

This section contains the audited special-purpose financial statements and related reports of Seminole County, Florida's Constitutional Officers. This section is provided to meet the requirements of Sections 10.554(d) and 10.557 of the Rules of the Auditor General of the State of Florida

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**SEMINOLE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Maryanne Morse,
Clerk of the Circuit Court of Seminole County, Florida

We have audited the accompanying special purpose financial statements of the Seminole County, Florida Clerk of the Circuit Court (the "Clerk") as of and for the year ended September 30, 2005, listed in the foregoing table of contents. These financial statements are the responsibility of the Clerk's management. Our responsibility is to express an opinion 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 opinion.

As described in Note 1, the financial statements referred to above present only the financial position and results of operations of the Clerk and are not intended to present the financial position and results of operations of Seminole County, Florida, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such special purpose financial statements present fairly, in all material respects, the financial position of the Clerk as of September 30, 2005 and the results of its operations 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 December 31, 2005 on our consideration of the Clerk's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended for the information and use of the Clerk's management and the State of Florida Office of the Auditor General and is not intended to be, and should not be, use by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005

**Seminole County, Florida
Clerk of the Circuit Court**

BALANCE SHEET - GOVERNMENTAL FUNDS

September 30, 2005

ASSETS

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Cash and investments	\$ 8,412,751	\$ 5,345,524
Accounts receivable	123,198	-
Deposits	20,295	-
Due from other governments	<u>11,815</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 8,568,059</u>	<u>\$ 5,345,524</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 4,752,985	\$ 69,328
Due to Board of County Commissioners	2,720,135	-
Due to other governments	745,699	-
Accrued liabilities	<u>349,240</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,568,059</u>	<u>69,328</u>

FUND EQUITY

Fund balance:		
Unreserved	<u>-</u>	<u>5,276,196</u>
TOTAL FUND EQUITY	<u>-</u>	<u>5,276,196</u>

TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 8,568,059</u>	<u>\$ 5,345,524</u>
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The accompanying notes are an integral part of the financial statements.

Seminole County, Florida Clerk of the Circuit Court

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL

Year Ended September 30, 2005

	Original Budget	Final Budget	Actual
GENERAL FUND			
General Government			
Subsidy from Board of County Commissioners	\$ 981,920	\$ 981,920	\$ 981,920
Charges for services	4,264,500	4,264,600	4,908,558
Interest	50,000	50,000	224,537
Miscellaneous revenues	32,000	31,900	37,038
Court Related			
Operating grants	474,300	474,300	477,159
Subsidy from state	24,419	491,075	20,350
Charges for services	8,169,657	8,169,657	9,042,717
TOTAL REVENUES	13,996,796	14,463,452	15,692,279
Expenditures			
General government			
Programs and operations	3,423,399	2,524,194	2,429,764
Capital outlay	42,464	76,151	55,788
Court Related			
Programs and operations	7,764,121	9,035,160	8,533,989
Capital outlay	232,536	238,015	206,904
TOTAL EXPENDITURES	11,462,520	11,873,520	11,226,445
NET CHANGE IN FUND BALANCE	2,534,276	2,589,932	4,465,834
Transfers - Board of County Commissioners	1,862,557	1,779,074	2,720,135
Funds returned to state of Florida	671,719	810,858	1,745,699
FUND BALANCE - BEGINNING OF YEAR	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -
SPECIAL REVENUE FUND			
Revenues			
Charges for services	\$ 1,600,000	\$ 1,600,000	\$ 2,052,278
Interest	27,500	27,500	112,852
TOTAL REVENUES	1,627,500	1,627,500	2,165,130
Expenditures			
Capital outlay	750,000	750,000	201,691
TOTAL EXPENDITURES	750,000	750,000	201,691
NET CHANGE IN FUND BALANCE	877,500	877,500	1,963,439
FUND BALANCE - BEGINNING OF YEAR	1,904,818	1,904,818	3,312,757
FUND BALANCE - END OF YEAR	\$ 2,782,318	\$ 2,782,318	\$ 5,276,196

The accompanying notes are an integral part of the financial statements.

**Seminole County, Florida
Clerk of the Circuit Court**

**STATEMENT OF FIDUCIARY NET ASSETS AND
CHANGES IN NET ASSETS AND LIABILITIES - AGENCY FUNDS**

Year Ended September 30, 2005

	Balance September 30, 2004	Additions	Deletions	Balance September 30, 2005
ASSETS				
Cash and investments	\$ 6,446,100	\$ 119,294,456	\$ 116,674,802	\$ 9,065,754
TOTAL ASSETS	6,446,100	\$ 119,294,456	\$ 116,674,802	9,065,754
LIABILITIES				
Due to individuals	3,963,932	\$ 30,564,129	\$ 30,576,776	3,951,285
Due to Board of County Commissioners	225,827	4,672,218	4,444,634	453,411
Due to other governments	2,256,341	84,058,109	81,653,392	4,661,058
TOTAL LIABILITIES	6,446,100	119,294,456	116,674,802	9,065,754
NET ASSETS	\$ -			\$ -

The accompanying notes are an integral part of the financial statements.

**SEMINOLE COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the presentation of the accompanying financial statements.

Reporting Entity

The Seminole County, Florida Clerk of the Circuit Court (the "Clerk") is a separately elected county official established pursuant to the Constitution of the state of Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Seminole County, Florida, (the "County") taken as a whole. These special purpose financial statements are presented to comply with the requirements of Florida Statutes and the Rules of the Auditor General of the state of Florida. The Clerk's General Fund is combined with the Board of County Commissioners and other constitutional officers' general funds in the County's Comprehensive Annual Financial Report ("CAFR") to properly reflect the county-wide General Fund. The special revenue and fiduciary funds are shown separately in the appropriate sections of the CAFR.

Description of Funds

The accounting records are organized on the basis of funds classified for reporting purposes into two basic fund types:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Clerk. The General Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources, rather than upon net income determination).

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. The Clerk's Special Revenue Fund includes the activities of the Public Records Modernization Trust Fund, which was established July 1, 1987 pursuant to an act of the 1987 Florida Legislature and the Court Related Technology Trust Fund, established July 1, 2004 pursuant to an act of the 2003 Florida Legislature. This fund receives additional recording fees, which are collected by the Clerk's office and are earmarked for the modernization of recording service operations, and additional fees assessed due to implementation of Article V legislation related to court activities. The measurement focus of this fund is the same as the General Fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Description of Funds *(Continued)*

Fiduciary Funds – The Clerk maintains Agency Funds, which are used to account for assets held by the Clerk as agent. Agency Funds are custodial in nature and do not involve measurement of results of operations. A statement of net assets is presented for the Agency Funds. However, a statement of changes in net assets is not presented since there are no operations in the Agency Funds, only assets and liabilities.

Basis of Accounting and Presentation

The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

Budgetary Requirements and Basis

The Clerk's budget consists of two distinct parts: general governmental activities and court-related activities. The budget for general governmental revenues and expenditures is filed with the Board of County Commissioners ("BOCC") and the State Courts Administrator. This budget can be amended, as necessary, during the year. Budgetary control is at the total revenue and expenditure level. The court-related budget must be submitted to the Florida Clerk of Court Operations Corporation ("CCOC"), in accordance with Section 28.36 of the Florida Statutes. The Clerk must request approval from the CCOC in order to amend the court-related budget. Budgetary control is at the total revenue and expenditure level.

The Clerk must remit the excess of revenues over expenditures for general governmental operations to the BOCC by October 31st after the close of the fiscal year. The Clerk must remit to the State of Florida General Revenue Fund the cumulative excess of all court-related revenues over the amounts needed to meet the approved budgeted expenditures. This must be done by January 1st after the close of the fiscal year.

Investments

Investments are presented at fair value.

Transfers

In accordance with Florida Statutes, all unexpended balances at year end are owed to the BOCC for non-court related functions and back to the State of Florida for court related balances. These excess fees are reported as transfers out. Appropriations are presented as a subsidy from the respective entity.

NOTE 2 - CASH AND INVESTMENTS

Cash Deposits

Cash consists of various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans, and limit local government deposits to "authorized depositories". Therefore, all cash deposits held by banks can be classified as fully insured.

Investments

Florida Statutes 28.33, 218.415, 219.075 and the Clerk's investment policy authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government.

The Clerk's investments at September 30, 2005 consist of approximately \$18.1 million in overnight repurchase agreements. In addition, the Clerk held \$3.4 million in the Local Government Surplus Funds Trust Fund. These investments are carried at fair market value by the Clerk.

NOTE 3 - PENSION PLAN

Plan Description

The Clerk's employees participate in the Florida Retirement System ("FRS"), a multiple employer, cost-sharing, defined benefit retirement system, administered by the Florida Department of Administration ("FDA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For a detailed plan description, see the County's CAFR for the fiscal year ended September 30, 2005.

Funding Policy

The Clerk's contributions to the FRS for the fiscal years ended September 30, 2003 through 2005 were \$399,029, \$481,331 and \$504,217, respectively, which were equal to the required contribution for each fiscal year.

NOTE 4 - INSURANCE COVERAGE

The County maintains a self-insurance program that provides for coverage of substantially all risks. Various excess catastrophic insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the loss fund. Any public liability loss which exceeds the self-insurance coverage limit would remain the responsibility of the County. The Clerk participated in the County's self-insurance program during fiscal year 2005. For additional information related to these programs, see the County's CAFR for the fiscal year ended September 30, 2005.

NOTE 5 - LONG-TERM LIABILITIES

The Clerk incurs a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Clerk is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2005 is as follows:

	Balance October 1, 2004	Additions	Retirements	Balance September 30, 2005
Compensated absences	<u>\$710,093</u>	<u>\$40,307</u>	<u>\$-0-</u>	<u>\$750,400</u>

COMPLIANCE SECTION



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Maryanne Morse,
Clerk of the Circuit Court of Seminole County, Florida

We have audited the special purpose financial statements of the Seminole County, Florida Clerk of the Circuit Court (the "Clerk") as of and for the year ended September 30, 2005, and have issued our report thereon dated December 31, 2005. 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.

Compliance

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Maryanne Morse
Clerk of the Circuit Court of Seminole County, Florida

We have audited the special purpose financial statements of the Clerk of the Circuit Court of Seminole County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2005, and have issued our report thereon dated December 31, 2005.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated December 31, 2005, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1) (h) 1.) require that we address in the management letter, if not already addressed in the auditor's reports on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1) (h) 2.), the scope of our audit included a review of provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Clerk complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1) (h) 3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters, if not already addressed in the auditors' reports on compliance and internal controls and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. The Clerk is required by Florida Statute to pay all excess fees that are non-court amounts to the Board of County Commissioners within 31 days of the close of their fiscal year. Excess fees were transferred to the Board in December 2005. Our audit disclosed no other matters required to be disclosed by Rules of the Auditor General (Section 10.554(1) (h) 4.).

Honorable Maryanne Morse
Clerk of the Circuit Court of Seminole County, Florida

As required by Rules of the Auditor General (Section 10.554 (1)(h)7.), the scope of our audit included a review of the provisions of Section 28.35, Florida Statutes, regarding the budget and performance standards certified by the Florida Clerk of Courts Operations Corporation. In connection with our audit, we determined that the Clerk complied with the budget and performance standards pursuant to Section 28.35, Florida Statutes.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005

**SEMINOLE COUNTY, FLORIDA
PROPERTY APPRAISER**

SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable David Johnson
Property Appraiser of Seminole County, Florida

We have audited the accompanying special purpose financial statements of the Seminole County, Florida Property Appraiser (the "Property Appraiser") as of and for the year ended September 30, 2005, listed in the foregoing table of contents. These financial statements are the responsibility of the Property Appraiser's management. Our responsibility is to express an opinion 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 opinion.

As described in Note 1 of the special purpose financial statements, the financial statements referred to above present only the financial position and results of operations of the Property Appraiser and are not intended to present the financial position and results of operations of Seminole County, Florida in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such special purpose financial statements present fairly, in all material respects, the financial position of the Property Appraiser as of September 30, 2005 and the results of its operations 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 October 28, 2005 on our consideration of the Property Appraiser's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended for the information and use of the Property Appraiser's management and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
October 28, 2005

**Seminole County, Florida
Property Appraiser**

BALANCE SHEET - GENERAL FUND

September 30, 2005

ASSETS

Cash	\$ 36,546
Accounts receivable	<u>1,318</u>
TOTAL ASSETS	<u>\$ 37,864</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 34,259
Due to Board of County Commissioners	2,472
Due to other governments	<u>1,133</u>
TOTAL LIABILITIES	<u>37,864</u>

FUND EQUITY

Fund balance: Unreserved	<u>-</u>
TOTAL FUND EQUITY	<u>-</u>

TOTAL LIABILITIES AND FUND EQUITY \$ 37,864

The accompanying notes are an integral part of the financial statements.

**Seminole County, Florida
Property Appraiser**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GENERAL FUND**

Year Ended September 30, 2005

REVENUES		
Charges for services	\$ 100,003	
Intergovernmental revenue	75,000	
Miscellaneous revenue	38	
		<u>175,041</u>
	TOTAL REVENUES	<u>175,041</u>
EXPENDITURES		
Current:		
General government:		
Salaries and benefits	3,199,591	
Other operating expenditures	843,178	
		<u>4,042,769</u>
	TOTAL EXPENDITURES	<u>4,042,769</u>
	EXCESS OF REVENUES OVER UNDER EXPENDITURES	(3,867,728)
OTHER FINANCING SOURCES (USES)		
Transfers in from Board of County Commissioners	3,870,200	
Transfers out to Board of County Commissioners	(2,472)	
		<u>3,867,728</u>
	TOTAL OTHER FINANCING SOURCES	<u>3,867,728</u>
	EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	-
FUND BALANCE AT BEGINNING OF YEAR		-
FUND BALANCE AT END OF YEAR		\$ -

The accompanying notes are an integral part of the financial statements

**Seminole County, Florida
Property Appraiser**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL
(BUDGETARY BASIS)**

Year Ended September 30, 2005

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services	\$ 100,050	\$ 100,050	\$ 100,003	\$ (47)
Miscellaneous revenue	-	-	38	38
TOTAL REVENUES	100,050	100,050	100,041	(9)
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	3,381,423	3,199,683	3,199,591	92
Other operating expenditures	588,827	770,567	768,178	2,389
TOTAL EXPENDITURES	3,970,250	3,970,250	3,967,769	2,481
EXCESS OF REVENUES UNDER EXPENDITURES	(3,870,200)	(3,870,200)	(3,867,728)	2,472
OTHER FINANCING SOURCES (USES)				
Transfers in from Board of County Commissioners	3,870,200	3,870,200	3,870,200	-
Transfers out to Board of County Commissioners	-	-	(2,472)	(2,472)
TOTAL OTHER FINANCING SOURCES (USES)	3,870,200	3,870,200	3,867,728	(2,472)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES				
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

**SEMINOLE COUNTY, FLORIDA
PROPERTY APPRAISER**

NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the preparation of the accompanying special purpose financial statements.

Reporting Requirement

The Seminole County, Florida Property Appraiser (the "Property Appraiser") is a separately-elected county official established pursuant to the Constitution of the State of Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Seminole County, Florida taken as a whole. These special purpose financial statements are presented to comply with the requirements of the Florida Statutes and the Rules of the Auditor General of the state of Florida. The Property Appraiser's General Fund is combined with the Board of County Commissioners' (the "Board") and other constitutional officers' general funds in the Seminole County, Florida Comprehensive Annual Financial Report ("CAFR") to properly reflect the county-wide General Fund.

Description of Fund

The accounting records are organized on the basis of funds and classified for reporting purposes into one basic fund type:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. The General Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources, rather than upon net income determination).

Basis of Accounting and Presentation

The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Requirements and Basis

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying special purpose financial statements reflect all amendments approved by the Florida Department of Revenue. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except as follows: Capital outlay expenditures related to the Property Appraiser's grant are not budgeted. A reconciliation of General Fund budgeted and actual expenditures for the fiscal year ended September 30, 2005 is as follows:

Budgetary Basis	\$3,967,769
Mapping Grant Expenditures	<u>75,000</u>
GAAP Basis	<u>\$4,042,769</u>

Transfers

In accordance with Florida Statutes, all unexpended balances at year end are owed to the Board. These excess fees are reported as transfers (out). Appropriations from the Board are presented as transfers in.

NOTE 2 - CASH AND INVESTMENTS

Cash

Cash consists of various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or are covered by the state of Florida collateral pool, a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

Investments

Florida Statutes 28.33, 218.415, 219.075 and the Property Appraiser's investment policy authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration, and obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The Property Appraiser had no investments at September 30, 2005.

NOTE 3 - PENSION PLAN

Plan Description

The Property Appraiser's employees participate in the Florida Retirement System ("FRS"), a multiple-employer, cost-sharing, defined-benefit retirement system, administered by the Florida Department of Administration. As a general rule, membership in the FRS is compulsory for all employees working in a regularly-established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For a detailed plan description, see the Seminole County, Florida CAFR for the fiscal year ended September 30, 2005.

Funding Policy

The Property Appraiser's contributions to the FRS for fiscal years ended September 30, 2003 through 2005 were: \$153,580, \$187,621 and \$198,686, respectively, which were equal to the required contribution for each fiscal year.

NOTE 4 - INSURANCE COVERAGE

Seminole County (the "County") maintains a self-insurance program that provides for coverage of substantially all risks. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the loss fund. Any public liability loss, which exceeds the self-insurance coverage limit, would remain the responsibility of the County. The Property Appraiser participated in the County's self-insurance program during fiscal year 2005. For additional information related to these programs, see the Seminole County, Florida, CAFR for the fiscal year ended September 30, 2005.

NOTE 5 - LONG-TERM LIABILITIES

The Property Appraiser incurs a liability for employees' right to receive compensation for future absences when certain conditions are met. The Property Appraiser is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2005, is as follows:

	Balance October 1, 2004	Additions	Retirements	Balance September 30, 2005
Compensated absences	<u>\$281,518</u>	<u>\$22,086</u>	<u>\$-0-</u>	<u>\$303,604</u>

COMPLIANCE SECTION



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable David Johnson
Property Appraiser of Seminole County, Florida

We have audited the special purpose financial statements of the Seminole County, Florida Property Appraiser (the "Property Appraiser") as of and for the year ended September 30, 2005, and have issued our report thereon dated October 28, 2005. 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.

Compliance

As part of obtaining reasonable assurance about whether the Property Appraiser's special purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Property Appraiser's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Honorable David Johnson
Property Appraiser of Seminole County, Florida

This report is intended solely for the information and use of the Property Appraiser's management and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
October 28, 2005



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable David Johnson
Property Appraiser of Seminole County, Florida

We have audited the special purpose financial statements of the Property Appraiser of Seminole County, Florida (the "Property Appraiser") as of and for the fiscal year ended September 30, 2005, and have issued our report thereon dated October 28, 2005.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated October 28, 2005, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the state of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(h)1.) require that we address in the management letter, if not already addressed in the auditors' reports on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(h)2.), the scope of our audit included a review of provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Property Appraiser complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1)(h)3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters, if not already addressed in the auditors' reports on compliance and internal controls and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no matters required to be disclosed by Rules of the Auditor General (Section 10,554(1)(h)4.).

This management letter is intended solely for the information and use of the Property Appraiser and management, and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
October 28, 2005

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**SEMINOLE COUNTY, FLORIDA
SHERIFF**

Special Purpose Financial Statements
Year Ended September 30, 2005

SEMINOLE COUNTY, FLORIDA SHERIFF
SPECIAL PURPOSE FINANCIAL STATEMENTS
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**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Donald F. Eslinger,
Sheriff of Seminole County, Florida

We have audited the accompanying special purpose financial statements of the Seminole County, Florida Sheriff (the "Sheriff") as of and for the year ended September 30, 2005, listed in the foregoing table of contents. These financial statements are the responsibility of the Sheriff's management. Our responsibility is to express an opinion 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 opinion.

As described in Note 1, the financial statements referred to above present only the financial position and results of operations the Sheriff and are not intended to present the financial position and results of operations of Seminole County, Florida in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such special purpose financial statements present fairly, in all material respects, the financial position of the Sheriff as of September 30, 2005 and the results of its operations 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 December 15, 2005 on our consideration of the Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2005

SEMINOLE COUNTY, FLORIDA SHERIFF

BALANCE SHEET -- GENERAL FUND

September 30, 2005

ASSETS

Cash	\$ 1,809,586
Total Assets	<u>\$ 1,809,586</u>

LIABILITIES AND FUND EQUITY

Liabilities

Accounts Payable	\$ 940,430
Accrued Liabilities	564,534
Due to Board of County Commissioners	259,096
Due to Other Governments	<u>45,526</u>
Total Liabilities	<u>1,809,586</u>

Fund Equity

Fund Balance:	
Unreserved	<u>-</u>
Total Fund Equity	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 1,809,586</u>

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

SEMINOLE COUNTY, FLORIDA SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – GENERAL FUND

Year Ended September 30, 2005

REVENUES	
Intergovernmental - HIDTA Grant	\$ <u>1,555,001</u>
Total Revenues	<u>1,555,001</u>
EXPENDITURES	
Public Safety:	
Salaries and Benefits	60,329,113
Other Operating Expenditures	14,987,523
Capital Outlay	3,044,012
Debt Service:	
Principal	1,829,850
Interest	<u>117,937</u>
Total Expenditures	<u>80,308,435</u>
Excess of Revenues Over (Under) Expenditures	<u>(78,753,434)</u>
OTHER FINANCING SOURCES (USES)	
Transfers In From Board of County Commissioners	77,444,442
Transfers Out to Board of County Commissioners	(259,096)
Funds Returned to Grantor Agencies	(411,237)
Capital Lease Proceeds	<u>1,979,325</u>
Total Other Financing Sources (Uses)	<u>78,753,434</u>
Excess Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-
Fund Balance at Beginning of Year	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>

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

SEMINOLE COUNTY, FLORIDA SHERIFF

**STATEMENT OF EXPENDITURES AND OTHER FINANCING SOURCES
GENERAL FUND - BUDGET AND ACTUAL (BUDGETARY BASIS)**

Year Ended September 30, 2005

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES				
Public Safety:				
Salaries and Benefits	\$61,187,158	\$ 62,405,336	\$ 60,329,113	\$ 2,076,223
Other Operating Expenditures	11,868,388	12,626,008	13,432,522	(806,514)
Capital Outlay	2,238,900	465,311	1,064,687	(599,376)
Debt Service:				
Principal	-	1,829,850	1,829,850	-
Interest	-	117,937	117,937	-
Total Expenditures	<u>75,294,446</u>	<u>77,444,442</u>	<u>76,774,109</u>	<u>670,333</u>
OTHER FINANCING SOURCES (USES)				
Transfers In From Board of County Commissioners	75,294,446	77,444,442	77,444,442	-
Transfers Out to Board of County Commissioners	-	-	(259,096)	(259,096)
Funds Returned to Grantor Agencies	-	-	(411,237)	(411,237)
Total Other Financing Sources (Uses)	<u>75,294,446</u>	<u>77,444,442</u>	<u>76,774,109</u>	<u>(670,333)</u>
Excess Expenditures Over				
Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SEMINOLE COUNTY, FLORIDA SHERIFF

**STATEMENT OF EXPENDITURES AND OTHER FINANCING SOURCES
GENERAL FUND - BUDGET AND ACTUAL (BUDGETARY BASIS)**

Year Ended September 30, 2005

	<u>Balance October 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2005</u>
ASSETS				
Cash	\$ 598,228	\$ 9,037,682	\$ 8,836,716	\$ 799,194
Total Assets	<u>598,228</u>	<u>9,037,682</u>	<u>8,836,716</u>	<u>799,194</u>
LIABILITIES				
Due to Individuals:				
Cash Bond Account	-	2,684,752	2,684,752	-
Individual Depository Account	118,743	370,199	339,969	148,973
Suspense Account	13,987	6,182,311	6,107,794	88,504
Inmate Welfare Account	138,886	209,686	185,353	163,219
Inmate Trust Account	<u>326,612</u>	<u>2,275,486</u>	<u>2,203,600</u>	<u>398,498</u>
Total Liabilities	<u>598,228</u>	<u>\$ 11,722,434</u>	<u>\$ 11,521,468</u>	<u>799,194</u>
NET ASSETS	<u>\$ -</u>			<u>\$ -</u>

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

SEMINOLE COUNTY, FLORIDA SHERIFF

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the preparation of the accompanying financial statements.

Reporting Entity – The Seminole County, Florida Sheriff (the “Sheriff”) is a separately elected county official established pursuant to the Constitution of the State of Florida. The Sheriff’s financial statements do not purport to reflect the financial position or the results of operations of Seminole County, Florida taken as a whole. These special purpose financial statements are presented to comply with the requirements of the Florida Statutes and the Rules of the Auditor General of the State of Florida. The Sheriff’s General Fund is combined with the Board of County Commissioners and other constitutional officer’s general funds in the Seminole County, Florida Comprehensive Annual Financial Report (CAFR) to properly reflect the county-wide General Fund. The fiduciary funds are shown separately in the appropriate sections of the CAFR.

Description of Funds – The accounting records are organized on the basis of funds and classified for reporting purposes into two basic fund types:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Sheriff. The General Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

Fiduciary Fund – The Sheriff maintains an Agency Fund, which is used to account for assets held by the Sheriff as agent. Agency funds are custodial in nature and do not involve measurement of results of operations. A statement of net assets is presented for the Agency Fund. However, a statement of changes in net assets is not presented since there are no operations in the Agency Fund only assets and liabilities.

Basis of Accounting and Presentation – The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

Budgetary Requirements and Basis – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in Section 30.49(2) (a) Florida Statutes and Board policy. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board. Budgetary control is required at the fund level. Total budgeted expenditures may not exceed related actual expenditures at the fund level. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except as follows: capital outlay expenditures and other financing sources related to the acquisition of assets through capital leases are not budgeted; pass-through transactions of the High Intensity Drug Trafficking Area Grant (HIDTA) that are not directly related to the Sheriff’s operations, are not budgeted; and all other grant revenue is budgeted as part of operating transfers in from the Board rather than as intergovernmental revenue. A reconciliation of General Fund budgeted and actual expenditures for the fiscal year ended September 30, 2005 is as follows:

Budgetary Basis	\$ 76,774,109
Capital Lease Outlay	1,979,325
HIDTA Grant Pass-through Expenditures	<u>1,555,001</u>
GAAP Basis	<u>\$ 80,308,435</u>

SEMINOLE COUNTY, FLORIDA SHERIFF
NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Investments – Investments are presented at fair value.

Capital Assets – Capital Assets consist of equipment used in the Sheriff’s operations and are recorded as expenditures in the General Fund at the time assets are received and a liability is incurred. These assets are capitalized at cost. Depreciation is computed using the straight-line method. Useful lives of assets range from 3-12 years. The Sheriff follows the Board of County Commissioners capitalization policy for reporting which requires that all capital assets acquired greater than \$5,000 will be capitalized and depreciated. Donated and confiscated capital assets are recorded at fair value at the time received.

Compensated Absences – The Sheriff accrues a liability for employees’ rights to receive compensation for future absences when certain conditions are met. The Sheriff is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. The maximum accruable hours for compensated absences is 960.

Transfers – In accordance with Florida Statutes, all unexpended balances at year-end are owed to the Board. These excess fees are reported as transfers (out). Appropriations from the Board of County Commissioners are presented as transfers in.

2. CASH AND INVESTMENTS

Cash – Cash consists of various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or are covered by the State of Florida collateral pool, a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

Investments – Florida Statutes 28.33, 218.415, 219.075 and the Sheriff’s investment policy authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, and obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The Sheriff had no investments at September 30, 2005.

3. CAPITAL ASSETS

The Sheriff’s capital assets consist of equipment. Capital assets acquired with a value of \$1,000 or greater are recorded as capital outlay expenditures. The following is a summary of the changes related to capital assets, that had a value of \$5,000 or greater at time of acquisition, for the year ended September 30, 2005:

	Equipment	
	Cost	Accumulated Depreciation
Balance, October 1, 2004	\$ 11,934,063	\$ 5,780,429
Additions	2,136,685	1,576,031
Retirements	(874,941)	(635,662)
Balance, September 30, 2005	\$ 13,195,807	\$ 6,720,798

For the fiscal year ended September 30, 2005, depreciation expense of \$1,576,031 is reflected in the Seminole County CAFR in the statement of activities under public safety expenses.

SEMINOLE COUNTY, FLORIDA SHERIFF

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2005

4. PENSION PLAN

Plan Description – The Sheriff’s employees participate in the Florida Retirement System (FRS), a multiple employer cost sharing defined benefit retirement system, administered by the Florida Department of Administration. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. For a detailed plan description, see the Seminole County, Florida Comprehensive Annual Financial Report for the fiscal year ended September 30, 2005.

Funding Policy – The Sheriff’s contributions to the FRS for fiscal year ending September 30, 2003 through 2005 were approximately \$4,780,000, \$5,848,000 and \$6,193,000 respectively, which were equal to the required contribution for each fiscal year.

5. INSURANCE COVERAGE

The Sheriff participates in the Florida Sheriff’s Self-Insurance Fund Program and the Sheriff’s Automobile Risk Program. The Florida Sheriff’s Association administers both of these programs. These programs are considered public entity risk pools, which purchase insurance policies on behalf of their members. The pool’s members are not obligated for risk associated with such coverage. Coverage under these programs includes general liability, automobiles, watercraft, personal property, confiscated/impounded equipment, flash roll money, broad form money and securities, and public employee blanket bonds. The Sheriff carries a separate insurance policy with a commercial carrier for aircraft. The Sheriff also participates in Seminole County’s self-insurance program for workers’ compensation and its health insurance program. For additional information related to these programs, see the Seminole County, Florida Comprehensive Annual Financial Report for the fiscal year ended September 30, 2005.

6. LONG-TERM LIABILITIES

During the fiscal years ended September 30, 2003, 2004 and 2005, the Sheriff entered into capital lease agreements for vehicles costing approximately \$1,012,000, \$1,027,000 and \$1,081,000 respectively. In addition, during the current fiscal year the Sheriff entered into capital leases for other equipment costing approximately \$640,000. Annual debt service requirements to amortize the capital leases outstanding as of September 30, 2005, are as follows:

<u>Years Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 1,033,793	\$ 73,284	\$1,107,077
2007	1,059,998	47,080	1,107,078
2008	<u>277,442</u>	<u>9,100</u>	<u>286,542</u>
	<u>\$ 2,371,233</u>	<u>\$ 129,464</u>	<u>\$2,500,697</u>

A summary of changes in long-term liabilities for the fiscal year ended September 30, 2004 is as follows:

	<u>Balance 10/1/04</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/05</u>
Compensated absences	\$ 9,556,436	\$ 662,804	\$ -	\$ 10,219,240
Capital leases	<u>2,480,342</u>	<u>1,979,325</u>	<u>2,088,434</u>	<u>2,371,233</u>
	<u>\$ 12,036,778</u>	<u>\$ 2,642,129</u>	<u>\$ 2,088,434</u>	<u>\$ 12,590,473</u>



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Donald F. Eslinger,
Sheriff of Seminole County, Florida

We have audited the special purpose financial statements of the Seminole County, Florida Sheriff (the "Sheriff") as of and for the year ended September 30, 2005, and have issued our report thereon dated December 15, 2005. 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

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2005



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Donald F. Eslinger,
Sheriff of Seminole County, Florida

We have audited the special purpose financial statements of the Sheriff of Seminole County, Florida (the "Sheriff") as of and for the fiscal year ended September 30, 2005, and have issued our report thereon dated December 15, 2005.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated December 15, 2005, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1) (h) 1.) require that we address in the management letter, if not already addressed in the auditor's reports on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1) (h) 2.), the scope of our audit included a review of provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Clerk complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1) (h) 3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters, if not already addressed in the auditors' reports on compliance and internal controls and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no matters required to be disclosed by Rules of the Auditor General (Section 10.554(1) (h) 4.).

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2005

**SEMINOLE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

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MOORE STEPHENS
LOVELACE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Michael Ertel,
Supervisor of Elections of Seminole County, Florida

We have audited the accompanying special purpose financial statements of the Seminole County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2005, listed in the foregoing table of contents. These financial statements are the responsibility of the Supervisor of Elections' management. Our responsibility is to express an opinion 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 of America. 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 opinion.

As described in Note 1 of the financial statements, the financial statements referred to above present only the financial position and results of operations of the Supervisor of Elections and are not intended to present the financial position and results of operations of Seminole County, Florida in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such special purpose financial statements present fairly, in all material respects, the financial position of the Supervisor of Elections as of September 30, 2005 and the results of its operations 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 30, 2006 on our consideration of the Supervisor of Elections' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
March 23, 2006

**Seminole County, Florida
Supervisor of Elections**

BALANCE SHEET - GENERAL FUND

September 30, 2005

ASSETS		
Cash		\$ 128,579
Due from Other Governments		<u>9,602</u>
	TOTAL ASSETS	<u>\$ 138,181</u>
 LIABILITIES AND FUND EQUITY 		
LIABILITIES		
Accounts payable		\$ 47,921
Accrued liabilities		10,598
Due to other governments		<u>79,662</u>
	TOTAL LIABILITIES	138,181
FUND EQUITY		
Fund Balance:		
Unreserved		<u>-</u>
	TOTAL FUND EQUITY	<u>-</u>
	TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 138,181</u>

The accompanying notes are an integral part of the financial statements.

**Seminole County, Florida
Supervisor of Elections**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL**

Year Ended September 30, 2005

	Original Budget	Final Budget	Actual	Variance
REVENUES	\$ -	\$ 83,867	\$ 26,268	\$ 57,599
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	1,194,307	1,194,307	1,114,608	79,699
Other operating expenditures	542,791	636,658	437,578	199,080
Capital outlay	37,500	610,800	495,484	115,316
TOTAL EXPENDITURES	1,774,598	2,441,765	2,047,670	394,095
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,774,598)	(2,357,898)	(2,021,402)	451,694
OTHER FINANCING SOURCES				
Transfers in from Board of County Commissioners	1,774,598	2,357,898	2,021,402	(336,496)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

**SEMINOLE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the preparation of the accompanying financial statements.

Reporting Requirement – The Seminole County, Florida Supervisor of Elections (the “Supervisor of Elections”) is a separately elected county official established pursuant to the Constitution of the state of Florida. The Supervisor of Elections’ financial statements do not purport to reflect the financial position or the results of operations of Seminole County, Florida taken as a whole. These special purpose financial statements are presented to comply with the requirements of Florida Statutes and the Rules of the Auditor General of the state of Florida. The Supervisor of Elections’ General Fund is combined with the Board of County Commissioners and other constitutional officers’ general funds in the Seminole County, Florida Comprehensive Annual Financial Report (“CAFR”) to properly reflect the county-wide General Fund.

Description of Fund – The accounting records are organized on the basis of funds and classified for reporting purposes into one basic fund type:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. The General Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

Basis of Accounting and Presentation – The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

Budgetary Requirements and Basis – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board of County Commissioners. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Transfers – In accordance with Florida Statutes, all unexpended balances at year-end are owed to the Board. These excess fees are reported as transfers (out). Appropriations from the Board of County Commissioners are presented as transfers in.

NOTE 2 - EQUITY IN POOLED CASH

The Supervisor of Elections does not maintain its own cash accounts. Instead, as allowed by Florida Statute 129.202, the Board of County Commissioners performs all cash receipts and disbursement functions on its behalf. Accordingly, equity in pooled cash represents the cash maintained by the Board on behalf of the Supervisor of Elections. The Board maintains various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or are covered by the state of Florida collateral pool; a multiple-financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

NOTE 3 - PENSION PLAN

Plan Description – The Supervisor of Elections’ employees participate in the Florida Retirement System (“FRS”), a multiple-employer, cost-sharing, defined benefit retirement system, administered by the Florida Department of Administration. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For a detailed plan description, see the Seminole County, Florida CAFR for the fiscal year ended September 30, 2005.

Funding Policy – The Supervisor of Elections’ contributions to the FRS for fiscal the years ended September 30, 2003 through 2005 were \$48,835, \$72,452 and \$67,125, respectively, which were equal to the required contribution for each fiscal year.

NOTE 4 - INSURANCE COVERAGE

Seminole County maintains a self-insurance program that provides for coverage of substantially all risks. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the loss fund. Any public liability loss, which exceeds the self-insurance coverage limit, would remain the responsibility of the County. The Supervisor of Elections participated in the County’s self-insurance program during fiscal year 2005. For additional information related to these programs, see the Seminole County, Florida CAFR for the fiscal year ended September 30, 2005.

NOTE 5 - LONG-TERM LIABILITIES

The Supervisor of Elections accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Supervisor of Elections is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2005 is as follows:

	Balance October 1, 2004	Additions	Retirements	Balance September 30, 2005
Compensated absences	<u>\$ 56,484</u>	<u>\$ 64,959</u>	<u>\$ 22,694</u>	<u>\$ 98,749</u>



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Michael Ertel,
Supervisor of Elections of Seminole County, Florida

We have audited the special purpose financial statements of the Seminole County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2005, and have issued our report thereon dated March 23, 2006. 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.

Compliance

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Supervisor of Elections' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
March 23, 2006



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Michael Ertel
Supervisor of Elections of Seminole County, Florida

We have audited the special purpose financial statements of the Supervisor of Elections of Seminole County, Florida (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2005, and have issued our report thereon dated March 23, 2006.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated March 23, 2006, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the state of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(h)1.) require that we address in the management letter, if not already addressed in the auditors' reports on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(h)2.), the scope of our audit included a review of provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Supervisor of Elections complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1)(h)3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters, if not already addressed in the auditors' reports on compliance and internal controls and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no matters required to be disclosed by Rules of the Auditor General (Section 10.554(1)(h)4.).

This management letter is intended solely for the information and use of the Supervisor of Elections and management, and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
March 23, 2006

**SEMINOLE COUNTY, FLORIDA
TAX COLLECTOR**

SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Ray Valdes,
Tax Collector of Seminole County, Florida

We have audited the accompanying special purpose financial statements of the Seminole County, Florida Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2005, listed in the foregoing table of contents. These financial statements are the responsibility of the Tax Collector's management. Our responsibility is to express an opinion 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 opinion.

As described in Note 1, the financial statements referred to above present only the financial position and results of operations of the Tax Collector and are not intended to present the financial position and results of operations of Seminole County, Florida, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such special purpose financial statements present fairly, in all material respects, the financial position of the Tax Collector as of September 30, 2005 and the results of its operations 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 December 31, 2005 on our consideration of the Tax Collector's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended for the information and use of the Tax Collector's management and the State of Florida Office of the Auditor General and is not intended to be, and should not be, use by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005

**Seminole County, Florida
Tax Collector**

BALANCE SHEET - GENERAL FUND

September 30, 2005

ASSETS

Cash and Investments	\$ 5,076,193
Due from Board of County Commissioners	191,641
Due from other funds	<u>45,739</u>
TOTAL ASSETS	<u><u>\$ 5,313,573</u></u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 15,873
Due to Board of County Commissioners	5,063,588
Due to other governments	221,245
Due to other funds	<u>12,867</u>
TOTAL LIABILITIES	<u>5,313,573</u>

FUND EQUITY

Fund balance:	
Unreserved	<u>-</u>
TOTAL FUND EQUITY	<u>-</u>

TOTAL LIABILITIES AND FUND EQUITY \$ 5,313,573

The accompanying notes are an integral part of the financial statements.

**Seminole County, Florida
Tax Collector**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL**

Year Ended September 30, 2005

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services	\$ 2,867,100	\$ 2,867,100	\$ 2,888,636	\$ 21,536
Interest income	10,000	10,000	139,337	129,337
Miscellaneous revenue	38,000	38,000	266	(37,734)
TOTAL REVENUES	2,915,100	2,915,100	3,028,239	113,139
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	3,284,973	3,284,973	3,149,029	135,944
Other operating expenditures	691,565	691,565	571,485	120,080
TOTAL EXPENDITURES	3,976,538	3,976,538	3,720,514	256,024
EXCESS OF REVENUES UNDER EXPENDITURES	(1,061,438)	(1,061,438)	(692,275)	369,163
OTHER FINANCING SOURCES (USES)				
Transfers in from Board of County Commissioners	5,311,000	5,311,000	5,575,276	264,276
Transfers out to Board of County Commissioners	(4,249,562)	(4,249,562)	(4,883,001)	(633,439)
TOTAL OTHER FINANCING SOURCES (USES)	1,061,438	1,061,438	692,275	(369,163)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

**Seminole County, Florida
Tax Collector**

**STATEMENT OF FIDUCIARY NET ASSETS AND
CHANGES IN NET ASSETS AND LIABILITIES - AGENCY FUNDS**

Year Ended September 30, 2005

	Balance September 30, 2004	Additions	Deletions	Balance September 30, 2005
ASSETS				
Cash and Investments	\$ 3,372,598	\$ 440,863,110	\$ 440,523,295	\$ 3,712,413
Due from other governments	6,520	-	6,520	-
Due from other funds	25,605	12,948	25,605	12,948
Due from individuals	254,483	247,103	293,556	208,030
TOTAL ASSETS	3,659,206	441,123,161	440,848,976	3,933,391
LIABILITIES				
Escrow deposits	2,208,091	7,625,204	7,459,341	2,373,954
Due to individuals	159,522	12,641,948	12,454,613	346,857
Due to other funds	60,389	45,821	60,389	45,821
Due to Board of County Commissioners	485,714	153,026,909	153,039,191	473,432
Due to other governments	745,490	267,783,279	267,835,442	693,327
TOTAL LIABILITIES	3,659,206	441,123,161	440,848,976	3,933,391
 NET ASSETS				
	\$ -			\$ -

The accompanying notes are an integral part of the financial statements.

**SEMINOLE COUNTY, FLORIDA
TAX COLLECTOR**

NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the presentation of the accompanying financial statements.

Reporting Requirement

The Seminole County, Florida Tax Collector (the "Tax Collector") is a separately elected county official established pursuant to the Constitution of the state of Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Seminole County, Florida, (the "County") taken as a whole. These special purpose financial statements are presented to comply with the requirements of Florida Statutes and the Rules of the Auditor General of the state of Florida. The Tax Collector's General Fund is combined with the Board of County Commissioners and other constitutional officers' general funds in the County's Comprehensive Annual Financial Report ("CAFR") to properly reflect the county-wide General Fund. The fiduciary funds are shown separately in the appropriate sections of the CAFR.

Description of Funds

The accounting records are organized on the basis of funds classified for reporting purposes into two basic fund types:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Tax Collector. The General Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources, rather than upon net income determination).

Fiduciary Funds – The Tax Collector maintains Agency Funds, which are used to account for assets held by the Tax Collector as agent. Agency Funds are custodial in nature and do not involve measurement of results of operations. A statement of net assets is presented for the Agency Funds. However, a statement of changes in net assets is not presented since there are no operations in the Agency Funds, only assets and liabilities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of Accounting and Presentation

The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

Budgetary Requirements and Basis

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Florida Department of Revenue. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

Investments

Investments are presented at fair value.

Transfers

In accordance with Florida Statutes, all unexpended balances at year end are owed to each governmental unit in the same proportion as the percentage of total fees paid by each governmental unit. These "excess fees" are reported as operating transfers out for the Board of County Commissioners and a reduction to charges for services for services for other governmental units. Appropriations from the Board of County Commissioners are presented as transfers in.

NOTE 2 - CASH AND INVESTMENTS

Cash

Cash consists of various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans, and limit local government deposits to "authorized depositories". Therefore, all cash deposits held by banks can be classified as fully insured.

NOTE 2 - CASH AND INVESTMENTS (Continued)

Investments

Florida Statutes 28.33, 218.415, 219.075 and the Tax Collector's investment policy authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government, indebtedness (bonds, debentures, notes) guaranteed by U.S. Government agencies and money market mutual funds registered with the Securities and Exchange Commission ("SEC").

The Tax Collector's investments at September 30, 2005 consist of approximately \$8.3 million in overnight repurchase agreements held with their banking institution. These investments are carried at fair market value by the Tax Collector.

NOTE 3 - PENSION PLAN

Plan Description

The Tax Collector's employees participate in the Florida Retirement System ("FRS"), a multiple employer, cost-sharing, defined benefit retirement system, administered by the Florida Department of Administration ("FDA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For a detailed plan description, see the County's CAFR for the fiscal year ended September 30, 2005.

Funding Policy

The Tax Collector's contributions to the FRS for the fiscal years ended September 30, 2003 through 2005 were \$130,959, \$169,702 and \$182,972, respectively, which were equal to the required contribution for each fiscal year.

NOTE 4 - INSURANCE COVERAGE

The County maintains a self-insurance program that provides for coverage of substantially all risks. Various excess catastrophic insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the loss fund. Any public liability loss which exceeds the self-insurance coverage limit, would remain the responsibility of the County. The Tax Collector participated in the County's self-insurance program during fiscal year 2005. For additional information related to these programs, see the County's CAFR for the fiscal year ended September 30, 2005.

NOTE 5 - LONG-TERM LIABILITIES

The Tax Collector incurs a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Tax Collector is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2005 is as follows:

	Balance October 1, 2004	Additions	Retirements	Balance September 30, 2005
Compensated absences	\$220,324	\$42,126	\$-0-	\$262,450

COMPLIANCE SECTION



**MOORE STEPHENS
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Ray Valdes,
Tax Collector of Seminole County, Florida

We have audited the special purpose financial statements of the Seminole County, Florida Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2005, and have issued our report thereon dated December 31, 2005. 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.

Compliance

As part of obtaining reasonable assurance about whether the Tax Collector's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tax Collector's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Tax Collector's management and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Ray Valdes
Tax Collector of Seminole County, Florida

We have audited the special purpose financial statements of the Tax Collector of Seminole County, Florida (the "Tax Collector") as of and for the fiscal year ended September 30, 2005, and have issued our report thereon dated December 31, 2005.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated December 31, 2005, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the state of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(h)1.) require that we address in the management letter, if not already addressed in the auditors' reports on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(h)2.), the scope of our audit included a review of provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Tax Collector complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1)(h)3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters, if not already addressed in the auditors' reports on compliance and internal controls and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no matters required to be disclosed by Rules of the Auditor General (Section 10.554(1)(h)4.).

This management letter is intended solely for the information and use of the Tax Collector and management, and the State of Florida Office of the Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
December 31, 2005