

**SEMINOLE COUNTY, FLORIDA
PROPERTY APPRAISER**

SPECIAL PURPOSE FINANCIAL STATEMENTS

Year Ended September 30, 2006

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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, 2006, 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 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, 2006 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 November 14, 2006 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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
November 14, 2006

**Seminole County, Florida
Property Appraiser**

BALANCE SHEET - GENERAL FUND

September 30, 2006

ASSETS

Cash	\$ 29,733
Accounts receivable	<u>292</u>
TOTAL ASSETS	<u>\$ 30,025</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 9,220
Due to Board of County Commissioners	20,283
Due to other governments	<u>522</u>
TOTAL LIABILITIES	30,025

FUND EQUITY

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

TOTAL LIABILITIES AND FUND EQUITY \$ 30,025

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, 2006

REVENUES		
Charges for services	\$	104,042
Interest income		14,997
Miscellaneous revenue		41
	TOTAL REVENUES	119,080
EXPENDITURES		
Current:		
General government:		
Salaries and benefits		3,399,629
Other operating expenditures		679,141
	TOTAL EXPENDITURES	4,078,770
	DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,959,690)
OTHER FINANCING SOURCES (USES)		
Transfers in from Board of County Commissioners		3,979,973
Transfers out to Board of County Commissioners		(20,283)
	TOTAL OTHER FINANCING SOURCES	3,959,690
	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**

Year Ended September 30, 2006

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services	\$ 104,564	\$ 104,564	\$ 104,042	\$ (522)
Interest Income	-	-	14,997	14,997
Miscellaneous revenue	-	-	41	41
TOTAL REVENUES	104,564	104,564	119,080	14,516
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	3,546,706	3,400,542	3,399,629	913
Other operating expenditures	530,895	683,995	679,141	4,854
TOTAL EXPENDITURES	4,077,601	4,084,537	4,078,770	5,767
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,973,037)	(3,979,973)	(3,959,690)	20,283
OTHER FINANCING SOURCES (USES)				
Transfers in from Board of County Commissioners	3,973,037	3,979,973	3,979,973	-
Transfers out to Board of County Commissioners	-	-	(20,283)	(20,283)
TOTAL OTHER FINANCING SOURCES (USES)	3,973,037	3,979,973	3,959,690	(20,283)
DEFICIENCY 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, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies used in the preparation of these 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 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)

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, 2006.

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, 2006.

Funding Policy

The Property Appraiser's contributions to the FRS for fiscal years ended September 30, 2004 through 2006 were: \$187,621, \$198,686 and \$240,769, 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, 2006.

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, 2006, is as follows:

	Balance October 1, 2005	Additions	Retirements	Balance September 30, 2006
Compensated absences	<u>\$303,604</u>	<u>\$309,628</u>	<u>\$262,814</u>	<u>\$350,418</u>

COMPLIANCE SECTION



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

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

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, 2006, and have issued our report thereon dated November 14, 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.

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 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 reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the 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 and Other Matters

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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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 & Stone Co., P.A.

Certified Public Accountants

Orlando, Florida
November 14, 2006



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

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, 2006, and have issued our report thereon dated November 14, 2006.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Report of Independent Certified Public Accountants on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which is dated November 14, 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 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 auditor's 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.

A handwritten signature in cursive script, appearing to read "Moore Stephens Lovelace, P.A.", is written in black ink.

Certified Public Accountants

Orlando, Florida
November 14, 2006