501,398	197,490
Property Appraiser	2,234,873	2,234,873	2,199,751	35,122
Tax Collector	4,397,951	4,397,951	4,067,636	330,315
Supervisor of Elections	2,129,958	2,163,142	1,971,260	191,882
Non-Departmental	2,383,256	2,720,131	2,250,504	469,627
Total General Government	30,786,636	31,470,990	29,073,622	2,397,368
Public Safety:				
Conservation and Compliance	1,479,007	1,479,007	1,282,129	196,878
Emergency Services	2,665,365	2,693,266	2,522,263	171,003
Sheriff	53,742,867	53,644,900	53,633,197	11,703
Judicial Support	750,000	750,000	684,464	65,536
Constitutional Officers	2,168,248	2,368,248	2,156,895	211,353
Non-Departmental	780,060	780,060	780,059	1
Total Public Safety	61,585,547	61,715,481	61,059,007	656,474
Physical Environment:				
Conservation and Compliance	307,585	327,440	298,777	28,663
Public Resources	749,552	748,394	632,728	115,666
Public Works	652,364	769,167	305,403	463,764
Total Physical Environment	1,709,501	1,845,001	1,236,908	608,093

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Economic Environment:				
Economic Development	1,274,115	2,247,653	1,072,195	1,175,458
Community Services	128,548	128,548	125,994	2,554
Total Economic Environment	1,402,663	2,376,201	1,198,189	1,178,012
Human Services:				
Community Services	5,648,696	7,133,457	6,756,654	376,803
Conservation and Compliance	1,294,324	1,294,324	1,204,605	89,719
Public Resources	223,047	223,047	219,040	4,007
Public Works	1,156,270	1,156,270	952,142	204,128
Total Human Services	8,322,337	9,807,098	9,132,441	674,657
Culture and Recreation:				
Public Resources	245,523	245,523	204,297	41,226
Total Culture and Recreation	245,523	245,523	204,297	41,226
Court-Related Expenditures:				
Judicial Support	1,072,424	1,072,966	997,355	75,611
State Attorney	493,396	493,396	434,708	58,688
Public Defender	460,788	460,788	442,479	18,309
Total Court-Related Expenditures	2,026,608	2,027,150	1,874,542	152,608
Total Expenditures	106,078,815	109,487,444	103,779,006	5,708,438
Excess of Revenues Over (Under) Expenditures	(2,416,320)	(3,481,111)	2,676,988	6,158,099
Other Financing Sources (Uses)				
Transfers In	7,019,013	7,019,013	7,751,282	732,269
Transfers Out	(16,631,611)	(17,026,036)	(16,912,043)	113,993
Reserve for Contingencies	(26,811,167)	(26,081,556)	-	26,081,556
Total Other Financing Sources (Uses)	(36,423,765)	(36,088,579)	(9,160,761)	26,927,818
Net Change in Fund Balances	(38,840,085)	(39,569,690)	(6,483,773)	33,085,917
Fund Balances at Beginning of Year	38,840,085	39,569,690	39,747,174	177,484
Inventory Reserve Increase (Decrease)	-	-	(3,841)	(3,841)
Fund Balances at End of Year	\$ -	\$ -	\$ 33,259,560	\$ 33,259,560

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

This page intentionally left blank.

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, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special Assessments	\$ 4,726,327	\$ 4,726,327	\$ 4,671,953	\$ (54,374)
Investment Income	52,200	59,538	156,841	97,303
Less: Statutory Requirement	(2,610)	(2,610)	-	2,610
Total Revenues	4,775,917	4,783,255	4,828,794	45,539
Expenditures				
Current:				
Transportation	21,329,086	23,878,145	2,539,536	21,338,609
Total Expenditures	21,329,086	23,878,145	2,539,536	21,338,609
Excess of Revenues Over (Under) Expenditures	(16,553,169)	(19,094,890)	2,289,258	21,384,148
Other Financing Sources (Uses)				
Reserve for Contingencies	(1,172,188)	-	-	-
Total Other Financing Sources (Uses)	(1,172,188)	-	-	-
Net Change in Fund Balances	(17,725,357)	(19,094,890)	2,289,258	21,384,148
Fund Balances at Beginning of Year	17,725,357	19,094,890	19,094,890	-
Fund Balances at End of Year	\$ -	\$ -	\$ 21,384,148	\$ 21,384,148

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

LAKE COUNTY, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2012

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Assets		
Current Assets:		
Cash	\$ 650	\$ -
Pooled Cash and Investments	6,058,637	19,855,694
Cash with Fiscal Agent	-	53,628
Accounts Receivable	369,208	139,812
Intragovernmental Receivables	-	11,670
Due from Other Governments	-	12,403
Inventory	-	484,527
Total Current Assets	6,428,495	20,557,734
Noncurrent Assets		
Deferred Charge	211,061	-
Capital Assets:		
Land	2,913,017	-
Buildings	2,288,865	-
Equipment	2,922,209	466,193
Improvements Other Than Buildings	15,919,905	-
Construction Work in Progress	24,762	-
Less: Accumulated Depreciation	(11,080,163)	(421,576)
Total Capital Assets	12,988,595	44,617
Total Noncurrent Assets	13,199,656	44,617
Total Assets	19,628,151	20,602,351
Liabilities		
Current Liabilities:		
Accounts Payable	1,071,165	2,557,558
Retainage Payable	181,220	-
Accrued Liabilities	44,509	15,476
Due to Other Funds	-	714,208
Intragovernmental Payables	-	1,809,014
Estimated Insurance Claims Payable	-	4,454,506
Deposits	43,037	-
Current Portion of Long Term Obligations	1,289,009	27,572
Total Current Liabilities	2,628,940	9,578,334
Noncurrent Liabilities:		
Accrued Benefits Payable	84,249	65,614
Landfill Closure and Post Closure Care Costs	4,094,831	-
Total Noncurrent Liabilities	4,179,080	65,614
Total Liabilities	6,808,020	9,643,948
Net Assets		
Invested in Capital Assets, Net of Related Debt	12,551,871	44,617
Unrestricted Net Assets	268,260	10,913,786
Total Net Assets	\$ 12,820,131	\$ 10,958,403

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

LAKE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2012

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Operating Revenues:		
Charges for Services	\$ 16,573,537	\$ 24,141,928
Miscellaneous	706,388	8,382
Total Operating Revenues	17,279,925	24,150,310
Operating Expenses:		
Benefit Payments and Claims	-	20,487,331
Personal Services	1,942,221	813,192
Contracted Services	14,532,158	12,999
Supplies and Materials	259,194	1,237,855
Repairs and Maintenance	186,719	1,092,471
Utilities	148,465	20,549
Other Charges and Services	1,258,790	3,258,090
Depreciation and Amortization	644,605	12,640
Landfill Closure and Post Closure Care Costs	1,406,510	-
Total Operating Expenses	20,378,662	26,935,127
Operating Loss	(3,098,737)	(2,784,817)
Non-Operating Revenues (Expenses):		
Interest Revenue	72,285	109,780
Interest and Financing Costs	(43,153)	-
Aid to Governmental Agencies	(27,881)	-
Net Gain (Loss) on Disposal of Capital Assets	(6,157)	916
Total Non-Operating Revenues (Expenses)	(4,906)	110,696
Loss Before Transfers	(3,103,643)	(2,674,121)
Transfers In	3,586,000	-
Transfers Out	(1,095,218)	(2,088,579)
Total Transfers	2,490,782	(2,088,579)
Increase (Decrease) in Net Assets	(612,861)	(4,762,700)
Total Net Assets at Beginning of Year	13,432,992	15,721,103
Total Net Assets at End of Year	\$ 12,820,131	\$ 10,958,403

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, 2012

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:		
Cash Received from Customers, and Contributions Including Cash Deposits	\$ 17,369,141	\$ 25,079,789
Cash Paid to Suppliers and for Claims	(18,355,177)	(25,338,333)
Cash Paid to Employees	(1,630,327)	(685,846)
Cash Paid to Internal Service Fund	(334,976)	(119,756)
Net Cash Provided (Used) by Operating Activities	(2,951,339)	(1,064,146)
Cash Flows from NonCapital Financing Activities:		
Payments to Government Agencies	(27,881)	-
Cash Advance from Other Funds	-	(440,000)
Cash Transfers from Other Funds	3,586,000	-
Cash Transfers to Other Funds	(1,095,218)	(279,565)
Net Cash Provided (Used) by NonCapital Financing Activities	2,462,901	(719,565)
Cash Flows From Capital And Related Financing Activities:		
Payment on Note Payable	(1,000,000)	-
Interest and Financing Costs Paid on Note Payable	(43,153)	-
Additions to Capital Assets	(139,733)	(5,027)
Proceeds from Sale of Fixed Assets	78,752	916
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,104,134)	(4,111)
Cash Flows from Investing Activities:		
Interest Received	72,285	109,780
Net Cash Provided (Used) by Investing Activities	72,285	109,780
Net Change in Cash And Cash Equivalents	(1,520,287)	(1,678,042)
Cash and Cash Equivalents at October 1	7,579,574	21,587,364
Cash and Cash Equivalents at September 30	\$ 6,059,287	\$ 19,909,322

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, 2012**

	Business-Type Activity Landfill Fund	Governmental Activities Internal Service Funds
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities		
Operating Loss	\$ (3,098,737)	\$ (2,784,817)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization Expense	644,605	12,640
Change in Accounts Receivable	104,816	928,736
Change in Intragovernmental Receivables	-	300
Change in Due from Other Governments	-	1,418
Change in Inventory	-	(150,435)
Change in Accounts Payable	84,723	370,214
Change in Retainage Payable	181,220	-
Change in Due to Other Funds	-	154,208
Change in Accrued Liabilities	(11,740)	5,169
Change in Intragovernmental Payables	(52)	-
Change in Estimated Claims Payable	-	396,000
Change in Accrued Benefits Payable	(11,342)	2,421
Change in Closure and Post Closure Costs	(829,232)	-
Change in Deposits	(15,600)	-
Total Adjustments	147,398	1,720,671
Net Cash Provided (Used) by Operating Activities	\$ (2,951,339)	\$ (1,064,146)
<u>Noncash Investing, Capital and Financing Activities</u>		
Gain (Loss) on Disposition of Capital Assets	\$ (6,157)	\$ 916
Accrued Interest Payable Reported in Accrued Liabilities	12,505	-

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, 2012

	<u>Agency Funds</u>
<u>Assets</u>	
Cash	\$ 4,535,489
Pooled Cash and Investments	7,763,084
Accounts Receivable	2,444
Due from Other Governments	<u>200,608</u>
Total Assets	<u>\$ 12,501,625</u>
<u>Liabilities</u>	
Accounts Payable	\$ 27,258
Due to Other Governments	4,081,679
Deposits	5,687,978
Taxes Collected in Advance	2,459,201
Cash Bonds Payable	<u>245,509</u>
Total Liabilities	<u>\$ 12,501,625</u>

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 supported by fees collected from the residents who benefit from these services;

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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

Effective October 1, 2011, Sumter County elected to withdraw its participation in the interlocal agreement with Lake County to provide ambulance services to the citizens of their respective counties. Lake County formed Lake Emergency Medical Services, Inc., a separate non-profit corporation, to continue these services to the citizens of Lake County. Certain assets and liabilities were transferred to the new corporation as part of the dissolution of the former corporation.

B. Government-wide and fund financial statements:

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, such as general government, public safety, transportation, physical and economic environment, human services, culture and recreation and court related

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

expenses, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Taxes and other items, including unrestricted intergovernmental revenues, not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the Landfill fund are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. The fiduciary fund financial statements, which include only agency funds, are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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.

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.

The Emergency Communications and Operations Center Capital Projects Fund accounts for grants and other revenues used to construct and equip the new center.

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, 2012

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.

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

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, 2012

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, 2012

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, 2012 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 2012.

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 represents a higher level of summarization than the legal level of control for the Board.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 for inclusion in the State's General Appropriation Act.

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

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

For the fiscal year 2011-2012, 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.

I. Deferred Charge:

The deferred charge recorded in the governmental activities represents unamortized issuance costs for bonds payable. The deferred charge recorded in the Landfill Fund

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

represents amounts paid for capital improvements at the solid waste disposal/resource recovery facility, owned and operated by Covanta Lake, Inc. (Covanta), as more fully described in Note 8E. The County is contractually obligated under the terms of a waste disposal agreement with Covanta to provide these improvements which are being amortized over the life of the agreement. The waste disposal agreement expires July 1, 2014.

J. Accrued Benefits Payable:

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

K. Fund Equity/Restricted Net Assets:

In the fund financial statements, governmental funds report 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 a majority vote of the Board. A commitment of fund balance may also be modified or rescinded by a majority vote of 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, or the negative residual amount for the other funds.

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.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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

L. Long-term Obligations:

In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized systematically over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

M. 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 Assets – Governmental Activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$144,482,316 difference are as follows:

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

Bonds Payable	\$ 111,895,000
Add: Bond Premium	4,071,685
Less: Deferred Charge for Issuance Costs	(1,346,631)
Note Payable	5,584,132
Other Post Employment Benefits	12,700,496
Compensated Absences (excluding internal service fund \$93,186)	11,577,634
Net Adjustment	\$ <u>144,482,316</u>

3. DEPOSITS AND INVESTMENTS

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

Investment Type	Weighted Average Maturity (Years)	Fair Value
U. S. Treasury notes	0.53	\$ 10,272,906
U. S. Agency notes	0.26	35,070,496
Florida Local Government Investment Trust (FLGIT)	2.08	<u>26,164,927</u>
Total Fair Value		\$ <u>71,508,329</u>
Portfolio Weighted Average Maturity	0.97	

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 exceed two years. In addition, no individual security can have a maturity greater than five years. When computing the weighted average maturity of investments, the County assumes callable securities will be redeemed on the first call date.

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 AA+ 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 Assets follows:

Cash on Hand and Carrying				Total
Amount of Deposits			\$	85,022,825
Carrying Amount of Investments				71,508,329
Total			\$	<u>156,531,154</u>
		Gov't-Wide	Fiduciary	Total
Cash and Cash Equivalents	\$	<u>132,811,688</u>	\$	<u>12,298,573</u>
Current Restricted				
Cash and Investments		11,420,893		-
Total	\$	<u>144,232,581</u>	\$	<u>12,298,573</u>
			\$	<u>156,531,154</u>

4. ASSESSMENTS RECEIVABLE

Assessments receivable at September 30, 2012 consist primarily of \$210,361 in secondary roads, of which \$30,943 is current, \$59,948 is deferred and \$119,470 is past due.

These assessments are reported in the County Transportation Trust Fund and are administered by the Board. Assessments to the fund become due and payable thirty days after the final assessment roll is approved by the Board. All assessments not paid within the period are paid in equal installments over a seven-year period, with interest ranging from 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, 2012

5. CAPITAL ASSETS

A summary of governmental activities capital assets follows:

	<u>Balance Oct 1, 2011</u>	<u>Additions and Transfers</u>	<u>Deletions and Transfers</u>	<u>Balance Sept 30, 2012</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 81,637,775	\$ 2,108,186	\$ (6,017,431)	\$ 77,728,530
Construction work in progress	65,855,570	29,050,347	(16,175,050)	78,730,867
Total	<u>147,493,345</u>	<u>31,158,533</u>	<u>(22,192,481)</u>	<u>156,459,397</u>
Capital assets being depreciated:				
Buildings	166,053,539	7,705,687	(59,589)	173,699,637
Improvements	36,599,612	369,182	-	36,968,794
Machinery and equipment	73,646,059	13,397,945	(2,838,990)	84,205,014
Infrastructure	273,328,869	21,145,863	-	294,474,732
Total	<u>549,628,079</u>	<u>42,618,677</u>	<u>(2,898,579)</u>	<u>589,348,177</u>
Less accumulated depreciation:				
Buildings	(45,707,455)	(4,388,946)	39,761	(50,056,640)
Improvements	(8,687,866)	(2,297,628)	-	(10,985,494)
Machinery and equipment	(45,863,306)	(13,281,957)	2,721,715	(56,423,548)
Infrastructure	(115,875,207)	(11,581,698)	-	(127,456,905)
Total	<u>(216,133,834)</u>	<u>(31,550,229)</u>	<u>2,761,476</u>	<u>(244,922,587)</u>
Total capital assets being depreciated, net	<u>333,494,245</u>	<u>11,068,448</u>	<u>(137,103)</u>	<u>344,425,590</u>
Governmental activities capital assets, net	<u>\$ 480,987,590</u>	<u>\$ 42,226,981</u>	<u>\$ (22,329,584)</u>	<u>\$ 500,884,987</u>

Machinery and equipment includes transfers in of \$9,819,646 (cost) and \$6,095,960 (accumulated depreciation), related to Lake Emergency Medical Services, Inc. (see Note 1A) Other transfers in and donations, including building, infrastructure and right of way, were \$8,521,315.

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

Governmental activities:	
General government	\$ 2,443,694
Public safety	6,979,897
Physical environment	90,195
Transportation	13,343,816
Economic environment	27,262
Human services	360,011
Culture and recreation	1,568,430
Court-related expenses	<u>628,324</u>
Depreciation expense by function excluding internal service funds	25,441,629
Depreciation in the internal service funds are charged to various functions based on their usage of the assets	12,640
Depreciation expense - governmental activities	<u>\$ 25,454,269</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

A summary of business activities capital assets follows:

	Balance Oct 1, 2011	Additions	Deletions	Balance Sept 30, 2012
Business-type activities:				
Capital assets not depreciated:				
Land	\$ 2,913,017	\$ -	\$ -	\$ 2,913,017
Construction work in progress	24,762	-	-	24,762
Total	<u>2,937,779</u>	<u>-</u>	<u>-</u>	<u>2,937,779</u>
Capital assets being depreciated:				
Buildings	2,288,865	-	-	2,288,865
Improvements other than buildings	15,913,668	6,237	-	15,919,905
Machinery and equipment	3,161,340	133,496	(372,627)	2,922,209
Total	<u>21,363,873</u>	<u>139,733</u>	<u>(372,627)</u>	<u>21,130,979</u>
Less accumulated depreciation for:				
Buildings	(1,302,599)	(86,522)	-	(1,389,121)
Improvements other than buildings	(6,940,916)	(300,804)	-	(7,241,720)
Machinery and equipment	<u>(2,600,367)</u>	<u>(136,672)</u>	<u>287,717</u>	<u>(2,449,322)</u>
Total	<u>(10,843,882)</u>	<u>(523,998)</u>	<u>287,717</u>	<u>(11,080,163)</u>
Total capital assets being depreciated, net	<u>10,519,991</u>	<u>(384,265)</u>	<u>(84,910)</u>	<u>10,050,816</u>
Business-type activities capital assets, net	<u>\$ 13,457,770</u>	<u>\$ (384,265)</u>	<u>\$ (84,910)</u>	<u>\$ 12,988,595</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. 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 90% of the pledged revenues. For the current year, principal and interest payments and sales tax replacement revenues totaled \$268,610 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 3.91%. The annual requirements to amortize the Pari-Mutuel Revenues Replacement Refunding Bond at September 30, 2012 are as follows:

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

Fiscal Year Ended	Principal	Interest	Total
2013	\$ 135,000	\$ 133,527	\$ 268,527
2014	140,000	128,248	268,248
2015	145,000	122,774	267,774
2016	150,000	117,105	267,105
2017	155,000	111,240	266,240
2018-2022	880,000	459,230	1,339,230
2023-2027	1,065,000	273,896	1,338,896
2028-2030	745,000	59,237	804,237
Total	\$ <u>3,415,000</u>	\$ <u>1,405,257</u>	\$ <u>4,820,257</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 \$1,043,153 and (\$2,454,132), respectively. The total amount to be repaid in principal and interest is \$1,018,758. Interest expense paid during 2012 amounted to \$43,153.

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 51% of the pledged revenues. For the current year, principal and interest payments and Half Cent Sales Tax revenues totaled \$5,738,405 and \$11,260,878, 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 \$37,040,000, 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 3.70% to 5.00% and the term bonds bear interest at 5.00%. The annual requirements to amortize the Capital Improvement Revenue Bonds at September 30, 2012 are as follows:

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,800,000	\$ 3,940,780	\$ 5,740,780
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
2018-2022	12,015,000	16,678,900	28,693,900
2023-2027	15,255,000	13,440,000	28,695,000
2028-2032	19,470,000	9,225,000	28,695,000
2033-2037	24,840,000	3,847,249	28,687,249
Total	\$ <u>81,350,000</u>	\$ <u>62,111,293</u>	\$ <u>143,461,293</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 162% of the pledged revenues. For the current year, principal and interest payments and the limited ad valorem revenues collected for this purpose totaled \$2,701,988 and \$1,667,572, 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, 2012 are as follows:

<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,425,000	\$ 1,277,188	\$ 2,702,188
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
2018-2022	9,705,000	3,818,238	13,523,238
2023-2026	9,665,000	1,154,468	10,819,468
Total	\$ <u>27,130,000</u>	\$ <u>10,733,146</u>	\$ <u>37,863,146</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 payments are expected to use 11% of the pledged revenues. In 2012 the County renegotiated the interest rate with Hancock Bank resulting in a net present value

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 \$1,214,739 and \$10,832,882, 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, 2012 are as follows:

<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,067,548	\$ 74,015	\$ 1,141,563
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>5,584,132</u>	\$ <u>222,491</u>	\$ <u>5,806,623</u>

F. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2012, is as follows:

<u>Govt Activities</u>	<u>Balance Oct 1, 2011</u>	<u>Additions</u>	<u>Payments and Reductions</u>	<u>Balance Sept 30, 2012</u>	<u>Due Within One Year</u>
Capital Improvement Revenue Bonds	\$ 83,075,000	\$ -	\$ 1,725,000	\$ 81,350,000	\$ 1,800,000
Limited General Obligation Bonds	28,500,000	-	1,370,000	27,130,000	1,425,000
Pari-mutuel Revenues Refunding Bond	3,545,000	-	130,000	3,415,000	135,000
Hancock Bank Note Payable	6,607,069	-	1,022,937	5,584,132	1,067,548
Add Bond Premium	4,267,411	-	195,726	4,071,685	-
Total Bonds Payable	125,994,480	-	4,443,663	121,550,817	4,427,548
Accrued Benefits Payable	11,804,691	8,849,847	8,983,718	11,670,820	5,449,593
Other Post-Employment Benefits	9,414,276	3,839,080	552,860	12,700,496	-
Total - Govt Activities	\$ <u>147,213,447</u>	\$ <u>12,688,927</u>	\$ <u>13,980,241</u>	\$ <u>145,922,133</u>	\$ <u>9,877,141</u>

<u>Business Activities</u>	<u>Balance Oct 1, 2011</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance Sept 30, 2012</u>	<u>Due Within One Year</u>
Note Payable	\$ 2,000,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Accrued Benefits Payable	183,474	138,075	149,418	172,131	87,882
Total - Bus Activities	\$ <u>2,183,474</u>	\$ <u>138,075</u>	\$ <u>1,149,418</u>	\$ <u>1,172,131</u>	\$ <u>1,087,882</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 \$93,186 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 assets for business type activities include \$201,127 for the current portion and \$4,094,831 for the long-term portion of landfill closing and long-term care costs.

7. NET ASSETS AND FUND BALANCES

Fund balances consist of the following:

		Major Special Revenue Fund	Major Capital Projects Funds		Nonmajor Governmental Funds	Total
	General Fund	Road Impact Fees	Facilities Expansion Project	Emergency Communications and Operations		
Fund Balances:						
Nonspendable:	\$ 606,256	\$ -	\$ -	\$ -	\$ -	\$ 606,256
Restricted:						
Capital	-	21,384,148	6,008,557	-	20,242,707	47,635,412
Public Safety	-	-	-	-	11,649,855	11,649,855
Transportation	-	-	-	-	8,169,596	8,169,596
Economic Env	-	-	-	-	3,778,626	3,778,626
Debt Service	-	-	-	-	1,240,560	1,240,560
Housing Programs	-	-	-	-	1,297,099	1,297,099
Other Purposes	-	-	-	-	3,255,658	3,255,658
Total Restricted	-	21,384,148	6,008,557	-	49,634,101	77,026,806
Committed:						
Public Safety	-	-	-	-	2,337,644	2,337,644
Physical Env	-	-	-	-	5,963,101	5,963,101
Total Committed	-	-	-	-	8,300,745	8,300,745
Assigned:						
Operations	17,800,000	-	-	-	-	17,800,000
Library Services	-	-	-	-	467,333	467,333
Total Assigned	17,800,000	-	-	-	467,333	18,267,333
Unassigned	14,853,304	-	-	(806,113)	-	14,047,191
Total	\$ 33,259,560	\$ 21,384,148	\$ 6,008,557	\$ (806,113)	\$ 58,402,179	\$ 118,248,331

The Emergency Communications and Operations Center (ECOC) Capital Projects Fund had a deficit fund balance of \$806,113 at September 30, 2012. The fund incurred expenditures that were to be paid by infrastructure sales tax. These funds will be transferred to the ECOC Capital Projects Fund in 2013 to liquidate the deficit.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

Invested in capital assets, net of related debt consist of the following:

Governmental activities:	
Capital assets	\$ 500,884,987
Less: Total bonds payable	(121,550,817)
Add: Restricted cash (Unspent bond proceeds)	11,420,893
Invested in capital assets, net of related debt	<u>\$ 390,755,063</u>
Business activities:	
Capital assets	12,988,595
Less: Portion of note payable allocable to capital assets	(436,724)
Invested in capital assets, net of related debt	<u>\$ 12,551,871</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.

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
9/30/2013	\$ -	\$ 480,706	\$ -	\$ -	\$ -	\$ 3,054,944
9/30/2014	-	2,694,663	-	196,454	-	660,297
9/30/2015	67,128	1,785,079	4,070,228	183,247	-	514,670
9/30/2016	42,761	756,154	454,076	58,044	994,519	135,561
9/30/2017	31,470	107,369	50,241	39,116	133,918	44,710
9/30/2018	1,573	69,998	42,506	5,005	7,931	35,227

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 \$1,125,258, of which \$248,901, \$313,852, \$238,857, and \$323,648 are subject to refund in the years ended September 30, 2015, 2016, 2017, and 2018 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.

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, 2012.

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.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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:

		Liability Balance Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Liability Balance End of Year
<u>2010-2011</u>					
County:					
General Liability	\$	1,864,600	\$ 2,148,842	\$ (1,989,442)	\$ 2,024,000
County:					
Health		375,000	8,696,017	(8,441,017)	630,000
Clerk:					
Health		323,000	1,867,432	(1,970,432)	220,000
Sheriff:					
Health		456,644	8,628,256	(8,190,620)	894,280
Total	\$	<u>3,019,244</u>	<u>21,340,547</u>	<u>(20,591,511)</u>	<u>3,768,280</u>

		Liability Balance Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Liability Balance End of Year
<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		894,280	8,300,006	(8,009,780)	1,184,506
Total	\$	<u>3,768,280</u>	<u>20,487,433</u>	<u>(19,801,207)</u>	<u>4,454,506</u>

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.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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, 2012 (on Covanta's books) was \$7,992,515.

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, 2012, there were fourteen series of Industrial Revenue Bonds outstanding, excluding the resource recovery bonds mentioned above. The current aggregate principal amount for the bonds issued in prior years could not be determined; however, their original issue amounts totaled \$35,450,000.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

post-retirement health insurance subsidy as well as disability and survivor's benefits, as established by Florida Statutes.

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

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

<u>Membership Category</u>	<u>July 1, 2011 Employer's Contribution Rates</u>	<u>July 1, 2012 Employer's Contribution Rates</u>
Regular	4.91%	5.18%
Special Risk (Fire and Police)	14.10%	14.90%
Senior Management	6.27%	6.30%
Elected State Officer (Includes County Officials)	11.14%	10.23%
Deferred Retirement Option Plan (DROP)	4.42%	5.44%

The County's contribution to the plan for the years ended September 30, 2012, 2011, and 2010 was \$7,333,761, \$11,569,787, and \$12,656,152, 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 and \$2,241,509 for the period from July 1, 2011 to September 30, 2011 and for the year ended September 30, 2012, 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.

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 commingle 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.

The following table shows the calculation of the ARC and Net OPEB Obligation for the fiscal year ending September 30, 2012:

Determination of Annual Required Contribution:	
Normal Cost at Year-end	\$ 2,754,260
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	1,044,215
Interest on Normal Cost and Amortization	29,725
Annual Required Contribution	<u>\$ 3,828,200</u>
Determination of Net OPEB Obligation:	
Annual Required Contribution (ARC)	3,828,200
Interest on Prior Year Net OPEB Obligation	274,500
Adjustment to ARC	(263,620)
Less Contributions Made	<u>(552,860)</u>
	3,286,220
Net OPEB Obligation -beginning of year	9,414,276
Net OPEB Obligation -end of year	<u>\$ 12,700,496</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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

Board of County Commissioners	\$ 2,075,884
Clerk of Courts	473,029
Property Appraiser	108,035
Sheriff	9,785,668
Supervisor of Elections	56,654
Tax Collector	201,226
	<u>\$ 12,700,496</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the new OPEB obligation for 2012 and the two preceding years were as follows:

Year Ended September 30		Annual OPEB Cost	Percent of Annual OPEB Cost Contributed		Net OPEB Obligation
2010	\$	3,317,420	11.1%	\$	6,338,970
2011		3,527,215	12.8%		9,414,276
2012		3,839,080	14.0%		12,700,496

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
10/1/2009	\$ -	\$ 26,923,262	\$ 26,923,262	0.00%	\$ 77,507,334	34.74%
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%

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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 and 10/1/2009
Actuarial cost method	Entry Age Normal
Amortization period and method	Closed amortization calculated at a level percent of payroll over 26 years

The actuarial assumptions are:

Investment rate of return	3.9%
Projected annual salaries increase	4.0%
Healthcare cost trend rate	9.0%
Inflation rate	3.0%

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, 2012 is as follows:

Due to/from Governmental Funds	
Due to General Fund from Nonmajor Governmental Funds	\$ 4,074,284
Due to General Fund from Internal Service Funds	714,208
Due to/from Governmental Funds	<u>\$ 4,788,492</u>

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

Intragovernmental receivables
and payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Govt Funds	\$ 83,342
General Fund	Internal Service	1,809,014
Nonmajor Govt Funds	General Fund	420,161
Internal Service Funds	General Fund	11,670
Total		<u>\$ 2,324,187</u>

Interfund transfers for the year ended September 30, 2012 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	\$ -	\$ 1,110,209	\$ 22,781,916	\$ 23,892,125
Nonmajor Funds	4,567,485	-	-	4,567,485
Internal Service	2,088,579	-	-	2,088,579
Landfill	1,095,218	-	-	1,095,218
Total	\$ <u>7,751,282</u>	<u>1,110,209</u>	\$ <u>22,781,916</u>	<u>31,643,407</u>
Transfers out				<u>(32,045,610)</u>
Net Transfers				\$ <u>(402,203)</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	\$ (1,095,218)
General Fund transfer out to Landfill Fund	3,586,000
Insurance Fund transfer out to General Fund	<u>(2,088,579)</u>
Total Net Transfers	\$ <u>402,203</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. In addition, new landfills must be constructed in accordance with federal and state requirements.

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

LAKE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

The following schedule reflects the changes in estimates and payments for the year ended September 30, 2012:

<u>Landfill</u>	Balance October 1, 2011	Additions/ Changes in Estimates	Payments	Balance September 30, 2012
Construction and Demolition	\$ 247,933	\$ 5,509	\$ -	\$ 253,442
Loghouse	33,810	(7,295)	9,272	17,243
Umatilla	65,224	639	15,967	49,896
Lady Lake	206,532	2,431	21,707	187,256
Central Landfill Phase I	825,315	5,873	45,480	785,708
Central Landfill Phase II	3,571,832	1,003,442	2,143,316	2,431,958
Central Landfill Phase III	174,544	395,911	-	570,455
Totals	\$ <u>5,125,190</u>	\$ <u>1,406,510</u>	\$ <u>2,235,742</u>	\$ <u>4,295,958</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, 2012 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, 2012:

<u>Landfill</u>	Remaining Postclosure Care Period	Closure Costs	Postclosure Care	Total Liability
Construction and Demolition	5 years	\$ 197,552	\$ 55,890	\$ 253,442
Loghouse	1 years	-	17,243	17,243
Umatilla	3 years	-	49,896	49,896
Lady Lake	8 years	-	187,256	187,256
Central Landfill Phase I	14 years	-	785,708	785,708
Central Landfill Phase II	30 years	135,608	2,296,350	2,431,958
Central Landfill Phase III	30 years	242,317	328,138	570,455
Totals		\$ <u>575,477</u>	\$ <u>3,720,481</u>	\$ <u>4,295,958</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 Phase III landfill are \$623,102 and \$843,778 based on 28% of capacity used to date.

These amounts are based on what it would cost the County to perform all closure and postclosure care in 2012. 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.

PUBLIC TRANSPORTATION FUND

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

LAKE COUNTY AMBULANCE FUND

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

ENVIRONMENTAL RECOVERY FUND

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

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.

EMPLOYEE BENEFIT FUND

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

CLERK SPECIAL REVENUE FUNDS

To account for revenues 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 marine patrol services provided to the Lake County Water Authority, school crossing guard services, and drug awareness and prevention programs, and to account for the operations of the Commissary operated for the benefit of County jail inmates.

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.

SALES TAX CAPITAL PROJECTS FUND

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

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.

This page intentionally left blank.

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2012**

	Special Revenue Funds		
	Library Impact Fee Trust	Park Impact Fee Trust	County Transportation Trust
Assets			
Cash	\$ -	\$ -	\$ 350
Pooled Cash and Investments	1,096,890	660,609	7,271,839
Accounts Receivable	-	-	-
Assessments Receivable	-	-	210,361
Intragovernmental Receivables	-	-	-
Due from Other Governments	9,168	-	940,819
Total Assets	\$ 1,106,058	\$ 660,609	\$ 8,423,369
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 412,242
Retainage Payable	-	-	-
Accrued Liabilities	-	-	98,795
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	210,361
Deposits	-	-	-
Total Liabilities	-	-	721,398
Fund Balances			
Restricted	1,106,058	660,609	7,701,971
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	1,106,058	660,609	7,701,971
Total Liabilities and Fund Balances	\$ 1,106,058	\$ 660,609	\$ 8,423,369

Special Revenue Funds

Fish Conservation Trust	Community Development	Public Transportation	Lake County Ambulance	Stormwater Management Parks and Roads	Emergency 9-1-1
\$ -	\$ -	\$ 160	\$ -	\$ -	\$ -
135,120	-	-	2,066,705	6,065,166	2,587,790
-	-	135,669	-	-	-
-	-	-	-	-	-
-	-	-	58,762	61,654	-
1,220	659,308	1,500,492	-	51,543	113,342
\$ 136,340	\$ 659,308	\$ 1,636,321	\$ 2,125,467	\$ 6,178,363	\$ 2,701,132
\$ -	\$ 109,348	\$ 102,329	\$ 117,275	\$ 187,850	\$ 38,214
-	54,215	-	-	-	-
-	5,313	5,622	-	26,807	4,182
-	490,432	1,060,745	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	261,658
-	-	-	-	605	-
-	659,308	1,168,696	117,275	215,262	304,054
136,340	-	467,625	-	-	2,397,078
-	-	-	2,008,192	5,963,101	-
-	-	-	-	-	-
136,340	-	467,625	2,008,192	5,963,101	2,397,078
\$ 136,340	\$ 659,308	\$ 1,636,321	\$ 2,125,467	\$ 6,178,363	\$ 2,701,132

(Continued)

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2012**

	Special Revenue Funds		
	Resort/ Development Tax	Affordable Housing Assistance Trust	Section 8
Assets			
Cash	\$ 100	\$ -	\$ -
Pooled Cash and Investments	3,712,307	492,466	791,361
Accounts Receivable	1,480	-	58,427
Assessments Receivable	-	-	-
Intragovernmental Receivables	122,654	-	-
Due from Other Governments	-	-	-
Total Assets	\$ 3,836,541	\$ 492,466	\$ 849,788
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 48,952	\$ 785	\$ 10,394
Retainage Payable	-	-	-
Accrued Liabilities	8,963	-	3,802
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Deposits	-	-	30,174
Total Liabilities	57,915	785	44,370
Fund Balances			
Restricted	3,778,626	491,681	805,418
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	3,778,626	491,681	805,418
Total Liabilities and Fund Balances	\$ 3,836,541	\$ 492,466	\$ 849,788

Special Revenue Funds

Federal/ State Grants	Restricted Local Programs	Energy Efficiency and Conservation Block Grant	Municipal Service Benefit Units/Special Assessments	Law Enforcement Trust	County Sales Tax
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	756,194	-	209,855	275,307	280,842
-	-	-	-	-	-
-	-	-	-	-	-
-	44,012	-	-	-	-
851,921	100	199,579	-	-	1,056,792
\$ 851,921	\$ 800,306	\$ 199,579	\$ 209,855	\$ 275,307	\$ 1,337,634
\$ 207,692	\$ 948	\$ 178,655	\$ -	\$ -	\$ -
16,080	-	17,351	-	-	-
2,287	1,629	1,192	-	-	-
457,300	-	2,329	-	-	-
-	35,419	-	-	31,764	-
-	-	-	-	-	-
-	-	2	-	-	-
-	-	-	-	-	-
683,359	37,996	199,529	-	31,764	-
168,562	762,310	50	209,855	243,543	1,337,634
-	-	-	-	-	-
-	-	-	-	-	-
168,562	762,310	50	209,855	243,543	1,337,634
\$ 851,921	\$ 800,306	\$ 199,579	\$ 209,855	\$ 275,307	\$ 1,337,634

(Continued)

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2012**

	Special Revenue Funds		
	Environmental Recovery	Building Services	Lake County MTU for Fire Protection
Assets			
Cash	\$ -	\$ 300	\$ -
Pooled Cash and Investments	-	749,679	6,099,675
Accounts Receivable	-	-	235
Assessments Receivable	-	-	-
Intragovernmental Receivables	-	-	42,696
Due from Other Governments	-	-	13,625
Total Assets	\$ -	\$ 749,979	\$ 6,156,231
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ 2,492	\$ 87,279
Retainage Payable	-	-	-
Accrued Liabilities	-	15,660	217,781
Due to Other Funds	-	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Deposits	-	-	-
Total Liabilities	-	18,152	305,060
Fund Balances			
Restricted	-	731,827	5,851,171
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	-	731,827	5,851,171
Total Liabilities and Fund Balances	\$ -	\$ 749,979	\$ 6,156,231

Special Revenue Funds

Fire Rescue Impact Fee Trust	County-Wide Library	Animal Shelter Trust	Employee Benefit	Clerk Special Revenue Funds	Sheriff Special Revenue Funds
\$ -	\$ 958	\$ -	\$ -	\$ 2,760	\$ -
2,047,867	541,813	317,036	-	1,509,735	861,292
-	2,270	-	-	-	561
-	-	-	-	-	-
-	-	-	-	-	64,800
-	-	-	-	-	5,217
\$ 2,047,867	\$ 545,041	\$ 317,036	\$ -	\$ 1,512,495	\$ 931,870
\$ 20,492	\$ 39,223	\$ 909	\$ -	\$ 67,454	\$ 19,277
1,562	-	-	-	-	-
-	38,485	-	-	-	85,645
-	-	-	-	-	-
-	-	-	-	5,334	10,825
-	-	-	-	14,947	-
-	-	-	-	-	-
-	-	-	-	178,046	-
22,054	77,708	909	-	265,781	115,747
2,025,813	-	316,127	-	1,246,714	816,123
-	-	-	-	-	-
-	467,333	-	-	-	-
2,025,813	467,333	316,127	-	1,246,714	816,123
\$ 2,047,867	\$ 545,041	\$ 317,036	\$ -	\$ 1,512,495	\$ 931,870

(Continued)

**LAKE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2012**

	Special Revenue Funds	Debt Service Funds	
	Lake Emergency Medical Services	Sales Tax Note Payable Debt Service	Pari-Mutuel Revenue Bonds Debt Service
Assets			
Cash	\$ 200	\$ -	\$ -
Pooled Cash and Investments	-	38,176	176,172
Accounts Receivable	1,751,634	-	-
Assessments Receivable	-	-	-
Intragovernmental Receivables	-	-	-
Due from Other Governments	-	-	-
Total Assets	\$ 1,751,834	\$ 38,176	\$ 176,172
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 324,622	\$ -	\$ -
Retainage Payable	-	-	-
Accrued Liabilities	506,800	-	-
Due to Other Funds	590,960	-	-
Intragovernmental Payables	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Deposits	-	-	-
Total Liabilities	1,422,382	-	-
Fund Balances			
Restricted	-	38,176	176,172
Committed	329,452	-	-
Assigned	-	-	-
Total Fund Balances	329,452	38,176	176,172
Total Liabilities and Fund Balances	\$ 1,751,834	\$ 38,176	\$ 176,172

Debt Service Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
Public Lands Program Debt Service	Facilities Expansion Debt Service	Parks Capital Projects	Sales Tax Capital Projects	Public Lands Program Capital Projects	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,828
977,454	23,175	855,965	14,365,059	2,823,817	57,789,366
-	-	-	-	-	1,950,276
-	-	-	-	-	210,361
25,583	-	-	-	-	420,161
-	-	-	-	-	5,403,126
\$ 1,003,037	\$ 23,175	\$ 855,965	\$ 14,365,059	\$ 2,823,817	\$ 65,778,118
\$ -	\$ -	\$ 18,186	\$ 629,372	\$ 54,776	\$ 2,678,766
-	-	-	204,101	-	293,309
-	-	-	-	-	1,022,963
-	-	-	-	-	2,601,766
-	-	-	-	-	83,342
-	-	-	-	-	14,947
-	-	-	-	-	472,021
-	-	-	-	-	208,825
-	-	18,186	833,473	54,776	7,375,939
1,003,037	23,175	837,779	13,531,586	2,769,041	49,634,101
-	-	-	-	-	8,300,745
-	-	-	-	-	467,333
1,003,037	23,175	837,779	13,531,586	2,769,041	58,402,179
\$ 1,003,037	\$ 23,175	\$ 855,965	\$ 14,365,059	\$ 2,823,817	\$ 65,778,118

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2012

	Special Revenue Funds		
	Library Impact Fee Trust	Park Impact Fee Trust	County Transportation Trust
Revenues			
Taxes	\$ -	\$ -	\$ 6,622,423
Licenses and Permits	-	-	-
Intergovernmental	-	-	4,673,609
Charges for Services	-	-	445,432
Fines and Forfeitures	-	-	-
Special Assessments	162,128	92,322	66,049
Investment Income	7,153	4,518	47,119
Miscellaneous	-	-	134,240
Total Revenues	169,281	96,840	11,988,872
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	10,934,085
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	90,000	96,158	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	90,000	96,158	10,934,085
Excess of Revenues Over (Under)			
Expenditures	79,281	682	1,054,787
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	(555,677)
Total Other Financing Sources (Uses)	-	-	(555,677)
Net Change in Fund Balances	79,281	682	499,110
Fund Balances at Beginning of Year	1,026,777	659,927	7,202,861
Fund Balances at End of Year	\$ 1,106,058	\$ 660,609	\$ 7,701,971

Special Revenue Funds

Fish Conservation Trust	Community Development	Public Transportation	Lake County Ambulance	Stormwater Management Parks and Roads	Emergency 9-1-1
\$ -	\$ -	\$ -	\$ 5,837,620	\$ 4,016,466	\$ -
12,420	-	-	-	-	-
-	2,112,510	4,278,603	-	118,180	43,500
-	-	1,505,475	-	118,825	1,476,127
-	-	-	-	-	-
-	-	-	-	-	-
853	-	603	13,226	53,997	17,957
-	-	18,626	1,720,664	29,836	-
13,273	2,112,510	5,803,307	7,571,510	4,337,304	1,537,584
-	-	-	111,678	-	-
-	-	-	6,056,188	-	894,758
-	-	-	-	1,974,191	-
-	-	7,240,628	-	8,096	-
-	1,990,534	-	-	-	-
-	121,976	-	-	-	-
-	-	-	-	3,305,290	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,112,510	7,240,628	6,167,866	5,287,577	894,758
13,273	-	(1,437,321)	1,403,644	(950,273)	642,826
-	-	693,240	56,602	60,432	-
(325)	-	-	(756,785)	(325,988)	(1,000,000)
(325)	-	693,240	(700,183)	(265,556)	(1,000,000)
12,948	-	(744,081)	703,461	(1,215,829)	(357,174)
123,392	-	1,211,706	1,304,731	7,178,930	2,754,252
\$ 136,340	\$ -	\$ 467,625	\$ 2,008,192	\$ 5,963,101	\$ 2,397,078

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2012

	Special Revenue Funds		
	Resort/ Development Tax	Affordable Housing Assistance Trust	Section 8
Revenues			
Taxes	\$ 1,935,233	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	-	-	3,150,974
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Investment Income	20,703	7,483	3,643
Miscellaneous	13,845	58,471	84,298
Total Revenues	1,969,781	65,954	3,238,915
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	945,249	1,283,180	3,112,367
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	945,249	1,283,180	3,112,367
Excess of Revenues Over (Under)			
Expenditures	1,024,532	(1,217,226)	126,548
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	(345,573)	-	-
Total Other Financing Sources (Uses)	(345,573)	-	-
Net Change in Fund Balances	678,959	(1,217,226)	126,548
Fund Balances at Beginning of Year	3,099,667	1,708,907	678,870
Fund Balances at End of Year	\$ 3,778,626	\$ 491,681	\$ 805,418

Special Revenue Funds

Federal/ State Grants	Restricted Local Programs	Energy Efficiency and Conservation Block Grant	Municipal Service Benefit Units/Special Assessments	Law Enforcement Trust	County Sales Tax
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,832,882
-	-	-	-	-	-
5,708,398	5,553	1,277,268	-	-	-
-	343,410	-	-	-	-
-	174,550	-	-	176,929	-
-	-	-	703,135	-	-
6	5,427	-	2,394	1,437	4,753
-	113,154	-	-	-	-
5,708,404	642,094	1,277,268	705,529	178,366	10,837,635
-	-	573,860	-	-	-
1,600,362	159,785	90,928	-	139,436	-
-	-	23,537	-	-	-
4,121,641	-	1,673	627,480	-	-
-	-	-	-	-	-
8,066	280,004	587,270	-	-	-
-	197,030	-	-	-	-
-	113,615	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,730,069	750,434	1,277,268	627,480	139,436	-
(21,665)	(108,340)	-	78,049	38,930	10,837,635
-	-	-	-	-	-
-	-	-	(72,503)	-	(10,474,070)
-	-	-	(72,503)	-	(10,474,070)
(21,665)	(108,340)	-	5,546	38,930	363,565
190,227	870,650	50	204,309	204,613	974,069
\$ 168,562	\$ 762,310	\$ 50	\$ 209,855	\$ 243,543	\$ 1,337,634

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2012

	Special Revenue Funds		
	Environmental Recovery	Building Services	Lake County MTU For Fire Protection
Revenues			
Taxes	\$ -	\$ -	\$ 2,725,380
Licenses and Permits	-	1,417,727	-
Intergovernmental	3,299	-	419,646
Charges for Services	-	90,217	740
Fines and Forfeitures	-	14,171	-
Special Assessments	-	-	15,816,026
Investment Income	653	2,476	79,978
Miscellaneous	2,175	-	21,516
Total Revenues	6,127	1,524,591	19,063,286
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	974,543	17,608,493
Physical Environment	8,252	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	8,252	974,543	17,608,493
Excess of Revenues Over (Under)			
Expenditures	(2,125)	550,048	1,454,793
Other Financing Sources (Uses)			
Transfers In	-	-	518,459
Transfers Out	(96,090)	(59,318)	(1,399,363)
Total Other Financing Sources (Uses)	(96,090)	(59,318)	(880,904)
Net Change in Fund Balances	(98,215)	490,730	573,889
Fund Balances at Beginning of Year	98,215	241,097	5,277,282
Fund Balances at End of Year	\$ -	\$ 731,827	\$ 5,851,171

Special Revenue Funds

Fire Rescue Impact Fee Trust	County-Wide Library	Animal Shelter Trust	Employee Benefit	Clerk Special Revenue Funds	Sheriff Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	420,087	-	-	6,332,579	26,054
-	2,206	-	-	621,638	925,400
-	54,032	-	-	393,020	33,444
323,648	-	-	-	-	-
15,091	5,174	2,051	4	-	-
-	64,741	82,136	161	-	65,715
338,739	546,240	84,187	165	7,347,237	1,050,613
-	-	-	-	647,232	-
528,751	-	-	-	-	3,813,677
-	-	-	-	-	-
-	-	-	-	-	-
-	-	66,530	-	-	-
-	4,390,779	-	-	-	-
-	173,361	-	-	6,214,813	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
528,751	4,564,140	66,530	-	6,862,045	3,813,677
(190,012)	(4,017,900)	17,657	165	485,192	(2,763,064)
-	3,939,798	-	-	-	2,594,096
-	-	-	(717)	-	-
-	3,939,798	-	(717)	-	2,594,096
(190,012)	(78,102)	17,657	(552)	485,192	(168,968)
2,215,825	545,435	298,470	552	761,522	985,091
\$ 2,025,813	\$ 467,333	\$ 316,127	\$ -	\$ 1,246,714	\$ 816,123

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2012

	Special Revenue Funds	Debt Service Funds	
	Lake Emergency Medical Services	Sales Tax Note Payable Debt Service	Pari-Mutuel Revenue Bonds Debt Service
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	5,482,993	-	297,667
Charges for Services	10,861,724	-	-
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Investment Income	393	2,543	1,899
Miscellaneous	122,796	-	-
Total Revenues	16,467,906	2,543	299,566
Expenditures			
Current:			
General Government	-	-	-
Public Safety	16,138,454	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Debt Service:			
Principal	-	1,022,939	130,000
Interest and Fiscal Charges	-	209,800	138,610
Capital Outlay	-	-	-
Total Expenditures	16,138,454	1,232,739	268,610
Excess of Revenues Over (Under)			
Expenditures	329,452	(1,230,196)	30,956
Other Financing Sources (Uses)			
Transfers In	-	1,208,398	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	1,208,398	-
Net Change in Fund Balances	329,452	(21,798)	30,956
Fund Balances at Beginning of Year	-	59,974	145,216
Fund Balances at End of Year	\$ 329,452	\$ 38,176	\$ 176,172

Debt Service Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
Public Lands Program Debt Service	Facilities Expansion Debt Service	Parks Capital Projects	Sales Tax Capital Projects	Public Lands Program Capital Projects	
\$ 1,667,572	\$ -	\$ -	\$ -	\$ -	\$ 33,637,576
-	-	-	-	-	1,430,147
-	-	-	-	-	34,350,920
-	-	-	-	-	16,391,194
-	-	-	-	-	846,146
-	-	-	-	-	17,163,308
15,915	12,117	6,511	93,316	21,375	450,768
-	-	-	25,298	-	2,557,672
1,683,487	12,117	6,511	118,614	21,375	106,827,731
-	-	-	-	-	1,332,770
-	-	-	-	-	48,005,375
-	-	-	-	-	2,005,980
-	-	-	-	-	22,933,603
-	-	-	-	-	7,331,330
-	-	-	-	-	1,063,846
-	-	-	-	-	8,079,257
-	-	-	-	-	6,501,789
1,370,000	1,725,000	-	-	-	4,247,939
1,334,488	4,015,905	-	-	-	5,698,803
-	-	1,484,700	5,522,993	892,451	7,900,144
2,704,488	5,740,905	1,484,700	5,522,993	892,451	115,100,836
(1,021,001)	(5,728,788)	(1,478,189)	(5,404,379)	(871,076)	(8,273,105)
25,012	5,738,405	1,382,788	6,564,686	-	22,781,916
(47,158)	-	-	-	-	(15,133,567)
(22,146)	5,738,405	1,382,788	6,564,686	-	7,648,349
(1,043,147)	9,617	(95,401)	1,160,307	(871,076)	(624,756)
2,046,184	13,558	933,180	12,371,279	3,640,117	59,026,935
\$ 1,003,037	\$ 23,175	\$ 837,779	\$ 13,531,586	\$ 2,769,041	\$ 58,402,179

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special Assessments	\$ 100,000	\$ 100,000	\$ 162,128	\$ 62,128
Investment Income	4,000	4,000	7,153	3,153
Less: Statutory Requirement	(5,200)	(5,200)	-	5,200
Total Revenues	98,800	98,800	169,281	70,481
Expenditures				
Current:				
Culture and Recreation	1,103,519	1,125,577	90,000	1,035,577
Total Expenditures	1,103,519	1,125,577	90,000	1,035,577
Excess of Revenues Over (Under) Expenditures	(1,004,719)	(1,026,777)	79,281	1,106,058
Other Financing Sources (Uses)				
Reserve for Contingencies	(545,119)	-	-	-
Total Other Financing Sources (Uses)	(545,119)	-	-	-
Net Change in Fund Balances	(1,549,838)	(1,026,777)	79,281	1,106,058
Fund Balances at Beginning of Year	1,549,838	1,026,777	1,026,777	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,106,058	\$ 1,106,058

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special Assessments	\$ 64,000	\$ 64,000	\$ 92,322	\$ 28,322
Investment Income	2,650	2,650	4,518	1,868
Less: Statutory Requirement	(3,333)	(3,333)	-	3,333
Total Revenues	63,317	63,317	96,840	33,523
Expenditures				
Current:				
Culture and Recreation	393,333	723,244	96,158	627,086
Total Expenditures	393,333	723,244	96,158	627,086
Excess of Revenues Over (Under) Expenditures	(330,016)	(659,927)	682	660,609
Other Financing Sources (Uses)				
Reserve for Contingencies	(80,639)	-	-	-
Total Other Financing Sources (Uses)	(80,639)	-	-	-
Net Change in Fund Balances	(410,655)	(659,927)	682	660,609
Fund Balances at Beginning of Year	410,655	659,927	659,927	-
Fund Balances at End of Year	\$ -	\$ -	\$ 660,609	\$ 660,609

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 6,420,000	\$ 6,530,000	\$ 6,622,423	\$ 92,423
Intergovernmental	4,124,050	4,124,050	4,673,609	549,559
Charges for Services	452,155	452,155	445,432	(6,723)
Special Assessments	34,000	34,000	66,049	32,049
Investment Income	20,050	20,050	47,119	27,069
Miscellaneous	53,300	53,300	134,240	80,940
Less: Statutory Requirement	(555,178)	(555,178)	-	555,178
Total Revenues	10,548,377	10,658,377	11,988,872	1,330,495
Expenditures				
Current:				
Transportation	13,282,964	13,648,676	10,934,085	2,714,591
Total Expenditures	13,282,964	13,648,676	10,934,085	2,714,591
Excess of Revenues Over (Under) Expenditures	(2,734,587)	(2,990,299)	1,054,787	4,045,086
Other Financing Sources (Uses)				
Transfers Out	(555,678)	(555,678)	(555,677)	1
Reserve for Contingencies	(2,448,936)	(3,656,884)	-	3,656,884
Total Other Financing Sources (Uses)	(3,004,614)	(4,212,562)	(555,677)	3,656,885
Net Change in Fund Balances	(5,739,201)	(7,202,861)	499,110	7,701,971
Fund Balances at Beginning of Year	5,739,201	7,202,861	7,202,861	-
Fund Balances at End of Year	\$ -	\$ -	\$ 7,701,971	\$ 7,701,971

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FISH CONSERVATION TRUST
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Licenses and Permits	\$ 6,000	\$ 6,000	\$ 12,420	\$ 6,420
Investment Income	500	500	853	353
Less: Statutory Requirement	(325)	(325)	-	325
Total Revenues	6,175	6,175	13,273	7,098
Expenditures				
Current:				
Physical Environment	113,712	113,711	-	113,711
Total Expenditures	113,712	113,711	-	113,711
Excess of Revenues Over (Under) Expenditures	(107,537)	(107,536)	13,273	120,809
Other Financing Sources (Uses)				
Transfers Out	(325)	(325)	(325)	-
Reserve for Contingencies	(7,982)	(15,531)	-	15,531
Total Other Financing Sources (Uses)	(8,307)	(15,856)	(325)	15,531
Net Change in Fund Balances	(115,844)	(123,392)	12,948	136,340
Fund Balances at Beginning of Year	115,844	123,392	123,392	-
Fund Balances at End of Year	\$ -	\$ -	\$ 136,340	\$ 136,340

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT
For the Year Ended September 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 5,718,955	\$ 5,870,915	\$ 2,112,510	\$ (3,758,405)
Total Revenues	<u>5,718,955</u>	<u>5,870,915</u>	<u>2,112,510</u>	<u>(3,758,405)</u>
Expenditures				
Current:				
Economic Environment	5,594,005	5,745,965	1,990,534	3,755,431
Human Services	124,950	124,950	121,976	2,974
Total Expenditures	<u>5,718,955</u>	<u>5,870,915</u>	<u>2,112,510</u>	<u>3,758,405</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Reserve for Contingencies	(539,754)	-	-	-
Total Other Financing Sources (Uses)	<u>(539,754)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(539,754)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances at Beginning of Year	<u>539,754</u>	<u>-</u>	<u>-</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
PUBLIC TRANSPORTATION FUND
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 5,115,381	\$ 6,058,394	\$ 4,278,603	\$ (1,779,791)
Charges for Services	1,507,724	1,433,799	1,505,475	71,676
Investment Income	1,200	1,200	603	(597)
Miscellaneous	24,040	24,040	18,626	(5,414)
Total Revenues	6,648,345	7,517,433	5,803,307	(1,714,126)
Expenditures				
Current:				
Transportation	8,370,194	9,275,498	7,240,628	2,034,870
Total Expenditures	8,370,194	9,275,498	7,240,628	2,034,870
Excess of Revenues Over (Under) Expenditures	(1,721,849)	(1,758,065)	(1,437,321)	320,744
Other Financing Sources (Uses)				
Transfers In	693,240	693,240	693,240	-
Reserve for Contingencies	(1,107,951)	(146,881)	-	146,881
Total Other Financing Sources (Uses)	(414,711)	546,359	693,240	146,881
Net Change in Fund Balances	(2,136,560)	(1,211,706)	(744,081)	467,625
Fund Balances at Beginning of Year	2,136,560	1,211,706	1,211,706	-
Fund Balances at End of Year	\$ -	\$ -	\$ 467,625	\$ 467,625

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAKE COUNTY AMBULANCE
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 6,005,896	\$ 6,006,924	\$ 5,837,620	\$ (169,304)
Investment Income	21,000	21,000	13,226	(7,774)
Miscellaneous	-	-	1,720,664	1,720,664
Less: Statutory Requirement	(301,371)	(301,371)	-	301,371
Total Revenues	5,725,525	5,726,553	7,571,510	1,844,957
Expenditures				
Current:				
General Government	111,505	111,678	111,678	-
Public Safety	6,026,904	6,056,192	6,056,188	4
Total Expenditures	6,138,409	6,167,870	6,167,866	4
Excess of Revenues Over (Under) Expenditures	(412,884)	(441,317)	1,403,644	1,844,961
Other Financing Sources (Uses)				
Transfers In	-	-	56,602	56,602
Transfers Out	(468,586)	(760,424)	(756,785)	3,639
Reserve for Contingencies	(426,695)	(102,990)	-	102,990
Total Other Financing Sources (Uses)	(895,281)	(863,414)	(700,183)	163,231
Net Change in Fund Balances	(1,308,165)	(1,304,731)	703,461	2,008,192
Fund Balances at Beginning of Year	1,308,165	1,304,731	1,304,731	-
Fund Balances at End of Year	\$ -	\$ -	\$ 2,008,192	\$ 2,008,192

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 4,131,774	\$ 4,131,774	\$ 4,016,466	\$ (115,308)
Intergovernmental	130,000	190,000	118,180	(71,820)
Charges for Services	42,500	42,500	118,825	76,325
Investment Income	31,104	31,104	53,997	22,893
Miscellaneous	36,144	36,144	29,836	(6,308)
Less: Statutory Requirement	(212,126)	(212,126)	-	212,126
Total Revenues	4,159,396	4,219,396	4,337,304	117,908
Expenditures				
Current:				
Physical Environment	4,429,203	5,514,127	1,974,191	3,539,936
Transportation	1,531	8,096	8,096	-
Culture and Recreation	3,571,074	3,811,613	3,305,290	506,323
Total Expenditures	8,001,808	9,333,836	5,287,577	4,046,259
Excess of Revenues Over (Under) Expenditures	(3,842,412)	(5,114,440)	(950,273)	4,164,167
Other Financing Sources (Uses)				
Transfers In	1,000	1,000	60,432	59,432
Transfers Out	(337,052)	(337,052)	(325,988)	11,064
Reserve for Contingencies	(2,873,206)	(1,728,438)	-	1,728,438
Total Other Financing Sources (Uses)	(3,209,258)	(2,064,490)	(265,556)	1,798,934
Net Change in Fund Balances	(7,051,670)	(7,178,930)	(1,215,829)	5,963,101
Fund Balances at Beginning of Year	7,051,670	7,178,930	7,178,930	-
Fund Balances at End of Year	\$ -	\$ -	\$ 5,963,101	\$ 5,963,101

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 305,159	\$ 43,500	\$ (261,659)
Charges for Services	1,347,599	1,347,599	1,476,127	128,528
Investment Income	30,000	30,000	17,957	(12,043)
Less: Statutory Requirement	(68,880)	(68,880)	-	68,880
Total Revenues	1,308,719	1,613,878	1,537,584	(76,294)
Expenditures				
Current:				
Public Safety	1,813,431	2,118,590	894,758	1,223,832
Total Expenditures	1,813,431	2,118,590	894,758	1,223,832
Excess of Revenues Over (Under) Expenditures	(504,712)	(504,712)	642,826	1,147,538
Other Financing Sources (Uses)				
Transfers Out	(1,000,000)	(1,000,000)	(1,000,000)	-
Reserve for Contingencies	(439,210)	(1,249,540)	-	1,249,540
Total Other Financing Sources (Uses)	(1,439,210)	(2,249,540)	(1,000,000)	1,249,540
Net Change in Fund Balances	(1,943,922)	(2,754,252)	(357,174)	2,397,078
Fund Balances at Beginning of Year	1,943,922	2,754,252	2,754,252	-
Fund Balances at End of Year	\$ -	\$ -	\$ 2,397,078	\$ 2,397,078

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESORT/DEVELOPMENT TAX
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 1,900,000	\$ 1,900,000	\$ 1,935,233	\$ 35,233
Charges for Services	1,450	1,450	-	(1,450)
Investment Income	10,000	10,000	20,703	10,703
Miscellaneous	-	-	13,845	13,845
Less: Statutory Requirement	(95,573)	(95,573)	-	95,573
Total Revenues	1,815,877	1,815,877	1,969,781	153,904
Expenditures				
Current:				
Economic Environment	1,420,479	1,531,115	945,249	585,866
Total Expenditures	1,420,479	1,531,115	945,249	585,866
Excess of Revenues Over (Under) Expenditures	395,398	284,762	1,024,532	739,770
Other Financing Sources (Uses)				
Transfers Out	(345,573)	(345,573)	(345,573)	-
Reserve for Contingencies	(2,482,596)	(3,038,856)	-	3,038,856
Total Other Financing Sources (Uses)	(2,828,169)	(3,384,429)	(345,573)	3,038,856
Net Change in Fund Balances	(2,432,771)	(3,099,667)	678,959	3,778,626
Fund Balances at Beginning of Year	2,432,771	3,099,667	3,099,667	-
Fund Balances at End of Year	\$ -	\$ -	\$ 3,778,626	\$ 3,778,626

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 408,531	\$ -	\$ -	\$ -
Investment Income	4,000	4,000	7,483	3,483
Miscellaneous	15,000	20,000	58,471	38,471
Total Revenues	427,531	24,000	65,954	41,954
Expenditures				
Current:				
Economic Environment	1,399,450	1,732,907	1,283,180	449,727
Total Expenditures	1,399,450	1,732,907	1,283,180	449,727
Excess of Revenues Over (Under) Expenditures	(971,919)	(1,708,907)	(1,217,226)	491,681
Other Financing Sources (Uses)				
Reserve for Contingencies	(42,318)	-	-	-
Total Other Financing Sources (Uses)	(42,318)	-	-	-
Net Change in Fund Balances	(1,014,237)	(1,708,907)	(1,217,226)	491,681
Fund Balances at Beginning of Year	1,014,237	1,708,907	1,708,907	-
Fund Balances at End of Year	\$ -	\$ -	\$ 491,681	\$ 491,681

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SECTION 8
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 3,508,481	\$ 3,344,195	\$ 3,150,974	\$ (193,221)
Investment Income	3,000	3,000	3,643	643
Miscellaneous	68,000	68,000	84,298	16,298
Total Revenues	3,579,481	3,415,195	3,238,915	(176,280)
Expenditures				
Current:				
Economic Environment	4,105,596	3,561,902	3,112,367	449,535
Total Expenditures	4,105,596	3,561,902	3,112,367	449,535
Excess of Revenues Over (Under) Expenditures	(526,115)	(146,707)	126,548	273,255
Other Financing Sources (Uses)				
Reserve for Contingencies	(267,889)	(532,163)	-	532,163
Total Other Financing Sources (Uses)	(267,889)	(532,163)	-	532,163
Net Change in Fund Balances	(794,004)	(678,870)	126,548	805,418
Fund Balances at Beginning of Year	794,004	678,870	678,870	-
Fund Balances at End of Year	\$ -	\$ -	\$ 805,418	\$ 805,418

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FEDERAL/STATE GRANTS
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 12,610,155	\$ 20,030,564	\$ 5,708,398	\$(14,322,166)
Investment Income	-	-	6	6
Total Revenues	12,610,155	20,030,564	5,708,404	(14,322,160)
Expenditures				
Current:				
Public Safety	4,791,319	5,278,771	1,600,362	3,678,409
Transportation	7,810,836	14,922,578	4,121,641	10,800,937
Human Services	18,613	19,442	8,066	11,376
Total Expenditures	12,620,768	20,220,791	5,730,069	14,490,722
Excess of Revenues Over (Under) Expenditures	(10,613)	(190,227)	(21,665)	168,562
Other Financing Sources (Uses)				
Reserve for Contingencies	(5,122,532)	-	-	-
Total Other Financing Sources (Uses)	(5,122,532)	-	-	-
Net Change in Fund Balances	(5,133,145)	(190,227)	(21,665)	168,562
Fund Balances at Beginning of Year	5,133,145	190,227	190,227	-
Fund Balances at End of Year	\$ -	\$ -	\$ 168,562	\$ 168,562

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESTRICTED LOCAL PROGRAMS
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 5,553	\$ (4,447)
Charges for Services	320,955	320,955	343,410	22,455
Fines and Forfeitures	200,000	200,000	174,550	(25,450)
Investment Income	-	-	5,427	5,427
Miscellaneous	75,000	75,000	113,154	38,154
Total Revenues	605,955	605,955	642,094	36,139
Expenditures				
Current:				
Public Safety	244,997	285,458	159,785	125,673
Human Services	672,576	682,309	280,004	402,305
Culture and Recreation	107,018	313,473	197,030	116,443
Court-Related Expenditures	116,955	195,365	113,615	81,750
Total Expenditures	1,141,546	1,476,605	750,434	726,171
Excess of Revenues Over (Under) Expenditures	(535,591)	(870,650)	(108,340)	762,310
Other Financing Sources (Uses)				
Reserve for Contingencies	(182,505)	-	-	-
Total Other Financing Sources (Uses)	(182,505)	-	-	-
Net Change in Fund Balances	(718,096)	(870,650)	(108,340)	762,310
Fund Balances at Beginning of Year	718,096	870,650	870,650	-
Fund Balances at End of Year	\$ -	\$ -	\$ 762,310	\$ 762,310

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 1,349,042	\$ 1,377,686	\$ 1,277,268	\$ (100,418)
Total Revenues	1,349,042	1,377,686	1,277,268	(100,418)
Expenditures				
Current:				
General Government	381,803	672,725	573,860	98,865
Public Safety	166,667	92,531	90,928	1,603
Physical Environment	-	23,537	23,537	-
Transportation	133,316	1,673	1,673	-
Human Services	667,256	587,270	587,270	-
Total Expenditures	1,349,042	1,377,736	1,277,268	100,468
Excess of Revenues Over (Under) Expenditures	-	(50)	-	50
Other Financing Sources (Uses)				
Reserve for Contingencies	(200,451)	-	-	-
Total Other Financing Sources (Uses)	(200,451)	-	-	-
Net Change in Fund Balances	(200,451)	(50)	-	50
Fund Balances at Beginning of Year	200,451	50	50	-
Fund Balances at End of Year	\$ -	\$ -	\$ 50	\$ 50

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special Assessments	\$ 728,453	\$ 728,453	\$ 703,135	\$ (25,318)
Investment Income	2,129	2,129	2,394	265
Less: Statutory Requirement	(36,529)	(36,529)	-	36,529
Total Revenues	694,053	694,053	705,529	11,476
Expenditures				
Transportation	613,302	631,687	627,480	4,207
Total Expenditures	613,302	631,687	627,480	4,207
Excess of Revenues Over (Under) Expenditures	80,751	62,366	78,049	15,683
Other Financing Sources (Uses)				
Transfers Out	(80,753)	(80,753)	(72,503)	8,250
Reserve for Contingencies	(187,423)	(185,922)	-	185,922
Total Other Financing Sources (Uses)	(268,176)	(266,675)	(72,503)	194,172
Net Change in Fund Balances	(187,425)	(204,309)	5,546	209,855
Fund Balances at Beginning of Year	187,425	204,309	204,309	-
Fund Balances at End of Year	\$ -	\$ -	\$ 209,855	\$ 209,855

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Fines and Forfeitures	\$ -	\$ -	\$ 176,929	\$ 176,929
Investment Income	1,250	1,250	1,437	187
Less: Statutory Requirement	(63)	(63)	-	63
Total Revenues	1,187	1,187	178,366	177,179
Expenditures				
Current:				
Public Safety	242,724	205,800	139,436	66,364
Total Expenditures	242,724	205,800	139,436	66,364
Excess of Revenues Over (Under) Expenditures	(241,537)	(204,613)	38,930	243,543
Net Change in Fund Balances	(241,537)	(204,613)	38,930	243,543
Fund Balances at Beginning of Year	241,537	204,613	204,613	-
Fund Balances at End of Year	\$ -	\$ -	\$ 243,543	\$ 243,543

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY SALES TAX
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 10,000,000	\$ 10,000,000	\$ 10,832,882	\$ 832,882
Investment Income	-	1	4,753	4,752
Less: Statutory Requirement	(500,000)	(500,000)	-	500,000
Total Revenues	9,500,000	9,500,001	10,837,635	1,337,634
Expenditures				
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	9,500,000	9,500,001	10,837,635	1,337,634
Other Financing Sources (Uses)				
Transfers Out	(9,995,250)	(10,474,070)	(10,474,070)	-
Total Other Financing Sources (Uses)	(9,995,250)	(10,474,070)	(10,474,070)	-
Net Change in Fund Balances	(495,250)	(974,069)	363,565	1,337,634
Fund Balances at Beginning of Year	495,250	974,069	974,069	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,337,634	\$ 1,337,634

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ENVIRONMENTAL RECOVERY FUND
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 2,000	\$ 3,500	\$ 3,299	\$ (201)
Investment Income	600	600	653	53
Miscellaneous	400	1,700	2,175	475
Less: Statutory Requirement	(150)	(150)	-	150
Total Revenues	2,850	5,650	6,127	477
Expenditures				
Current:				
Physical Environment	7,316	12,370	8,252	4,118
Total Expenditures	7,316	12,370	8,252	4,118
Excess of Revenues Over (Under) Expenditures	(4,466)	(6,720)	(2,125)	4,595
Other Financing Sources (Uses)				
Transfers Out	(150)	(150)	(96,090)	(95,940)
Reserve for Contingencies	(84,753)	(91,345)	-	91,345
Total Other Financing Sources (Uses)	(84,903)	(91,495)	(96,090)	(4,595)
Net Change in Fund Balances	(89,369)	(98,215)	(98,215)	-
Fund Balances at Beginning of Year	89,369	98,215	98,215	-
Fund Balances at End of Year	\$ -	\$ -	\$ -	\$ -

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING SERVICES
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Licenses and Permits	\$ 1,105,776	\$ 1,105,776	\$ 1,417,727	\$ 311,951
Charges for Services	74,464	74,464	90,217	15,753
Fines and Forfeitures	6,116	6,116	14,171	8,055
Investment Income	-	-	2,476	2,476
Less: Statutory Requirement	(59,318)	(59,318)	-	59,318
Total Revenues	1,127,038	1,127,038	1,524,591	397,553
Expenditures				
Current:				
Public Safety	1,072,861	1,072,860	974,543	98,317
Total Expenditures	1,072,861	1,072,860	974,543	98,317
Excess of Revenues Over (Under) Expenditures	54,177	54,178	550,048	495,870
Other Financing Sources (Uses)				
Transfers Out	(59,318)	(59,318)	(59,318)	-
Reserve for Contingencies	(40,270)	(235,957)	-	235,957
Total Other Financing Sources (Uses)	(99,588)	(295,275)	(59,318)	235,957
Net Change in Fund Balances	(45,411)	(241,097)	490,730	731,827
Fund Balances at Beginning of Year	45,411	241,097	241,097	-
Fund Balances at End of Year	\$ -	\$ -	\$ 731,827	\$ 731,827

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 2,804,196	\$ 2,804,196	\$ 2,725,380	\$ (78,816)
Intergovernmental	402,640	535,034	419,646	(115,388)
Charges for Services	-	-	740	740
Special Assessments	16,214,924	16,214,924	15,816,026	(398,898)
Investment Income	62,000	62,000	79,978	17,978
Miscellaneous	-	-	21,516	21,516
Less: Statutory Requirement	(974,079)	(974,079)	-	974,079
Total Revenues	18,509,681	18,642,075	19,063,286	421,211
Expenditures				
Current:				
Public Safety	18,486,601	18,708,141	17,608,493	1,099,648
Total Expenditures	18,486,601	18,708,141	17,608,493	1,099,648
Excess of Revenues Over (Under) Expenditures	23,080	(66,066)	1,454,793	1,520,859
Other Financing Sources (Uses)				
Transfers In	477,444	477,444	518,459	41,015
Transfers Out	(1,420,475)	(1,420,475)	(1,399,363)	21,112
Reserve for Contingencies	(2,837,800)	(4,268,185)	-	4,268,185
Total Other Financing Sources (Uses)	(3,780,831)	(5,211,216)	(880,904)	4,330,312
Net Change in Fund Balances	(3,757,751)	(5,277,282)	573,889	5,851,171
Fund Balances at Beginning of Year	3,757,751	5,277,282	5,277,282	-
Fund Balances at End of Year	\$ -	\$ -	\$ 5,851,171	\$ 5,851,171

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special Assessments	\$ 150,000	\$ 150,000	\$ 323,648	\$ 173,648
Investment Income	15,000	15,000	15,091	91
Less: Statutory Requirement	(8,250)	(8,250)	-	8,250
Total Revenues	156,750	156,750	338,739	181,989
Expenditures				
Current:				
Public Safety	452,604	701,659	528,751	172,908
Total Expenditures	452,604	701,659	528,751	172,908
Excess of Revenues Over (Under) Expenditures	(295,854)	(544,909)	(190,012)	354,897
Other Financing Sources (Uses)				
Reserve for Contingencies	(1,846,410)	(1,670,916)	-	1,670,916
Total Other Financing Sources (Uses)	(1,846,410)	(1,670,916)	-	1,670,916
Net Change in Fund Balances	(2,142,264)	(2,215,825)	(190,012)	2,025,813
Fund Balances at Beginning of Year	2,142,264	2,215,825	2,215,825	-
Fund Balances at End of Year	\$ -	\$ -	\$ 2,025,813	\$ 2,025,813

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY-WIDE LIBRARY
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 411,367	\$ 420,087	\$ 420,087	\$ -
Charges for Services	740	740	2,206	1,466
Fines and Forfeitures	56,000	56,000	54,032	(1,968)
Investment Income	2,000	2,000	5,174	3,174
Miscellaneous	47,500	47,500	64,741	17,241
Less: Statutory Requirement	(25,880)	(25,880)	-	25,880
Total Revenues	491,727	500,447	546,240	45,793
Expenditures				
Current:				
Culture and Recreation	4,627,756	4,642,488	4,390,779	251,709
Court-Related Expenditures	180,404	180,404	173,361	7,043
Total Expenditures	4,808,160	4,822,892	4,564,140	258,752
Excess of Revenues Over (Under) Expenditures	(4,316,433)	(4,322,445)	(4,017,900)	304,545
Other Financing Sources (Uses)				
Transfers In	3,939,798	3,939,798	3,939,798	-
Reserve for Contingencies	(46,516)	(162,788)	-	162,788
Total Other Financing Sources (Uses)	3,893,282	3,777,010	3,939,798	162,788
Net Change in Fund Balances	(423,151)	(545,435)	(78,102)	467,333
Fund Balances at Beginning of Year	423,151	545,435	545,435	-
Fund Balances at End of Year	\$ -	\$ -	\$ 467,333	\$ 467,333

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ANIMAL SHELTER TRUST
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 1,400	\$ 1,400	\$ 2,051	\$ 651
Miscellaneous	80,000	80,000	82,136	2,136
Less: Statutory Requirement	(4,070)	(4,070)	-	4,070
Total Revenues	77,330	77,330	84,187	6,857
Expenditures				
Current:				
Human Services	80,000	80,000	66,530	13,470
Total Expenditures	80,000	80,000	66,530	13,470
Excess of Revenues Over (Under) Expenditures	(2,670)	(2,670)	17,657	20,327
Other Financing Sources (Uses)				
Reserve for Contingencies	(244,085)	(295,800)	-	295,800
Total Other Financing Sources (Uses)	(244,085)	(295,800)	-	295,800
Net Change in Fund Balances	(246,755)	(298,470)	17,657	316,127
Fund Balances at Beginning of Year	246,755	298,470	298,470	-
Fund Balances at End of Year	\$ -	\$ -	\$ 316,127	\$ 316,127

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EMPLOYEE BENEFIT
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 5	\$ 6	\$ 4	\$ (2)
Miscellaneous	300	300	161	(139)
Less: Statutory Requirement	(15)	(15)	-	15
Total Revenues	290	291	165	(126)
Expenditures				
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	290	291	165	(126)
Other Financing Sources (Uses)				
Transfers Out	-	-	(717)	(717)
Reserve for Contingencies	(595)	(843)	-	843
Total Other Financing Sources (Uses)	(595)	(843)	(717)	126
Net Change in Fund Balances	(305)	(552)	(552)	-
Fund Balances at Beginning of Year	305	552	552	-
Fund Balances at End of Year	\$ -	\$ -	\$ -	\$ -

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 6,422,265	\$ 6,391,170	\$ 6,332,579	\$ (58,591)
Charges for Services	540,000	540,000	621,638	81,638
Fines and Forfeitures	400,000	400,000	393,020	(6,980)
Investment Income	200	200	-	(200)
Total Revenues	7,362,465	7,331,370	7,347,237	15,867
Expenditures				
Current:				
General Government	1,668,857	1,558,698	647,232	911,466
Court-Related Expenditures	6,422,265	6,391,170	6,214,813	176,357
Total Expenditures	8,091,122	7,949,868	6,862,045	1,087,823
Excess of Revenues Over (Under) Expenditures	(728,657)	(618,498)	485,192	1,103,690
Other Financing Sources (Uses)				
Reserve for Contingencies	(23,901)	(25,328)	-	25,328
Total Other Financing Sources (Uses)	(23,901)	(25,328)	-	25,328
Net Change in Fund Balances	(752,558)	(643,826)	485,192	1,129,018
Fund Balances at Beginning of Year	752,558	643,826	761,522	117,696
Fund Balances at End of Year	\$ -	\$ -	\$ 1,246,714	\$ 1,246,714

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 17,435	\$ 26,748	\$ 26,054	\$ (694)
Charges for Services	839,352	925,401	925,400	(1)
Fines and Forfeitures	173,200	33,507	33,444	(63)
Miscellaneous	1,500	58,994	65,715	6,721
Total Revenues	1,031,487	1,044,650	1,050,613	5,963
Expenditures				
Current:				
Public Safety	4,030,667	4,183,523	3,813,677	369,846
Total Expenditures	4,030,667	4,183,523	3,813,677	369,846
Excess of Revenues Over (Under) Expenditures	(2,999,180)	(3,138,873)	(2,763,064)	375,809
Other Financing Sources (Uses)				
Transfers In	2,645,041	2,645,041	2,594,096	(50,945)
Total Other Financing Sources (Uses)	2,645,041	2,645,041	2,594,096	(50,945)
Net Change in Fund Balances	(354,139)	(493,832)	(168,968)	324,864
Fund Balances at Beginning of Year	354,139	493,832	985,091	491,259
Fund Balances at End of Year	\$ -	\$ -	\$ 816,123	\$ 816,123

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 5,482,993	\$ 5,482,993	\$ 5,482,993	\$ -
Charges for Services	11,101,529	11,203,495	10,861,724	(341,771)
Investment Income	50,000	-	393	393
Miscellaneous	10,100	75,008	122,796	47,788
Total Revenues	16,644,622	16,761,496	16,467,906	(293,590)
Expenditures				
Current:				
Public Safety	16,334,622	16,432,737	16,138,454	294,283
Total Expenditures	16,334,622	16,432,737	16,138,454	294,283
Excess of Revenues Over (Under) Expenditures	310,000	328,759	329,452	693
Other Financing Sources (Uses)				
Transfers Out	(160,000)	(160,000)	-	160,000
Reserve for Contingencies	(150,000)	(168,759)	-	168,759
Total Other Financing Sources (Uses)	(310,000)	(328,759)	-	328,759
Net Change in Fund Balances	-	-	329,452	329,452
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ 329,452	\$ 329,452

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 1,000	\$ 1,000	\$ 2,543	\$ 1,543
Less: Statutory Requirement	(50)	(50)	-	50
Total Revenues	950	950	2,543	1,593
Expenditures				
Debt Service:				
Principal	1,022,938	1,022,938	1,022,939	(1)
Interest and Fiscal Charges	186,709	213,109	209,800	3,309
Total Expenditures	1,209,647	1,236,047	1,232,739	3,308
Excess of Revenues Over (Under) Expenditures	(1,208,697)	(1,235,097)	(1,230,196)	4,901
Other Financing Sources (Uses)				
Transfers In	1,208,398	1,208,398	1,208,398	-
Reserve for Contingencies	(58,251)	(33,275)	-	33,275
Total Other Financing Sources (Uses)	1,150,147	1,175,123	1,208,398	33,275
Net Change in Fund Balances	(58,550)	(59,974)	(21,798)	38,176
Fund Balances at Beginning of Year	58,550	59,974	59,974	-
Fund Balances at End of Year	\$ -	\$ -	\$ 38,176	\$ 38,176

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 297,667	\$ 297,667	\$ 297,667	\$ -
Investment Income	1,000	1,000	1,899	899
Less: Statutory Requirement	(14,933)	(14,933)	-	14,933
Total Revenues	283,734	283,734	299,566	15,832
Expenditures				
Debt Service:				
Principal	130,000	130,000	130,000	-
Interest and Fiscal Charges	140,110	140,110	138,610	1,500
Total Expenditures	270,110	270,110	268,610	1,500
Excess of Revenues Over (Under) Expenditures	13,624	13,624	30,956	17,332
Other Financing Sources (Uses)				
Reserve for Contingencies	(165,240)	(158,840)	-	158,840
Total Other Financing Sources (Uses)	(165,240)	(158,840)	-	158,840
Net Change in Fund Balances	(151,616)	(145,216)	30,956	176,172
Fund Balances at Beginning of Year	151,616	145,216	145,216	-
Fund Balances at End of Year	\$ -	\$ -	\$ 176,172	\$ 176,172

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 1,716,193	\$ 1,716,193	\$ 1,667,572	\$ (48,621)
Investment Income	30,100	30,100	15,915	(14,185)
Less: Statutory Requirement	(87,322)	(87,322)	-	87,322
Total Revenues	1,658,971	1,658,971	1,683,487	24,516
Expenditures				
Debt Service:				
Principal	1,370,000	1,370,000	1,370,000	-
Interest and Fiscal Charges	1,333,488	1,334,488	1,334,488	-
Total Expenditures	2,703,488	2,704,488	2,704,488	-
Excess of Revenues Over (Under) Expenditures	(1,044,517)	(1,045,517)	(1,021,001)	24,516
Other Financing Sources (Uses)				
Transfers In	30,500	30,500	25,012	(5,488)
Transfers Out	(48,776)	(47,776)	(47,158)	618
Reserve for Contingencies	(969,431)	(983,391)	-	983,391
Total Other Financing Sources (Uses)	(987,707)	(1,000,667)	(22,146)	978,521
Net Change in Fund Balances	(2,032,224)	(2,046,184)	(1,043,147)	1,003,037
Fund Balances at Beginning of Year	2,032,224	2,046,184	2,046,184	-
Fund Balances at End of Year	\$ -	\$ -	\$ 1,003,037	\$ 1,003,037

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, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 15,000	\$ 15,000	\$ 12,117	\$ (2,883)
Less: Statutory Requirement	(750)	(750)	-	750
Total Revenues	14,250	14,250	12,117	(2,133)
Expenditures				
Debt Service:				
Principal	1,725,000	1,725,000	1,725,000	-
Interest and Fiscal Charges	4,014,905	4,015,905	4,015,905	-
Total Expenditures	5,739,905	5,740,905	5,740,905	-
Excess of Revenues Over (Under) Expenditures	(5,725,655)	(5,726,655)	(5,728,788)	(2,133)
Other Financing Sources (Uses)				
Transfers In	5,738,405	5,738,405	5,738,405	-
Reserve for Contingencies	(27,432)	(25,308)	-	25,308
Total Other Financing Sources (Uses)	5,710,973	5,713,097	5,738,405	25,308
Net Change in Fund Balances	(14,682)	(13,558)	9,617	23,175
Fund Balances at Beginning of Year	14,682	13,558	13,558	-
Fund Balances at End of Year	\$ -	\$ -	\$ 23,175	\$ 23,175

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARKS CAPITAL PROJECTS
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 3,000	\$ 3,000	\$ 6,511	\$ 3,511
Less: Statutory Requirement	(150)	(150)	-	150
Total Revenues	2,850	2,850	6,511	3,661
Expenditures				
Capital Outlay	1,007,788	2,318,818	1,484,700	834,118
Total Expenditures	1,007,788	2,318,818	1,484,700	834,118
Excess of Revenues Over (Under) Expenditures	(1,004,938)	(2,315,968)	(1,478,189)	837,779
Other Financing Sources (Uses)				
Transfers In	982,788	1,382,788	1,382,788	-
Reserve for Contingencies	(318,653)	-	-	-
Total Other Financing Sources (Uses)	664,135	1,382,788	1,382,788	-
Net Change in Fund Balances	(340,803)	(933,180)	(95,401)	837,779
Fund Balances at Beginning of Year	340,803	933,180	933,180	-
Fund Balances at End of Year	\$ -	\$ -	\$ 837,779	\$ 837,779

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SALES TAX CAPITAL PROJECTS
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 59,000	\$ 59,000	\$ 93,316	\$ 34,316
Miscellaneous	-	-	25,298	25,298
Less: Statutory Requirement	(2,950)	(2,950)	-	2,950
Total Revenues	56,050	56,050	118,614	62,564
Expenditures				
Capital Outlay	15,514,734	15,520,393	5,522,993	9,997,400
Total Expenditures	15,514,734	15,520,393	5,522,993	9,997,400
Excess of Revenues Over (Under) Expenditures	(15,458,684)	(15,464,343)	(5,404,379)	10,059,964
Other Financing Sources (Uses)				
Transfers In	7,304,064	6,564,686	6,564,686	-
Reserve for Contingencies	(4,386,637)	(3,471,622)	-	3,471,622
Total Other Financing Sources (Uses)	2,917,427	3,093,064	6,564,686	3,471,622
Net Change in Fund Balances	(12,541,257)	(12,371,279)	1,160,307	13,531,586
Fund Balances at Beginning of Year	12,541,257	12,371,279	12,371,279	-
Fund Balances at End of Year	\$ -	\$ -	\$ 13,531,586	\$ 13,531,586

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, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 10,000	\$ 10,000	\$ 21,375	\$ 11,375
Less: Statutory Requirement	(500)	(500)	-	500
Total Revenues	<u>9,500</u>	<u>9,500</u>	<u>21,375</u>	<u>11,875</u>
Expenditures				
Capital Outlay	3,577,263	3,649,617	892,451	2,757,166
Total Expenditures	<u>3,577,263</u>	<u>3,649,617</u>	<u>892,451</u>	<u>2,757,166</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,567,763)</u>	<u>(3,640,117)</u>	<u>(871,076)</u>	<u>2,769,041</u>
Other Financing Sources (Uses)				
Reserve for Contingencies	(253,319)	-	-	-
Total Other Financing Sources (Uses)	<u>(253,319)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(3,821,082)</u>	<u>(3,640,117)</u>	<u>(871,076)</u>	<u>2,769,041</u>
Fund Balances at Beginning of Year	<u>3,821,082</u>	<u>3,640,117</u>	<u>3,640,117</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,769,041</u></u>	<u><u>\$ 2,769,041</u></u>

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

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.

EMERGENCY COMMUNICATIONS AND OPERATIONS CENTER CAPITAL PROJECTS FUND

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

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, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income	\$ 396,000	\$ 396,000	\$ 147,682	\$ (248,318)
Less: Statutory Requirement	(19,800)	(19,800)	-	19,800
Total Revenues	376,200	376,200	147,682	(228,518)
Expenditures				
Capital Outlay	4,205,915	22,573,360	16,336,285	6,237,075
Total Expenditures	4,205,915	22,573,360	16,336,285	6,237,075
Excess of Revenues Over (Under) Expenditures	(3,829,715)	(22,197,160)	(16,188,603)	6,008,557
Other Financing Sources (Uses)				
Reserve for Contingencies	(25,797,083)	-	-	-
Total Other Financing Sources (Uses)	(25,797,083)	-	-	-
Net Change in Fund Balances	(29,626,798)	(22,197,160)	(16,188,603)	6,008,557
Fund Balances at Beginning of Year	29,626,798	22,197,160	22,197,160	-
Fund Balances (Deficit) at End of Year	\$ -	\$ -	\$ 6,008,557	\$ 6,008,557

LAKE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - CAPITAL PROJECTS
EMERGENCY COMMUNICATIONS AND OPERATIONS CENTER
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 3,613,943	\$ 2,278,356	\$ (1,335,587)
Total Revenues	-	3,613,943	2,278,356	(1,335,587)
Expenditures				
Capital Outlay	-	4,724,152	4,194,678	529,474
Total Expenditures	-	4,724,152	4,194,678	529,474
Excess of Revenues Over (Under) Expenditures	-	(1,110,209)	(1,916,322)	(806,113)
Other Financing Sources (Uses)				
Transfers In	-	1,110,209	1,110,209	-
Total Other Financing Sources (Uses)	-	1,110,209	1,110,209	-
Net Change in Fund Balances	-	-	(806,113)	(806,113)
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances (Deficit) at End of Year	\$ -	\$ -	\$ (806,113)	\$ (806,113)

This page intentionally left blank.

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 - CLERK

To account for the remaining revenues and expenses of the Employee Group Health Insurance Program for the Clerk of the Circuit Court. Effective October 1, 2011, Clerk employees began participating in the Board's plan.

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 ASSETS
ALL INTERNAL SERVICE FUNDS
September 30, 2012

	<u>Board Insurance</u>	<u>Clerk Insurance</u>
Assets		
Current Assets:		
Pooled Cash and Investments	\$ 15,475,416	\$ 1,924,014
Cash with Fiscal Agent	53,628	-
Accounts Receivable	139,812	-
Intragovernmental Receivables	-	-
Due from Other Governments	-	-
Inventory	-	-
Total Current Assets	<u>15,668,856</u>	<u>1,924,014</u>
Capital Assets:		
Equipment	-	-
Less: Accumulated Depreciation	-	-
Total Capital Assets	<u>-</u>	<u>-</u>
Total Assets	<u>15,668,856</u>	<u>1,924,014</u>
Liabilities		
Current Liabilities:		
Accounts Payable	1,626,149	115,000
Accrued Liabilities	-	-
Due to Other Funds	-	-
Intragovernmental Payables	-	1,809,014
Estimated Insurance Claims Payable	3,270,000	-
Current Portion of Long Term Obligations	-	-
Total Current Liabilities	<u>4,896,149</u>	<u>1,924,014</u>
Long-Term Liabilities:		
Accrued Benefits Payable	-	-
Total Long-Term Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>4,896,149</u>	<u>1,924,014</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	-	-
Unrestricted Net Assets	10,772,707	-
Total Net Assets	<u>\$ 10,772,707</u>	<u>\$ -</u>

<u>Sheriff Insurance</u>	<u>Fleet Management</u>	<u>Total</u>
\$ 2,456,264	\$ -	\$ 19,855,694
-	-	53,628
-	-	139,812
-	11,670	11,670
-	12,403	12,403
-	484,527	484,527
2,456,264	508,600	20,557,734
-	466,193	466,193
-	(421,576)	(421,576)
-	44,617	44,617
2,456,264	553,217	20,602,351
711,758	104,651	2,557,558
-	15,476	15,476
560,000	154,208	714,208
-	-	1,809,014
1,184,506	-	4,454,506
-	27,572	27,572
2,456,264	301,907	9,578,334
-	65,614	65,614
-	65,614	65,614
2,456,264	367,521	9,643,948
-	44,617	44,617
-	141,079	10,913,786
\$ -	\$ 185,696	\$ 10,958,403

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2012

	<u>Board Insurance</u>	<u>Clerk Insurance</u>
Operating Revenues:		
Charges for Services	\$ 11,472,379	\$ -
Miscellaneous	975	-
Total Operating Revenues	<u>11,473,354</u>	<u>-</u>
Operating Expenses:		
Benefit Payments and Claims	12,278,851	(91,526)
Personal Services	-	-
Contracted Services	-	-
Supplies and Materials	-	-
Repairs and Maintenance	-	-
Utilities	-	-
Other Charges and Services	1,615,001	431,779
Depreciation and Amortization	-	-
Total Operating Expenses	<u>13,893,852</u>	<u>340,253</u>
Operating Income (Loss)	(2,420,498)	(340,253)
Non-Operating Revenues:		
Interest Revenue	109,780	-
Net Gain (Loss) on Disposal of Capital Assets	-	-
Total Non-Operating Revenues	<u>109,780</u>	<u>-</u>
Income (Loss) Before Transfers	(2,310,718)	(340,253)
Transfers Out	(279,565)	(1,809,014)
Total Transfers	<u>(279,565)</u>	<u>(1,809,014)</u>
Change in Net Assets	(2,590,283)	(2,149,267)
Net Assets at Beginning of Year	<u>13,362,990</u>	<u>2,149,267</u>
Net Assets at End of Year	<u><u>\$ 10,772,707</u></u>	<u><u>\$ -</u></u>

<u>Sheriff Insurance</u>	<u>Fleet Management</u>	<u>Total</u>
\$ 9,491,070	\$ 3,178,479	\$ 24,141,928
-	7,407	8,382
9,491,070	3,185,886	24,150,310
8,300,006	-	20,487,331
-	813,192	813,192
-	12,999	12,999
-	1,237,855	1,237,855
-	1,092,471	1,092,471
-	20,549	20,549
1,191,064	20,246	3,258,090
-	12,640	12,640
9,491,070	3,209,952	26,935,127
-	(24,066)	(2,784,817)
-	-	109,780
-	916	916
-	916	110,696
-	(23,150)	(2,674,121)
-	-	(2,088,579)
-	-	(2,088,579)
-	(23,150)	(4,762,700)
-	208,846	15,721,103
\$ -	\$ 185,696	\$ 10,958,403

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2012

	Board	Insurance	Clerk
Cash Flows from Operating Activities:			
Cash Received from Customers and for Contributions	\$ 11,408,841	\$ -	-
Cash Paid to Suppliers and for Claims	(13,064,204)	(445,253)	-
Cash Paid to Employees	-	-	-
Cash Paid to Insurance Fund	-	-	-
Net Cash Provided (Used) by Operating Activities	(1,655,363)	(445,253)	-
Cash Flows from NonCapital Financing Activities:			
Cash Advance from Other Funds	-	-	-
Cash Transfers to Other Funds	(279,565)	-	-
Net Cash Provided (Used) by NonCapital Financing Activities	(279,565)	-	-
Cash Flows from Capital Activities:			
Additions to Capital Assets	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-
Net Cash Used by Capital Activities	-	-	-
Cash Flows from Investing Activities:			
Interest Received	109,780	-	-
Net Cash Provided by Investing Activities	109,780	-	-
Net Change in Cash and Cash Equivalents	(1,825,148)	(445,253)	-
Cash and Cash Equivalents at October 1	17,354,192	2,369,267	-
Cash and Cash Equivalents at September 30	\$ 15,529,044	\$ 1,924,014	-

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

	Board	Insurance	Clerk
Operating Income (Loss)	\$ (2,420,498)	\$ (340,253)	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	-	-
Change in Accounts Receivable	(63,538)	-	-
Change in Intragovernmental Receivables	-	-	-
Change in Due from Other Governments	-	-	-
Change in Inventory	-	-	-
Change in Accounts Payable	212,673	115,000	-
Change in Due to Other Funds	-	-	-
Change in Accrued Liabilities	-	-	-
Change in Estimated Claims Payable	616,000	(220,000)	-
Change in Accrued Benefits Payable	-	-	-
Total Adjustments	765,135	(105,000)	-
Net Cash Provided (Used) by Operating Activities	\$ (1,655,363)	\$ (445,253)	-
Noncash Investing, Capital and Financing Activities			
Gain on Disposition of Capital Assets	-	-	-

<u>Insurance</u> <u>Sheriff</u>	<u>Fleet</u> <u>Management</u>	<u>Total</u>
\$ 10,483,189	\$ 3,187,759	\$ 25,079,789
(9,448,329)	(2,380,547)	(25,338,333)
-	(685,846)	(685,846)
-	(119,756)	(119,756)
<u>1,034,860</u>	<u>1,610</u>	<u>(1,064,146)</u>
(440,000)	-	(440,000)
-	-	(279,565)
<u>(440,000)</u>	<u>-</u>	<u>(719,565)</u>
-		
-	(5,027)	(5,027)
	916	916
-	<u>(4,111)</u>	<u>(4,111)</u>
-	-	109,780
-	-	<u>109,780</u>
<u>594,860</u>	<u>(2,501)</u>	<u>(1,678,042)</u>
1,861,404	2,501	21,587,364
<u>\$ 2,456,264</u>	<u>\$ -</u>	<u>\$ 19,909,322</u>

<u>Insurance</u> <u>Sheriff</u>	<u>Fleet</u> <u>Maintenance</u>	<u>Total</u>
\$ -	\$ (24,066)	\$ (2,784,817)
-	12,640	12,640
992,119	155	928,736
-	300	300
-	1,418	1,418
-	(150,435)	(150,435)
42,741	(200)	370,214
-	154,208	154,208
-	5,169	5,169
-	-	396,000
-	2,421	2,421
<u>1,034,860</u>	<u>25,676</u>	<u>1,720,671</u>
<u>\$ 1,034,860</u>	<u>\$ 1,610</u>	<u>\$ (1,064,146)</u>
\$ -	\$ 916	\$ 916

This page intentionally left blank.

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.

This page intentionally left blank.

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
September 30, 2012

AGENCY FUNDS

Board of County Commissioners

	<u>Educational System Impact Fee Trust</u>	<u>Escrow Deposits</u>
<u>Assets</u>		
Cash	\$ -	\$ -
Pooled Cash and Investments	19,702	498,732
Accounts Receivable	-	-
Due from Other Governments	200,608	-
Total Assets	<u>\$ 220,310</u>	<u>\$ 498,732</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Due to Other Governments	220,310	-
Deposits	-	498,732
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
Total Liabilities	<u>\$ 220,310</u>	<u>\$ 498,732</u>

AGENCY FUNDS

Clerk of the Circuit Court

<u>Agency</u>	<u>Clerk Cash Bonds</u>	<u>Fines and Costs</u>	<u>Tax Deed Sales</u>	<u>Juror and Witness</u>
\$ - 1,338,901 - -	\$ - 180,525 - -	\$ - 802,717 - -	\$ - 523,792 - -	\$ - 2,869 - -
<u>\$ 1,338,901</u>	<u>\$ 180,525</u>	<u>\$ 802,717</u>	<u>\$ 523,792</u>	<u>\$ 2,869</u>
 \$ 3,315 1,257,998 77,588 - -	 \$ - - - - 180,525	 \$ 23,943 778,774 - - -	 \$ - 2,213 521,579 - -	 \$ - 2,869 - - -
<u>\$ 1,338,901</u>	<u>\$ 180,525</u>	<u>\$ 802,717</u>	<u>\$ 523,792</u>	<u>\$ 2,869</u>

(Continued)

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2012

AGENCY FUNDS

Clerk of the Circuit Court

	<u>Uniform Support</u>	<u>Suspense</u>
<u>Assets</u>		
Cash	\$ -	\$ -
Pooled Cash and Investments	5,707	170
Accounts Receivable	2,444	-
Due from Other Governments	-	-
Total Assets	<u>\$ 8,151</u>	<u>\$ 170</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Due to Other Governments	8,151	-
Deposits	-	170
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
Total Liabilities	<u>\$ 8,151</u>	<u>\$ 170</u>

<u>AGENCY FUNDS</u>	<u>AGENCY FUNDS</u>			<u>AGENCY FUNDS</u>
Clerk of the Circuit Court	Tax Collector			Sheriff
Courts Registry	Tax Collections Trust	Tag and Title Trust	Hunting and Fishing License	Sheriff Cash Bonds
\$ -	\$ 3,721,355	\$ 515,465	\$ 3,324	\$ 66,847
4,367,404	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,367,404</u>	<u>\$ 3,721,355</u>	<u>\$ 515,465</u>	<u>\$ 3,324</u>	<u>\$ 66,847</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	1,262,154	515,465	3,324	1,863
4,367,404	-	-	-	-
-	2,459,201	-	-	-
-	-	-	-	64,984
<u>\$ 4,367,404</u>	<u>\$ 3,721,355</u>	<u>\$ 515,465</u>	<u>\$ 3,324</u>	<u>\$ 66,847</u>

(Continued)

LAKE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
September 30, 2012

AGENCY FUNDS

	<u>Sheriff</u>	
	<u>Civil</u>	<u>Inmate Trust</u>
<u>Assets</u>		
Cash	\$ 26,885	\$ 195,634
Pooled Cash and Investments	-	-
Accounts Receivable	-	-
Due from Other Governments	-	-
Total Assets	<u>\$ 26,885</u>	<u>\$ 195,634</u>
<u>Liabilities</u>		
Liabilities:		
Accounts Payable	\$ -	\$ -
Due to Other Governments	19,593	8,965
Deposits	7,292	186,669
Taxes Collected in Advance	-	-
Cash Bonds Payable	-	-
Total Liabilities	<u>\$ 26,885</u>	<u>\$ 195,634</u>

AGENCY FUNDS

Sheriff

<u>Suspense</u>	<u>Flexible Spending</u>	<u>Total Agency Funds</u>
\$ -	\$ 5,979	\$ 4,535,489
22,565	-	7,763,084
-	-	2,444
-	-	200,608
<u>\$ 22,565</u>	<u>\$ 5,979</u>	<u>\$ 12,501,625</u>
\$ -	\$ -	\$ 27,258
-	-	4,081,679
22,565	5,979	5,687,978
-	-	2,459,201
-	-	245,509
<u>\$ 22,565</u>	<u>\$ 5,979</u>	<u>\$ 12,501,625</u>

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Educational System Impact Fee Trust</u>		Balance 9/30/12
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	35,839	2,534	18,671	19,702
Accounts Receivable	-	-	-	-
Due from Other Governments	10,781	189,954	127	200,608
Total Assets	\$ 46,620	\$ 192,488	\$ 18,798	\$ 220,310
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 18,648	\$ 18,648	\$ -
Due to Other Governments	46,620	192,419	18,729	220,310
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	\$ 46,620	\$ 211,067	\$ 37,377	\$ 220,310

<u>Escrow Deposits</u>				<u>Agency - Clerk</u>			
<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>	<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
355,685	175,000	31,953	498,732	1,043,282	24,065,890	23,770,271	1,338,901
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 355,685</u>	<u>\$ 175,000</u>	<u>\$ 31,953</u>	<u>\$ 498,732</u>	<u>\$ 1,043,282</u>	<u>\$ 24,065,890</u>	<u>\$ 23,770,271</u>	<u>\$ 1,338,901</u>
\$ -	\$ 31,953	\$ 31,953	\$ -	\$ 1,960	\$ 16,990,134	\$ 16,988,779	\$ 3,315
-	-	-	-	990,496	24,403,082	24,135,580	1,257,998
355,685	175,000	31,953	498,732	50,826	65,041	38,279	77,588
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 355,685</u>	<u>\$ 206,953</u>	<u>\$ 63,906</u>	<u>\$ 498,732</u>	<u>\$ 1,043,282</u>	<u>\$ 41,458,257</u>	<u>\$ 41,162,638</u>	<u>\$ 1,338,901</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Cash Bonds - Clerk</u> Additions	Deletions	Balance 9/30/12
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	107,397	380,909	307,781	180,525
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 107,397</u>	<u>\$ 380,909</u>	<u>\$ 307,781</u>	<u>\$ 180,525</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	107,397	380,909	307,781	180,525
Total Liabilities	<u>\$ 107,397</u>	<u>\$ 380,909</u>	<u>\$ 307,781</u>	<u>\$ 180,525</u>

<u>Fines and Costs</u>			<u>Tax Deed Sales</u>				
<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>	<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
812,482	10,333,385	10,343,150	802,717	278,644	1,423,155	1,178,007	523,792
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 812,482</u>	<u>\$ 10,333,385</u>	<u>\$ 10,343,150</u>	<u>\$ 802,717</u>	<u>\$ 278,644</u>	<u>\$ 1,423,155</u>	<u>\$ 1,178,007</u>	<u>\$ 523,792</u>
\$ 21,767	\$ 647,187	\$ 645,011	\$ 23,943	\$ 584	\$ 1,022,310	\$ 1,022,894	\$ -
790,715	10,754,675	10,766,616	778,774	1,830	2,213	1,830	2,213
-	-	-	-	276,230	1,621,851	1,376,502	521,579
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 812,482</u>	<u>\$ 11,401,862</u>	<u>\$ 11,411,627</u>	<u>\$ 802,717</u>	<u>\$ 278,644</u>	<u>\$ 2,646,374</u>	<u>\$ 2,401,226</u>	<u>\$ 523,792</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Juror and Witness</u>		Balance 9/30/12
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	3,204	9,788	10,123	2,869
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 3,204</u>	<u>\$ 9,788</u>	<u>\$ 10,123</u>	<u>\$ 2,869</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 10,123	\$ 10,123	\$ -
Due to Other Governments	3,204	9,781	10,116	2,869
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	<u>\$ 3,204</u>	<u>\$ 19,904</u>	<u>\$ 20,239</u>	<u>\$ 2,869</u>

Balance 9/30/11	<u>Uniform Support</u>		Balance 9/30/12	Balance 9/30/11	<u>Suspense - Clerk</u>		Balance 9/30/12
	Additions	Deletions			Additions	Deletions	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,517	120,936	119,746	5,707	1,181	4,319	5,330	170
3,739	120,448	121,743	2,444	-	-	-	-
-	-	-	-	-	-	-	-
\$ 8,256	\$ 241,384	\$ 241,489	\$ 8,151	\$ 1,181	\$ 4,319	\$ 5,330	\$ 170
\$ -	\$ 116,580	\$ 116,580	\$ -	\$ -	\$ -	\$ -	\$ -
8,256	116,938	117,043	8,151	-	-	-	-
-	-	-	-	1,181	4,319	5,330	170
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 8,256	\$ 233,518	\$ 233,623	\$ 8,151	\$ 1,181	\$ 4,319	\$ 5,330	\$ 170

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Courts Registry</u>		Balance 9/30/12
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	4,019,729	17,912,821	17,565,146	4,367,404
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 4,019,729</u>	<u>\$ 17,912,821</u>	<u>\$ 17,565,146</u>	<u>\$ 4,367,404</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ 95,663	\$ 95,663	\$ -
Due to Other Governments	-	-	-	-
Deposits	4,019,729	19,425,390	19,077,715	4,367,404
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	<u>\$ 4,019,729</u>	<u>\$ 19,521,053</u>	<u>\$ 19,173,378</u>	<u>\$ 4,367,404</u>

<u>Tax Collections Trust</u>			<u>Tag and Title Trust</u>				
<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>	<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>
\$ 3,810,004	\$ 328,376,771	\$ 328,465,420	\$ 3,721,355	\$ 593,699	\$ 32,780,470	\$ 32,858,704	\$ 515,465
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,810,004</u>	<u>\$ 328,376,771</u>	<u>\$ 328,465,420</u>	<u>\$ 3,721,355</u>	<u>\$ 593,699</u>	<u>\$ 32,780,470</u>	<u>\$ 32,858,704</u>	<u>\$ 515,465</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,167,826	325,756,336	325,662,008	1,262,154	593,699	32,787,722	32,865,956	515,465
-	-	-	-	-	-	-	-
2,642,178	2,593,121	2,776,098	2,459,201	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,810,004</u>	<u>\$ 328,349,457</u>	<u>\$ 328,438,106</u>	<u>\$ 3,721,355</u>	<u>\$ 593,699</u>	<u>\$ 32,787,722</u>	<u>\$ 32,865,956</u>	<u>\$ 515,465</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Hunting and Fishing License</u>		Balance 9/30/12
		Additions	Deletions	
<u>Assets</u>				
Cash	\$ 3,793	\$ 87,449	\$ 87,918	\$ 3,324
Pooled Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 3,793</u>	<u>\$ 87,449</u>	<u>\$ 87,918</u>	<u>\$ 3,324</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	3,793	87,522	87,991	3,324
Deposits	-	-	-	-
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	<u>\$ 3,793</u>	<u>\$ 87,522</u>	<u>\$ 87,991</u>	<u>\$ 3,324</u>

<u>Cash Bonds - Sheriff</u>			<u>Civil</u>				
<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>	<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>
\$ 71,357	\$ 29,972	\$ 34,482	\$ 66,847	\$ 37,225	\$ 384,137	\$ 394,477	\$ 26,885
-	-	-	-	-	-	-	-
-	-	-	-	-	800	800	-
-	-	-	-	-	-	-	-
<u>\$ 71,357</u>	<u>\$ 29,972</u>	<u>\$ 34,482</u>	<u>\$ 66,847</u>	<u>\$ 37,225</u>	<u>\$ 384,937</u>	<u>\$ 395,277</u>	<u>\$ 26,885</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,763	29,972	34,872	1,863	21,942	22,727	25,076	19,593
-	-	-	-	15,283	403,325	411,316	7,292
-	-	-	-	-	-	-	-
64,594	28,109	27,719	64,984	-	-	-	-
<u>\$ 71,357</u>	<u>\$ 58,081</u>	<u>\$ 62,591</u>	<u>\$ 66,847</u>	<u>\$ 37,225</u>	<u>\$ 426,052</u>	<u>\$ 436,392</u>	<u>\$ 26,885</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	Balance 9/30/11	<u>Inmate Trust</u> Additions	Deletions	Balance 9/30/12
<u>Assets</u>				
Cash	\$ 229,463	\$ 1,639,088	\$ 1,672,917	\$ 195,634
Pooled Cash and Investments	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 229,463</u>	<u>\$ 1,639,088</u>	<u>\$ 1,672,917</u>	<u>\$ 195,634</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	13,009	8,965	13,009	8,965
Deposits	216,454	1,660,719	1,690,504	186,669
Taxes Collected in Advance	-	-	-	-
Cash Bonds Payable	-	-	-	-
Total Liabilities	<u>\$ 229,463</u>	<u>\$ 1,669,684</u>	<u>\$ 1,703,513</u>	<u>\$ 195,634</u>

<u>Suspense - Sheriff</u>			<u>Flexible Spending - Sheriff</u>				
<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>	<u>Balance</u> <u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/12</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,620	\$ 18,005	\$ 15,646	\$ 5,979
41,586	7,393	26,414	22,565	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 41,586</u>	<u>\$ 7,393</u>	<u>\$ 26,414</u>	<u>\$ 22,565</u>	<u>\$ 3,620</u>	<u>\$ 18,005</u>	<u>\$ 15,646</u>	<u>\$ 5,979</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26,413	-	26,413	-	-	-	-	-
15,173	7,395	3	22,565	3,620	18,005	15,646	5,979
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 41,586</u>	<u>\$ 7,395</u>	<u>\$ 26,416</u>	<u>\$ 22,565</u>	<u>\$ 3,620</u>	<u>\$ 18,005</u>	<u>\$ 15,646</u>	<u>\$ 5,979</u>

Continued

LAKE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2012

	<u>Totals - All Agency Funds</u>			
	<u>Balance</u>			<u>Balance</u>
	<u>9/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>9/30/12</u>
<u>Assets</u>				
Cash	\$ 4,749,161	\$ 363,315,892	\$ 363,529,564	\$ 4,535,489
Pooled Cash and Investments	6,703,546	54,436,130	53,376,592	7,763,084
Accounts Receivable	3,739	121,248	122,543	2,444
Due from Other Governments	10,781	189,954	127	200,608
Total Assets	<u>\$ 11,467,227</u>	<u>\$ 418,063,224</u>	<u>\$ 417,028,826</u>	<u>\$ 12,501,625</u>
<u>Liabilities</u>				
Accounts Payable	\$ 24,311	\$ 18,932,598	\$ 18,929,651	\$ 27,258
Due to Other Governments	3,674,566	394,172,352	393,765,239	4,081,679
Deposits	4,954,181	23,381,045	22,647,248	5,687,978
Taxes Collected in Advance	2,642,178	2,593,121	2,776,098	2,459,201
Cash Bonds Payable	171,991	409,018	335,500	245,509
Total Liabilities	<u>\$ 11,467,227</u>	<u>\$ 439,488,134</u>	<u>\$ 438,453,736</u>	<u>\$ 12,501,625</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 \$1,121,655 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, 2012

Line Item #	Account Description	Housing Choice Vouchers 14.871	Shelter Plus Care 14.238	Total
111.0	Cash - Unrestricted	\$ 314,498	\$ -	\$ 314,498
113.0	Cash - Other Restricted	462,668	-	462,668
115.0	Cash - Restricted for Payment of Current Liabilities	14,195	-	14,195
100.0	Total Cash	791,361	-	791,361
124.0	Accounts Receivable - Other Government	50,609	-	50,609
125.0	Accounts Receivable - Miscellaneous	7,818	-	7,818
120.0	Total Accounts Receivables, Net of Allowances for Doubtful Accounts	58,427	-	58,427
150.0	Total Current Assets	849,788	-	849,788
190.0	Total Assets	\$ 849,788	\$ -	\$ 849,788
312.0	Accounts Payable <= 90 Days	\$ 10,394	\$ -	\$ 10,394
321.0	Accrued Wage/Payroll Taxes Payable	3,802	-	3,802
345.0	Other Current Liabilities	30,174	-	30,174
310.0	Total Current Liabilities	44,370	-	44,370
300.0	Total Liabilities	44,370	-	44,370
509.2	Fund Balance Reserved	462,669	-	462,669
511.2	Unreserved, Designated Fund Balance	342,749	-	342,749
513.0	Total Equity/Net Assets	805,418	-	805,418
600.0	Total Liabilities and Equity/Net Assets	\$ 849,788	\$ -	\$ 849,788

LAKE COUNTY, FLORIDA
FINANCIAL DATA SCHEDULE - REVENUES AND EXPENDITURES
HUD - SECTION 8
For the Year Ended September 30, 2012

Line Item #	Account Description	Housing Choice Vouchers 14.871	Shelter Plus Care 14.238	Total
70600	HUD PHA Operating Grants	\$ 4,311,990 *	\$ 44,937	\$ 4,356,927
72000	Investment Income - Restricted	3,643	-	3,643
70000	Total Revenue	<u>4,315,633</u>	<u>44,937</u>	<u>4,360,570</u>
91100	Administrative Salaries	158,529	-	158,529
91500	Employee Benefit Contributions - Administrative	41,967	-	41,967
91600	Office Expenses	17,880	634	18,514
91800	Travel	1,778	140	1,918
91900	Other	<u>19,873</u>	<u>1,566</u>	<u>21,439</u>
91000	Total Operating - Administrative	240,027	2,340	242,367
93400	Fuel	<u>696</u>	<u>50</u>	<u>746</u>
93000	Total Utilities	696	50	746
94200	Ordinary Maintenance and Operations-Materials and Other	<u>11,884</u>	<u>897</u>	<u>12,781</u>
94000	Total Maintenance	11,884	897	12,781
96110	Property Insurance	534	42	576
96130	Workers Compensation	869	-	869
96140	All Other Insurance	<u>1,375</u>	<u>-</u>	<u>1,375</u>
96100	Total Insurance Premiums	<u>2,778</u>	<u>42</u>	<u>2,820</u>
96900	Total Operating Expenses	<u>255,385</u>	<u>3,329</u>	<u>258,714</u>
97000	Excess of Operating Revenue Over Operating Expenses	4,060,248	41,608	4,101,856
97300	Housing Assistance Payments	2,812,045	41,608	2,853,653
97350	HAP Portability-In	<u>1,121,655 *</u>	<u>-</u>	<u>1,121,655</u>
90000	Total Expense	<u>4,189,085</u>	<u>44,937</u>	<u>4,234,022</u>
10000	Excess of Total Revenue Over Total Expenses	\$ 126,548	\$ -	\$ 126,548
11030	Beginning Equity	<u>\$ 678,870</u>	<u>\$ -</u>	<u>\$ 678,870</u>
	Total Equity/Net Assets	<u>\$ 805,418</u>	<u>\$ -</u>	<u>\$ 805,418</u>
11170	Administrative Fee Equity	\$ 342,750	\$ -	\$ 342,750
11180	Housing Assistance Payments Equity	<u>\$ 462,668</u>	<u>\$ -</u>	<u>\$ 462,668</u>
	Total Equity/Net Assets	<u>\$ 805,418</u>	<u>\$ -</u>	<u>\$ 805,418</u>
11190	Unit Months Available	5,820	96	5,916
11210	Number of Unit Months Leased	4,461	50	4,511

* This schedule includes HAP Portability-in amounts of \$1,121,655 in revenues and expenditures that are not included in the financial statements of the County's Section 8 nonmajor special revenue fund

This page intentionally left blank.

**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 ASSETS BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting - amounts in thousands)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities				
Invested in capital assets, net of related debt	\$ 390,755	\$ 384,298	\$ 371,850	\$ 349,166
Restricted	53,113	49,277	59,675	64,621
Unrestricted	41,907	57,710	70,335	74,994
Total Governmental Activities Net Assets	<u>\$ 485,775</u>	<u>\$ 491,285</u>	<u>\$ 501,860</u>	<u>\$ 488,781</u>
Business-Type Activities				
Invested in capital assets, net of related debt	\$ 12,552	\$ 12,584	\$ 12,436	\$ 12,305
Restricted	-	-	-	-
Unrestricted	268	849	(405)	1,582
Total Business-Type Activities Net Assets	<u>\$ 12,820</u>	<u>\$ 13,433</u>	<u>\$ 12,031</u>	<u>\$ 13,887</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 403,307	\$ 396,882	\$ 384,286	\$ 361,471
Restricted	53,113	49,277	59,675	64,621
Unrestricted	42,175	58,559	69,930	76,576
Total Primary Government Net Assets	<u>\$ 498,595</u>	<u>\$ 504,718</u>	<u>\$ 513,891</u>	<u>\$ 502,668</u>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 352,924	\$ 283,205	\$ 244,263	\$ 218,964	\$ 201,842	\$ 194,325
69,992	101,683	103,296	111,616	87,460	64,047
71,817	92,703	69,829	42,172	30,816	27,704
<u>\$ 494,733</u>	<u>\$ 477,591</u>	<u>\$ 417,388</u>	<u>\$ 372,752</u>	<u>\$ 320,118</u>	<u>\$ 286,076</u>
\$ 11,683	\$ 3,577	\$ 3,592	\$ 3,336	\$ 3,338	\$ 4,448
1,535	1,370	1,272	1,270	941	1,738
2,404	-	8,157	5,963	9,883	2,564
<u>\$ 15,622</u>	<u>\$ 4,947</u>	<u>\$ 13,021</u>	<u>\$ 10,569</u>	<u>\$ 14,162</u>	<u>\$ 8,750</u>
\$ 364,607	\$ 286,782	\$ 247,855	\$ 222,300	\$ 205,180	\$ 198,773
71,527	103,053	104,568	112,886	88,401	65,785
74,221	92,703	77,986	48,135	40,699	30,268
<u>\$ 510,355</u>	<u>\$ 482,538</u>	<u>\$ 430,409</u>	<u>\$ 383,321</u>	<u>\$ 334,280</u>	<u>\$ 294,826</u>

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

(accrual basis of accounting - amounts in thousands)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses				
Governmental Activities:				
General Government	\$ 33,505	\$ 34,833	\$ 37,972	\$ 42,640
Public Safety	118,604	107,143	104,650	117,323
Physical Environment	3,485	3,203	5,446	4,790
Transportation	31,771	29,432	24,046	24,922
Economic Environment	8,338	7,934	9,657	12,184
Human Services	9,438	10,063	8,637	9,179
Culture and Recreation	9,756	9,386	9,892	9,372
Court-Related	9,232	9,335	9,552	10,906
Interest on Long-Term Debt	5,763	6,092	6,084	6,203
Total Governmental Activities	229,892	217,421	215,936	237,519
Business-Type Activities:				
Landfill	20,456	19,354	20,513	21,969
Total Primary Government Expenses	250,348	236,775	236,449	259,488
Program Revenues				
Governmental Activities:				
Charges for services				
General Government	7,332	7,114	7,474	7,612
Public Safety	35,150	25,101	24,989	24,967
Court-related	1,950	1,895	1,838	7,274
Other	3,736	3,801	3,772	3,494
Operating grants and contributions	32,612	25,075	27,048	23,166
Capital grants and contributions	17,711	11,052	12,887	10,240
Total Governmental Activities	98,491	74,038	78,008	76,753
Business-Type Activities:				
Landfill				
Charges for services	16,574	16,611	16,523	15,556
Operating grants and contributions	-	-	-	-
Total Business-Type Activities	16,574	16,611	16,523	15,556
Total Government Program Revenues	115,065	90,649	94,531	92,309
Net (Expense)/Revenue				
Governmental activities	(131,401)	(143,383)	(137,928)	(160,766)
Business-type activities	(3,882)	(2,743)	(3,990)	(6,413)
Total Primary Government Net Expense	\$ (135,283)	\$ (146,126)	\$ (141,918)	\$ (167,179)

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 48,758	\$ 37,545	\$ 37,309	\$ 23,869	\$ 27,344	\$ 25,181
103,493	99,901	84,337	90,105	69,980	60,370
5,533	5,874	2,961	1,938	1,756	2,304
23,863	23,672	20,993	19,184	17,561	17,657
16,539	10,525	8,485	6,744	6,271	6,418
8,599	9,162	8,393	7,123	5,100	4,451
9,702	8,402	11,648	11,975	5,735	5,096
11,289	10,749	8,587	8,385	7,303	7,208
6,334	352	220	225	226	486
234,110	206,182	182,933	169,549	141,276	129,170
22,336	21,884	21,761	27,072	18,918	19,627
256,446	228,066	204,694	196,621	160,194	148,798
8,486	9,797	11,358	10,160	8,098	7,312
27,730	25,816	25,338	25,329	23,875	19,443
9,562	9,016	8,778	7,506	4,349	3,437
3,862	2,644	2,761	2,331	2,099	1,962
18,311	26,877	20,066	32,557	19,814	13,366
12,173	15,875	17,964	27,679	19,333	12,850
80,124	90,025	86,265	105,562	77,568	58,371
15,294	16,087	15,712	15,250	15,189	13,837
-	-	-	-	24	31
15,294	16,087	15,712	15,250	15,213	13,868
95,418	106,112	101,976	120,811	92,781	72,239
(153,986)	(116,157)	(96,668)	(63,986)	(63,708)	(70,799)
(7,042)	(5,797)	(6,049)	(11,822)	(3,705)	(5,759)
\$ (161,028)	\$ (121,954)	\$ (102,717)	\$ (75,808)	\$ (67,412)	\$ (76,559)

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

(accrual basis of accounting - amounts in thousands)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Revenues				
Governmental Activities:				
Taxes				
Property Taxes	\$ 85,904	\$ 93,820	\$ 105,820	\$ 114,701
Sales Taxes	10,833	10,479	9,974	10,012
Gas Taxes	6,622	6,889	6,893	6,737
Communication Services Tax	1,846	2,057	2,204	2,650
Other	1,935	1,970	1,883	1,830
Intergovernmental Revenues, unrestricted	16,580	16,259	15,751	15,708
Investment Income	1,398	1,992	3,241	5,278
Miscellaneous	3,261	2,147	6,268	1,617
Transfers	(2,491)	(2,803)	(1,027)	(3,720)
Total Governmental Activities	125,888	132,810	151,007	154,813
 Business-Type Activities:				
Investment earnings	72	80	138	261
Miscellaneous	706	1,261	970	697
Transfers	2,491	2,803	1,027	3,720
Total Business-Type Activities	3,269	4,144	2,135	4,678
Total Primary Government General Revenues	129,157	136,954	153,142	159,491
 Change in Net Assets				
Governmental Activities	(5,510)	(10,574)	13,079	16,885
Business-type Activities	(613)	1,402	(1,855)	688
Total Primary Government Change in Net Assets	\$ (6,123)	\$ (9,172)	\$ 11,224	\$ 17,573

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	121,597	\$ 124,744	\$ 90,654	\$ 76,776	\$ 66,364	\$ 59,757
	10,761	11,179	11,989	10,599	9,018	9,961
	6,736	7,009	6,992	6,946	6,785	6,167
	2,215	2,141	1,988	1,606	1,201	1,050
	2,211	2,267	2,241	2,069	1,807	1,090
	17,325	19,043	20,221	18,305	16,280	13,894
	11,751	15,073	8,948	4,264	2,628	2,358
	2,271	2,015	5,226	3,043	1,741	2,250
	<u>(3,739)</u>	<u>(7,111)</u>	<u>(6,955)</u>	<u>(6,988)</u>	<u>(8,074)</u>	<u>(7,349)</u>
	171,128	176,360	141,303	116,620	97,750	89,178
	808	1,418	1,050	693	547	850
	1,503	861	496	548	496	518
	<u>3,739</u>	<u>7,111</u>	<u>6,955</u>	<u>6,988</u>	<u>8,074</u>	<u>7,349</u>
	<u>6,050</u>	<u>9,390</u>	<u>8,501</u>	<u>8,229</u>	<u>9,117</u>	<u>8,717</u>
	177,178	185,750	149,804	124,849	106,867	97,895
	10,362	22,374	44,636	52,634	34,042	18,377
	<u>(363)</u>	<u>2,348</u>	<u>2,452</u>	<u>(3,593)</u>	<u>5,412</u>	<u>2,958</u>
\$	9,999	24,722	47,088	49,041	39,454	21,335

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

(modified accrual basis of accounting - amounts in thousands)

General Fund	2012	2011	2010	2009
Reserved	\$ -	\$ -	\$ 764	\$ 5,232
Unreserved	-	-	43,774	39,129
Nonspendable	606	800	-	-
Assigned	17,800	12,000	-	-
Unassigned	14,853	26,947	-	-
Total General Fund	\$ 33,259	\$ 39,747	\$ 44,538	\$ 44,361
All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ 37,306	\$ 18,502
Unreserved, reported in:				
Special revenue funds	-	-	58,914	68,234
Capital projects funds	-	-	30,332	51,116
Debt service funds	-	-	5,100	5,687
Restricted	77,027	91,191	-	-
Committed	8,301	8,484	-	-
Assigned	467	644	-	-
Unassigned	(806)	-	-	-
Total All Other Governmental Funds	\$ 85,795	\$ 100,319	\$ 131,652	\$ 143,539

Note: GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented

in Fiscal Year 2011 resulting in fund balance reclassifications.

2008	2007	2006	2005	2004	2003
\$ 10,719	\$ 3,084	\$ 2,469	\$ 2,279	\$ 1,554	\$ 1,014
42,207	71,543	51,896	37,496	22,863	25,012
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 52,926	\$ 74,627	\$ 54,365	\$ 39,775	\$ 24,417	\$ 26,026
\$ 46,251	\$ 15,530	\$ 18,932	\$ 14,710	\$ 8,480	\$ 7,225
72,482	83,124	88,350	80,112	65,767	44,434
47,217	113,788	10,276	18,253	11,738	11,871
6,060	3,971	2,247	2,193	3,927	3,830
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 172,010	\$ 216,413	\$ 119,805	\$ 115,268	\$ 89,912	\$ 67,360

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

(modified accrual basis of accounting - amounts in thousands)

	2012	2011	2010	2009
Revenues				
Taxes	\$ 107,140	\$ 115,214	\$ 126,774	\$ 135,930
Licenses and Permits	1,787	2,381	1,695	1,926
Intergovernmental	56,154	50,738	54,064	45,154
Charges for Services	28,019	16,962	16,810	20,661
Fines and Forfeitures	1,166	1,416	1,491	2,927
Special Assessments	21,838	18,047	19,410	21,333
Investment Income	1,093	1,651	2,799	4,677
Miscellaneous	3,342	2,224	1,653	1,802
Total Revenues	<u>220,539</u>	<u>208,633</u>	<u>224,696</u>	<u>234,410</u>
Expenditures				
Current				
General Government	30,406	31,403	34,429	36,147
Public Safety	109,064	101,815	102,320	106,793
Physical Environment	3,243	3,059	5,401	4,885
Transportation	25,473	34,246	35,206	37,346
Economic Environment	8,530	8,132	10,092	12,134
Human Services	10,196	9,693	8,307	8,698
Culture and Recreation	8,284	8,471	8,904	9,138
Court-Related Expenditures	8,376	8,285	8,358	9,268
Debt Service				
Principal	4,248	4,069	3,935	3,268
Interest and Fiscal Charges	5,699	5,807	6,015	6,134
Issuance Costs	-	39	-	-
Advance Refunding Escrow	-	47	-	-
Capital Outlay	28,431	27,238	12,133	33,357
Total Expenditures	<u>241,950</u>	<u>242,304</u>	<u>235,100</u>	<u>267,168</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(21,411)</u>	<u>(33,671)</u>	<u>(10,404)</u>	<u>(32,758)</u>
Other Financing Sources (Uses)				
Bonds Issued/Additions to Long Term Debt	-	-	-	-
Bond Premium	-	-	-	-
Transfers In	31,643	31,241	22,371	21,493
Transfers Out	(32,046)	(33,765)	(23,668)	(25,766)
Refunding Bonds Issued	-	3,635	-	-
Payment to Refunded Bond Escrow Agent	-	(3,593)	-	-
Total Other Financing Sources (Uses)	<u>(403)</u>	<u>(2,482)</u>	<u>(1,297)</u>	<u>(4,273)</u>
Net Change in Fund Balances	<u>(21,814)</u>	<u>(36,153)</u>	<u>(11,701)</u>	<u>(37,031)</u>
Fund Balances at Beginning of Year	<u>140,066</u>	<u>176,191</u>	<u>187,900</u>	<u>224,936</u>
Inventory Reserve Increase (Decrease)	-	26	(9)	(5)
Fund Balances at End of Year	<u>\$ 118,252</u>	<u>\$ 140,064</u>	<u>\$ 176,190</u>	<u>\$ 187,900</u>
Debt Service as a Percentage of Non-capital Expenditures	4.91%	5.17%	5.29%	4.42%

Note: Debt service as a percentage of non-capital expenditures has been restated for fiscal years 2003 through 2009 using the reconciling item for capital outlay in the reconciliation between the Government-wide Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balance. This data is not available for the years prior to fiscal year 2003.

2008	2007	2006	2005	2004	2003
\$ 143,521	\$ 147,340	\$ 113,864	\$ 97,995	\$ 85,175	\$ 78,025
2,987	4,039	5,866	6,917	6,428	5,151
38,598	47,201	41,276	61,535	31,125	28,393
22,376	22,799	24,437	19,948	16,026	14,656
3,633	3,533	4,372	4,565	2,768	2,165
28,183	30,240	28,563	34,498	31,194	21,213
10,833	14,129	8,461	3,990	2,447	2,168
4,962	3,951	7,855	5,274	3,311	3,660
255,093	273,232	234,694	234,722	178,474	155,431
52,759	39,205	34,491	28,645	25,667	23,983
132,700	102,519	84,288	87,709	68,720	56,737
5,661	7,557	4,275	3,630	2,667	3,011
34,115	41,667	33,435	24,610	20,198	25,729
18,211	10,646	8,468	7,101	6,939	6,830
8,836	9,566	8,600	7,267	5,198	4,413
11,660		7,442	11,839	5,730	5,164
10,322	9,180	8,145	7,683	6,631	6,437
1,861	1,325	85	80	75	4,560
6,266	327	215	221	222	408
-	1,690	-	-	-	-
-	-	-	-	-	-
45,245	41,756	17,886	7,716	7,278	6,091
327,636	265,438	207,330	186,501	149,325	143,363
(72,543)	7,794	27,364	48,221	29,149	12,068
10,000	122,175	-	-	-	-
-	5,116	-	-	-	-
33,620	30,152	25,563	26,101	21,543	21,110
(37,229)	(37,599)	(33,025)	(33,577)	(29,911)	(29,257)
-	-	-	-	-	-
-	-	-	-	-	-
6,391	119,844	(7,462)	(7,476)	(8,368)	(8,147)
(66,152)	127,638	19,902	40,745	20,781	3,921
291,040	174,170	155,043	114,329	93,386	89,423
48	(24)	(775)	(31)	162	42
\$ 224,936	\$ 301,784	\$ 174,170	\$ 155,043	\$ 114,329	\$ 93,386
3.71%	1.69%	0.18%	0.20%	0.23%	4.13%

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
2003	\$ 8,166	\$ 11,115	\$ 1,135	\$ 1,453
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

NOTE: The assessed value is one year behind the fiscal year. For example, the assessed value at January 1, 2011 is for the fiscal year ended September 30, 2012.

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	\$ 9,305	\$ 12,572	6.317	74.01	%
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	%

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

(per \$1,000 of assessed value)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Direct Rates				
Board of County Commissioners				
General Revenue Fund	4.7309	4.7309	4.6511	4.6511
Stormwater Municipal Services Taxing Unit	0.4984	0.4984	0.4984	0.4984
Voted Debt Service	0.1101	0.1101	0.1101	0.1101
Fire Municipal Services Taxing Unit	0.3222	0.3222	0.3222	0.3222
Total Direct Rate	<u>5.6616</u>	<u>5.6616</u>	<u>5.5818</u>	<u>5.5818</u>
Overlapping Rates				
Board of Public Instruction	7.3940	7.5230	7.5320	7.5170
Lake County Water Authority				
(Independent Special District) (1)	0.2405	0.2405	0.2130	0.2130
Total Overlapping Rates	<u>7.6345</u>	<u>7.7635</u>	<u>7.7450</u>	<u>7.7300</u>
Total County Wide	<u>13.2961</u>	<u>13.4251</u>	<u>13.3268</u>	<u>13.3118</u>
Special Districts				
Dependent Districts				
Lake County Ambulance District	0.3853	0.3853	0.4651	0.4651
Independent Districts				
South Lake County Hospital District	0.8000	0.8666	0.8666	0.8666
Southwest Florida Water Management	0.3928	0.3770	0.3866	0.3866
St. Johns River Water Management	0.3313	0.4158	0.4158	0.4158
North Lake County Hospital District	1.0000	1.0000	1.0000	1.0000
Cities				
Astatula	6.5000	4.8500	4.5000	4.5000
Clermont	3.1420	3.1420	3.1420	3.1420
Eustis	6.2432	5.6849	5.1266	4.7083
Fruitland Park	4.3284	4.3600	4.3600	4.3600
Groveland	5.6000	5.1800	5.1800	4.8205
Howey-in-the-Hills	8.0000	7.0000	6.8317	5.9900
Lady Lake	3.2808	3.2080	3.2808	3.0870
Leesburg	4.3179	4.3179	4.3179	4.3179
Mascotte	9.6147	7.9800	6.8009	5.9990
Minneola	6.5716	5.4826	4.4990	4.4990
Montverde	2.8300	2.8300	2.8300	2.8300
Mount Dora	5.3891	5.0190	5.0190	5.0190
Tavares	6.8900	6.9500	6.2500	6.2500
Umatilla	7.6419	6.8795	6.5000	6.5000

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

SOURCE: Lake County Property Appraiser

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
4.7410	5.7470	5.7970	5.8170	5.9170	5.9170
0.4984	0.6000	0.5000	0.5000	0.5000	0.4000
0.2000	0.2000	-	-	-	-
-	-	-	-	-	-
5.4394	6.5470	6.2970	6.3170	6.4170	6.3170
7.6980	7.6480	7.9810	7.9900	8.4400	8.3950
0.2130	0.2530	0.3370	0.3831	0.4080	0.4819
7.9110	7.9010	8.3180	8.3731	8.8480	8.8769
13.3504	14.4480	14.6150	14.6901	15.2650	15.1939
0.4651	0.5289	0.5289	0.5289	0.5289	0.5289
0.8666	1.0000	1.0000	1.0000	1.0000	1.0000
0.3866	0.4220	0.4220	0.4220	0.4220	0.4220
0.4158	0.4620	0.4620	0.4620	0.4620	0.4620
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
4.5000	4.5000	3.9000	3.4000	2.8500	2.5000
3.1420	3.7290	3.7290	3.7290	3.7290	3.7290
4.7083	5.5000	5.8400	5.8400	5.4870	5.4874
4.1400	4.3900	4.3900	3.8900	3.8900	3.8900
3.9680	5.6500	5.7500	5.8500	5.9500	6.0000
5.4450	5.4450	5.4450	5.4450	5.4450	5.4450
2.2000	2.2000	2.2000	2.2000	2.2000	2.2000
4.2500	4.5000	4.5000	4.5000	4.5000	4.5000
5.6530	5.9990	5.9990	5.9990	5.9990	5.9990
3.7370	4.1500	4.5000	3.3900	3.3900	3.3900
2.8300	2.9900	2.9900	2.9900	2.9900	2.9900
5.0190	5.9750	6.1050	6.1810	6.1810	6.1810
5.4200	5.4200	5.4200	5.4200	5.4200	5.4200
5.7593	6.2400	6.2400	5.9900	5.9900	5.9900

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

TAXPAYER	2012			2003		
	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Summer Bay Partnership	\$ 203,200,797	1	1.30 %	\$ 49,602,520	6	0.53 %
Progress Energy (2)	152,074,999	2	0.97	107,490,675	2	1.16
Sumter Electric Co-op, Inc.	123,113,241	3	0.79	65,112,216	4	0.70
Embarq-Florida Inc. (1)	86,275,002	4	0.55	147,100,002	1	1.58
Niagra Bottling, LLC	56,381,910	5	0.36	-	-	-
Lowes Home Centers Inc.	33,177,096	6	0.21	-	-	-
Villages Operating Company (3)	33,079,887	7	0.21	45,767,666	7	0.49
Cutrale Citrus Juices USA	32,317,809	8	0.21	33,338,353	8	0.36
Florida Gas Transmission Co.	31,375,108	9	0.20	-	-	-
Comcast Cable Communications LLC	28,402,485	10	0.18	-	-	-
Lake Cogen, Ltd	-	-	-	81,720,875	3	0.88
Covanta Lake, Inc.	-	-	-	58,180,367	5	0.63
SDG Macerich Properties, LP	-	-	-	28,627,510	9	0.31
Lake Port Square	-	-	-	26,395,651	10	0.28
	\$ 779,398,334		4.98 %	\$ 643,335,835		6.92 %

(1) Known as Sprint-Florida, Inc. in 2003.

(2) Known as Florida Power Corp. in 2003.

(3) Known as Villages of Lake Sumter, Inc. in 2003.

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
2003	\$ 62,185,910	\$ 59,320,649	95.4 %	\$ 436,181	\$ 59,756,830	96.1 % (1)
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)

(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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Governmental Activities</u>				
Pari-mutuel Revenues Replacement Bonds (1)	\$ 3,415,000	\$ 3,545,000	\$ 3,545,000	\$ 3,645,000
Limited General Obligation Bonds, Series 2007	27,130,000	28,500,000	29,820,000	31,090,000
Promissory Note to Hancock Bank	5,584,132	6,607,069	7,600,779	8,566,094
Capital Improvement Revenue Bonds, Series 2007	81,350,000	83,075,000	84,740,000	86,340,000
Total Government Activities	<u>117,479,132</u>	<u>121,727,069</u>	<u>125,705,779</u>	<u>129,641,094</u>
<u>Business-type Activities</u>				
Solid Waste Line of Credit Note Payable	1,000,000	2,000,000	3,000,000	4,000,000
Total Primary Government	<u>\$ 118,479,132</u>	<u>\$ 123,727,069</u>	<u>\$ 128,705,779</u>	<u>\$ 133,641,094</u>
Percentage of Personal Income	*	1.21%	1.33%	1.39%
Per Capita	*	\$ 411	\$ 439	\$ 458

* 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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 3,740,000	\$ 3,830,000	\$ 3,920,000	\$ 4,005,000	\$ 4,085,000	\$ 4,160,000
32,310,000	33,485,000	-	-	-	-
9,503,826	-	-	-	-	-
<u>87,355,000</u>	<u>87,455,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
132,908,826	120,940,000	3,920,000	4,005,000	4,085,000	4,160,000
<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>10,000,000</u>
\$ 137,908,826	\$ 126,940,000	\$ 10,920,000	\$ 12,005,000	\$ 13,085,000	\$ 14,160,000
1.42%	1.43%	0.13%	0.15%	0.18%	0.22%
\$ 478	\$ 456	\$ 39	\$ 46	\$ 52	\$ 59

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

FISCAL YEAR	GENERAL OBLIGATION BONDS	NET (1) LIMITED AD VALOREM BONDS	TOTAL	RATIO OF DEBT TO ASSESSED TAXABLE VALUE	DEBT PER CAPITA
2003	\$ -	\$ -	\$ -	0.00 %	\$ -
2004	-	-	-	0.00	-
2005	-	-	-	0.00	-
2006	-	-	-	0.00	-
2007	-	31,205,839	31,205,839	0.16	109
2008	-	28,346,538	28,346,538	0.13	98
2009	-	27,544,091	27,544,091	0.13	94
2010	-	26,892,557	26,892,557	0.14	92
2011	-	26,453,816	26,453,816	0.16	88
2012	-	26,126,963	26,126,963	0.17	*

* Statistics not yet published

(1) Net of applicable restricted or unreserved fund balance.

**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	
2003	\$ 388,613	\$ 75,000	\$ 221,513	\$ 296,513	131	%
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	

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	
2003	\$ -	\$ -	\$ -	\$ -	-	%
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	

SOURCE OF REVENUE: Local government half-cent sales tax

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

SALES TAX REVENUE REFUNDING BONDS, SERIES 1992					
FISCAL YEAR	NET REVENUE AVAILABLE	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	COVERAGE
2003	\$ 4,626,720	\$ 4,165,000	\$ 119,744	\$ 4,284,744	108 %
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-

SOURCE OF REVENUE - Infrastructure 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)

STATE FISCAL YEARS ENDED JUNE 30	SALES AND USE TAX
2003	\$ 14,496.30
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

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**

CALENDAR YEAR	POPULATION	PERSONAL INCOME		PER CAPITA INCOME		UNEMPLOYMENT RATE (3)	
		(1)	(THOUSANDS)	(2)	(2)	COUNTY	NATIONAL
2003	240,716	\$	6,512,795	\$	26,389	4.6	6 %
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	*		*		*	8.9	7.8

* 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	2012			2003		
	EMPLOYEES	RANK	PERCENT OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	RANK	PERCENT OF TOTAL COUNTY EMPLOYMENT
Lake County Public Schools	4,353	1	3.64%	4,737	1	4.76%
Leesburg Regional Medical	2,093	2	1.75%	1,800	3	1.81%
Villages of Lake-Sumter, Inc.	2,022	3	1.69%	1,900	2	1.91%
Lake County Government	1,817	4	1.52%	1,564	4	1.57%
Florida Hospital Waterman	1,400	5	1.17%	1,500	5	1.51%
Embarq (formerly Sprint)	811	6	0.68%	719	6	0.72%
Casmin Incorporated	800	7	0.67%	-	-	-
G&T Conveyor Company, Inc.	550	8	0.46%	533	7	0.54%
Bailey Industries	509	9	0.43%	-	-	-
Accent	500	10	0.42%	-	-	-
Lester Coggins Trucking, Inc.	-	-	-	500	8	0.50%
Lake Port Square	-	-	-	400	9	0.40%
Dura-Stress, Inc.	-	-	-	384	10	0.39%
	14,855		12.43%	14,037		14.12%
Total Employment	119,543			99,419		

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)									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Government	345	348	375	393	404	395	451	423	414	381
Public Safety	991	1,019	1,033	1,042	1,041	1,027	900	925	837	783
Culture and Recreation	90	78	79	80	76	77	67	66	67	64
Physical Environment	60	58	67	78	84	86	77	70	64	69
Transportation	143	146	122	131	144	135	133	129	123	117
Economic Development	15	16	17	27	24	23	23	20	18	17
Human Services	37	36	49	54	56	54	34	29	24	23
Courts	136	145	145	160	156	147	118	106	107	110
Total	<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>	<u>1,564</u>

SOURCES: Lake County Adopted Budget

This page intentionally left blank.

LAKE COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST EIGHT FISCAL YEARS

FUNCTION	2012	2011	2010	2009
General Government				
Number of new employees recruited	83	59	43	34
Number of employee educational programs/participants	6/845 *	6/110 *	10/756 *	78/859
Number of term and supply contracts managed	365	367	375	350
Public Safety				
Calls to Fire Rescue Department	18,449	17,447	16,312	15,100
Number of inspections for code violations	6,836	7,705	10,554	11,293
Single family building permits issued	413	271	295	208
Physical Environment				
Gallons of used oil recycled	13,623	18,123	14,877	19,465
Number of samples tested by lab	15,886	15,541	15,911	17,284
Transportation				
Number of transportation disadvantaged trips billed	148,039	152,663	152,751	156,417
Economic Environment				
Number of quarterly event guides distributed	-	-	-	-
Number of homes rehabilitated/replaced	7	14	3	35
Human Services				
Number of citizens receiving hardship assistance for fire and solid waste assessments	168	182	199	248
Culture and Recreation				
Circulation in branch libraries	888,539	863,428	939,271	894,012
Court Related Expenditures				
Number of cases heard in Teen Court	270	385	360	277
Solid Waste System				
Total tons collected	170,269	173,624	161,359	163,940
Residents receiving collection service	67,137	67,021	66,860	66,687
Resource Recovery Plant - revenue earned from electricity production	\$ 10,026,213	\$ 9,702,823	\$ 8,994,984	\$ 8,619,903

* 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

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

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

FUNCTION	2012	2011	2010	2009
Public Safety				
Number of fire stations	23	23	23	22
Sheriff's marked and unmarked patrol vehicles	406	448	553	443
Transportation				
Miles of maintained roadway	1,392	1,393	1,390	1,387
Traffic signals	373	368	348	321
Traffic signs	28,376	27,321	26,420	26,113
Facilities				
Number of County owned buildings	137	130	132	127
Number of building square feet maintained	1,200,826	1,173,090	1,670,930	1,345,022
Human Services				
Number of Transportation Disadvantaged busses and vans	80	90	77	77
Culture and Recreation				
Number of libraries	15	15	15	15
Acres of parks	961	943	916	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>2008</u>	<u>2007</u>	<u>2006</u>
22	21	21
369	332	367
1,382	1,371	1,350
292	291	264
25,585	25,332	24,333
115	122	127
1,119,965	1,023,194	983,196
61	56	35
13	13	13
916	916	877
15	15	15
45	22	22
30	53	53

This page intentionally left blank.

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2012 Expenditures</u>
Department of Agriculture:			
Indirect:			
Florida Department of Banking and Finance			
Schools and Roads - Grants to Counties	10.666	N/A	\$ 97,933
Total Department of Agriculture			97,933
Department of Housing and Urban Development:			
Direct:			
Community Development Block Grant	14.218	N/A	1,769,904
Community Development Block Grant - NSP1	14.218	N/A	177,697
Community Development Block Grant - NSP3	14.218	N/A	85,048
			2,032,649
ARRA - Community Block Grant ARRA Entitlement Grants	14.253	N/A	79,861
Shelter Care Plus	14.238	FL29C620001	44,937
Section 8 Housing Choice Voucher (FL 106 VO)	14.871	N/A	3,067,428
Indirect:			
Florida Department of Community Affairs			
Community Development Block Grants/State's Program	14.228	10-BG-25-06-45-01-115	207,028
Total Department of Housing and Urban Development			5,431,903
Department of the Interior			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	91,281
Cooperative Endangered Species Conservation Fund	15.615	N/A	21,910
Partners for Fish and Wildlife	15.631	N/A	17,630
Total Department of the Interior			130,821
Department of Justice			
Direct:			
State Criminal Alien Assistance Program	16.606	N/A	56,049
Edward Byrne Memorial Formula Grant Program	16.738	2010-DJ-BX-1166	1,056
Edward Byrne Memorial Formula Grant Program	16.738	2011-DJ-BX-3108	63,744
			64,800
Indirect:			
Florida Department of Law Enforcement:			
Edward Byrne Memorial Formula Grant Program	16.738	2012-JAGC-LAKE-3-C4-126	50,000
Total Department of Justice			170,849

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2012 Expenditures</u>
Department of Transportation			
Direct:			
ARRA - Federal Transit Formula Grants	20.507	FL-96-X017	\$ 693,424
Federal Transit Formula Grants	20.507	FL-90-X779	1,431,380
Federal Transit Formula Grants	20.507	FL-90-X755	19,172
Federal Transit Formula Grants	20.507	FL-90-X691	42,247
Federal Transit Formula Grants	20.507	FL-90-X724	70,981
			<u>2,257,204</u>
Indirect:			
Florida Department of Transportation:			
Highway Planning and Construction	20.205	AP858	75,658
Highway Planning and Construction	20.205	AQ245	73,852
Highway Planning and Construction	20.205	AQL31	34,846
ARRA - Highway Planning and Construction	20.205	APT80	55,885
ARRA - Highway Planning and Construction	20.205	AQ221	2,289,345
			<u>2,529,586</u>
Formula Grants for Other Than Urbanized Areas	20.509	AQR81	480,784
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	AL863	188,217
Total Department of Transportation			<u>5,455,791</u>
Department of Environmental Protection			
Direct:			
Environmental Education Grants	66.951	95491212	8,650
Total Department of Environmental Protection			<u>8,650</u>
Department of Energy			
Direct:			
ARRA - State Energy Program	81.128	DE-EE0000786	1,277,268
Total Department of Energy			<u>1,277,268</u>
Election Assistance Commission			
Indirect:			
Florida Department of State Division of Elections			
Help America Vote Act Requirements Payments	90.401	N/A	34,772
Help America Vote Act Requirements Payments	90.401	N/A	33,184
Total Election Assistance Commission			<u>67,956</u>
Department of Health and Human Services			
Indirect:			
Florida Department of Revenue:			
Child Support Enforcement	93.563	CD335	438,544
Florida Healthy Kids Corp:			
State Children's Insurance Program	93.767	N/A	6,065
Total Department of Health and Human Services			<u>444,609</u>

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2012 Expenditures</u>
Department of Homeland Security			
Direct:			
Assistance to Firefighters	97.044	EMW-2008-FF-00366	\$ 211,574
Assistance to Firefighters	97.044	EMW-2011-FO-02439	68,800
			<u>280,374</u>
Indirect:			
Florida Division of Emergency Management:			
Disaster Grants - Public Assistance - Tropical Storm Fay	97.036	08-FA-B9-06-45-00-540	3,014
Hazard Mitigation Grant	97.039	07-EC-33-06-45-01-497	775,943
Emergency Operations Center	97.052	12-DS-8Z-06-45-01-145	419,047
Emergency Management Performance Grant	97.042	12-FG-R3-06-45-01-102	78,378
Homeland Security Grant Program	97.067	10-DS-58-06-45-01-114	428,690
Homeland Security Grant Program	97.067	10-DS-39-13-00-16-414	9,000
Homeland Security Grant Program	97.067	10-DS-39-06-45-01-371	4,141
			<u>441,831</u>
Orange County Sheriff's Office			
Homeland Security Grant Program	97.067	11-DS-A1-06-58-02-458	159,656
Homeland Security Grant Program	97.067	11-DS-32-06-58-02-089	851,968
Homeland Security Grant Program	97.067	09-DS-48-06-58-02-442	3,518
			<u>1,015,142</u>
Total Department of Homeland Security			<u>3,013,729</u>
Total Expenditures of Federal Awards			<u>\$ 16,099,509</u>

The notes to the schedule of expenditures of federal awards and state financial assistance 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, 2012

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2012 Expenditures</u>
Executive Office of the Governor			
Emergency Management Programs	31.063	13-BG-05-06-45-01-035	\$ 26,441
Total Office of the Governor			26,441
Florida Department of Environmental Protection			
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0435	66,047
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0472	16,697
Total Florida Department of Environmental Protection			82,744
Florida Department of Agriculture and Consumer Affairs			
Mosquito Control	42.003	None	18,334
Total Florida Department of Agriculture and Consumer Affairs			18,334
Florida Department of State			
State Aid to Libraries FY 11	45.030	11-ST-24	68,705
State Aid to Libraries FY 12	45.030	12-ST-23	134,418
Total Florida Department of State			203,123
Florida Division of Emergency Management			
Emergency Management Programs	52.008	12-BG-05-06-45-01-035	71,579
Local Emergency Management & Mitigation Initiatives	52.010	07-EC-33-06-45-01-497	116,485
Local Emergency Management & Mitigation Initiatives	52.010	07-CP-5M-06-45-01-392	492,149
			608,634
Emergency Management Projects	52.023	12-CP-03-06-45-01-198	6,828
Total Florida Division of Emergency Management			687,041
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program (SHIP)	52.901	None	1,283,180
Total Florida Housing Finance Corporation			1,283,180
Florida Department of Transportation			
Commission for the Transportation Disadvantaged Trip and Equipment	55.001	AQO16	141,694
Commission for the Transportation Disadvantaged Trip and Equipment	55.001	AQC31	390,168
Commission for the Transportation Disadvantaged Trip and Equipment	55.001	AQI62	62,739
			594,601
Public Transit Block Grant Program	55.010	422648-1-84-01 / APX46	695,289
Transportation Regional Incentive Program	55.026	419665-2-58-01 /AQ847	1,375,389
County and School District Infrastructure Pilot Program	55.029	430268-1-38/58-01/AQ899	58,174
County and School District Infrastructure Pilot Program	55.029	430267-1-38/58-01 /AQ898	168,031
			226,205
Total Florida Department of Transportation			2,891,484
Florida Department of Children and Families			
Public Safety, Mental Health, and Substance Abuse Local Matching Grant	60.115	LHZ30	239,035
Total Florida Department of Children and Families			239,035

LAKE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA / CSFA</u>	<u>Pass-Through / State Contract Number</u>	<u>9/30/2012 Expenditures</u>
Florida Department of Health			
County Grant Awards	64.005	C0035	\$ 26,352
Total Florida Department of Health			26,352
Department of Management Services			
E911 State Grant Program	72.002	S4-11-07-40	43,500
Total Department of Management Services			43,500
Total Expenditures of State Financial Assistance			\$ 5,501,234

The notes to the schedule of expenditures of federal awards and state financial assistance 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, 2012

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 WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Board of County Commissioners
Lake County, Florida

Compliance

We have audited the compliance of Lake County, Florida (the "County"), with the types of compliance requirements described in the 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 major state projects for the year ended September 30, 2012. The County's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and major state projects is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States 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, 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 major 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2012.

Internal Control over Compliance

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

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards and State Financial Assistance

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, 2012, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2013, which contained unqualified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's 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, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 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 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 29, 2013

LAKE COUNTY, FLORIDA
Schedule of Findings and Questioned Costs
For The Year Ended September 30, 2012

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unqualified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards and State Financial Assistance

Internal control over major programs/projects:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Type of report issued on compliance for major federal programs and major state projects:

Unqualified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 or Chapter 10.557, Rules of the Auditor General?

___ Yes X No

Identification of Major Federal Programs and Major State Projects:

CFDA Numbers

Name of Federal Programs

14.871	Section 8 Housing Choice Voucher
20.205, 20.205 ARRA	Highway Planning and Construction
20.507, 20.507 ARRA	Federal Transit Formula Grants
81.128 ARRA	Energy Efficiency and Conservation Block Grant Program
97.039	Hazard Mitigation Grant
97.052	Emergency Operations Center

CSFA Numbers

Name of State Projects

52.901	State Housing Initiatives Program (SHIP)
55.001	Commission for the Transportation Disadvantaged Trip and Equipment
55.026	Transportation Regional Incentive Program
60.115	Public Safety, Mental Health, and Substance Abuse Local Matching Grant

Dollar threshold used to distinguish between

Type A and Type B programs: Federal

\$482,985

State

\$300,000

Auditee qualified as low-risk auditee pursuant to OMB Circular A-133?

 X Yes No

LAKE COUNTY, FLORIDA
Schedule of Findings and Questioned Costs *(Continued)*
For The Year Ended September 30, 2012

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 the basic financial statements, as listed in the table of contents, of Lake County, Florida (the "County"), as of and for the year ended September 30, 2012, and have issued our report thereon dated March 29, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Honorable Board of County Commissioners
Lake County, Florida

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of County Commissioners, management, the State of Florida Auditor General, and federal and state awarding agencies 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 29, 2013



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Board of County Commissioners
Lake County, Florida

We have audited the financial statements of Lake County, Florida (the "County"), as of and for the fiscal year ended September 30, 2012, and have issued our report thereon dated March 29, 2013.

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 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have also 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 with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and Major State Project and on Internal Control over Compliance in Accordance with 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 29, 2013, 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. In connection with our audit, we did not have any such recommendations.
- 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 violations of 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 more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we had the following finding:

2012-01 – Fleet Inventory

Condition

The internal auditor is utilized to perform inventory count and observation testing at fiscal year end. In addition to this testing, the internal auditor performed additional procedures as part of his annual audit plan. During this testing, the internal auditor noted various issues related to controls over fleet inventory which he included in his report dated January 30, 2013 to the Board of County Commissioners.

Criteria

Proper controls over inventory include accurate and timely recordkeeping, reconciliations of inventory listings to the general ledger, and detailed procedural manuals to ensure that employees understand their responsibilities.

Effect

Inadequate inventory controls increase the risk of misappropriation of inventory parts without detection.

Recommendation

We recommend that County management implement a corrective action plan to address the County internal auditor's recommendations, as listed in his report dated January 30, 2013.

Management Response

We concur with the internal auditor's report and have begun the process of implementing the recommendations.

- Section 10.554(1)(i)6., 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.

Honorable Board of County Commissioners
Lake County, Florida

- Section 10.554(1)(i)7.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)7.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, 2012, 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, 2012. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. 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.

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 29, 2013

This page intentionally left blank.