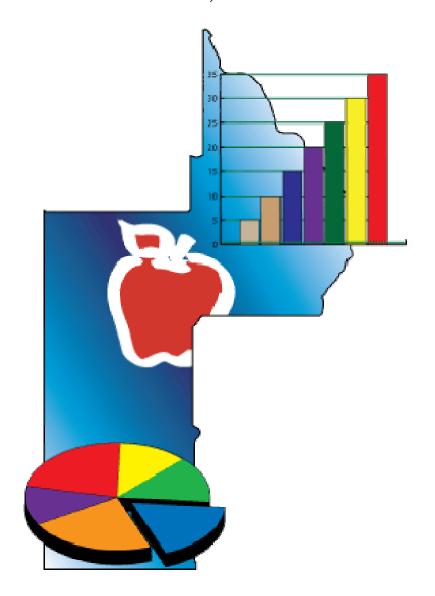
District School Board of Lake County, Florida Tavares, Florida



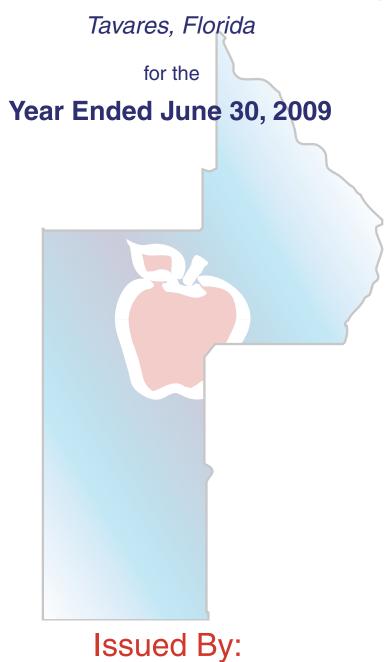
Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

Comprehensive Annual Financial Report

of the

District School Board of Lake County, Florida



Finance Department

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2009

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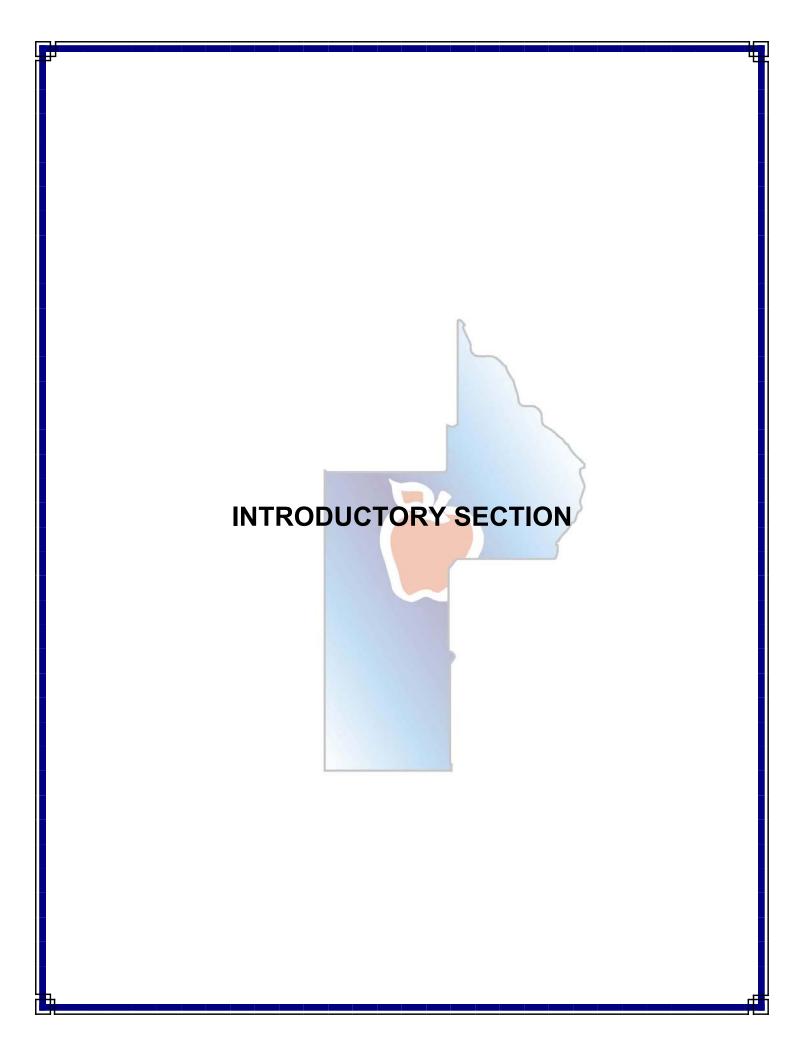
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Leading our Children to Success

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Superintendent: Susan Moxley, Ed.D. School Board Members:
District 1
Larry Metz
District 2
Rosanne Brandeburg
District 3
Cindy Barrow
District 4
Debbie Stivender
District 5
Kyleen Fischer

December 18, 2009

Dear Chair, Members of the School Board and the Citizens of Lake County:

The Comprehensive Annual Financial Report of the District School Board of Lake County, Florida (the "District") for the fiscal year ended June 30, 2009, is submitted herewith. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to set forth fairly, in all material respects, the financial position and the changes in financial position of the District as measured and reported by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an adequate understanding of the District's financial affairs have been included. The responsibility for the preparation of the accompanying financial statements and other information contained in this report, based on the above standards, rests with the District's management.

This report consists of management's representations concerning the finances of the District School Board of Lake County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by the independent certified public accounting firm, Purvis, Gray and Company, CPA,s. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District School Board of Lake County for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit

involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report on financial statements is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, summary schedule of prior audit findings, and the independent auditor's reports on the system of internal control and on compliance with applicable requirements, are included in the single audit section.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the School District

The District and its governing body were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by the District school officials in accordance with Chapter 1001.30, Florida Statutes. The District School Board consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Lake County. The Superintendent of Schools is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules and District policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District by Section 1010.01, Florida Statutes, as prescribed by the State Board of Education. The geographic boundaries of the District are those of Lake County.

This report contains the audited financial statements for all operations over which the School board is financially accountable. Various potential component units were evaluated to determine whether they should be considered as a part of the District's reporting entity. Accordingly, included are all funds of the District, the Financing Corporation for the School Board of Lake County, Florida, Inc., the Educational Foundation of Lake County, Inc., (the "Foundation") and ten charter schools, which comprise the reporting entity. The Financing Corporation for the School Board of Lake County, Florida, Inc., was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. Foundation's purpose is exclusively educational and charitable for the constituents of Lake County. The charter schools are public schools operating under performance contracts with the District. The Foundation and charter schools are included in the CAFR as discretely presented component units.

The District provides a full range of educational programs in Lake County. These include early childhood, kindergarten through 12th grade, basic and enriched programs, exceptional education, vocational and adult education. During the 2009 fiscal year, the District operated 37 schools, including 20 elementary schools, 9 middle schools, 7 high schools and 1 specialized school. In addition, there are 10 charter schools that are component units of the District. In total, the District reported serving approximately 40,151 unweighted full-time equivalent students. Estimated enrollment for the 2010 fiscal year is 40,501.

The annual budget serves as the foundation for the District's financial planning and control. The District establishes and maintains budgetary controls. The objective is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund-function-object level for all funds.

Budgetary information is integrated into the accounting system; and, to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored in the subsequent year's appropriations.

In order to provide budgetary control for salaries the District utilizes a centralized position control system. On an annual basis, the District adopts a District staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

Economic Condition and Outlook

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Economy. While the District is heavily reliant upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is heavily dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives and educational enhancements may not be available within the desired time frames, but the positive improvements will continue to occur. In addition, the Board, Superintendent and staff are acutely aware of the perils of interrupted revenue receipts. Prudent business practices, accompanied by statutes mandating balanced budgets, result in a continual review of the financial condition of the District.

Cash Management and Investments Polices and Practices. The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid. Idle cash is invested in various instruments with various maturity dates, depending on the anticipated future cash requirements.

The overall strategy of holding deposits and making investments is to expose the District to a minimum amount of credit and market risks. All bank balances, as of the balance sheet date, are entirely insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Risk Management. The District is a member of the Preferred Government Insurance Trust, under which several governmental agencies have established a combined limited self-insurance program for workers' compensation, general and automobile liability, property protection, money and securities, employee fidelity and faithful performance, boiler and machinery and other coverage deemed necessary by the members of the Trust. The District also provides health, hospitalization and life insurance through purchased commercial insurance.

Pension Benefits. The District participates in the Florida Retirement System, which is a State administered cost-sharing multiple-employer defined benefit retirement plan.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to District School Board of Lake County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the sixth consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this CAFR was made possible by the dedicated service of the entire staff of the District's Finance Department, whose hard work and excellence is apparent. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we would like to thank the School Board for their leadership and support in planning and conducting the financial operations of the District in an accountable and progressive manner. We also thank the citizens of Lake County, whose cooperation, support, and assistance have contributed greatly to the operation of this innovative school system.

Respectfully submitted,

Susan E. Moxley, Ed.D. Superintendent of Schools

Dusar Mayley

Carol J. MacLeod, CPA Chief Financial Officer

Tom Leahey

Director of Finance

OF LAKE COUNTY, FLORIDA

Elected Officials As of December 18, 2009

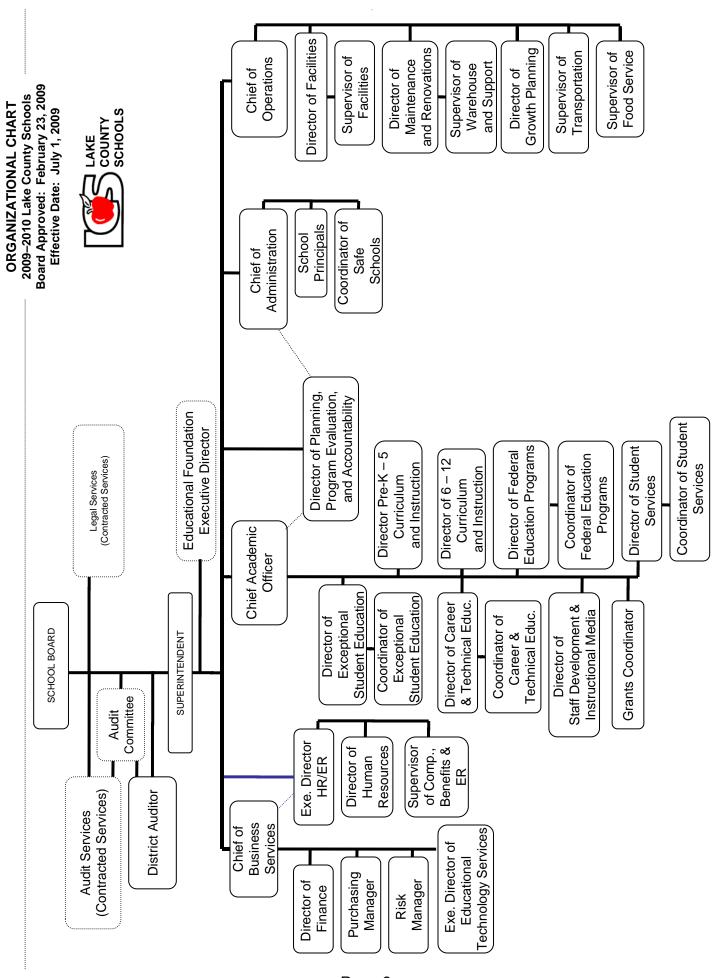
School Board Members

Larry Metz Term 2006-2010	District 1
Rosanne Brandeburg Term 2008-2012	District 2
Cindy Barrow, Chair Term 2006-2010	District 3
Debbie Stivender, Vice-Chair Term 2008-2012	District 4
Kyleen Fischer Term 2006-2010	District 5

District School Board of Lake County, Florida

Appointed Officials As of December 18, 2009

Dr. Susan E. Moxley	Superintendent of Schools
Ms. Nancy Velez	Chief Academic Officer
Ms. Aurelia Cole	Chief of Administration
Ms. Carol MacLeod	Chief of Business Services
Mr. John Davis	Chief of Operations
Ms. Laurie Marshall	Executive Director of Human Resources and Employee Relations
Mr. Scott Merklinger	Executive Director of Educational Technology Services



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Certificate of Achievement for Excellence in Financial Reporting

Presented to

District School Board of Lake County, Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

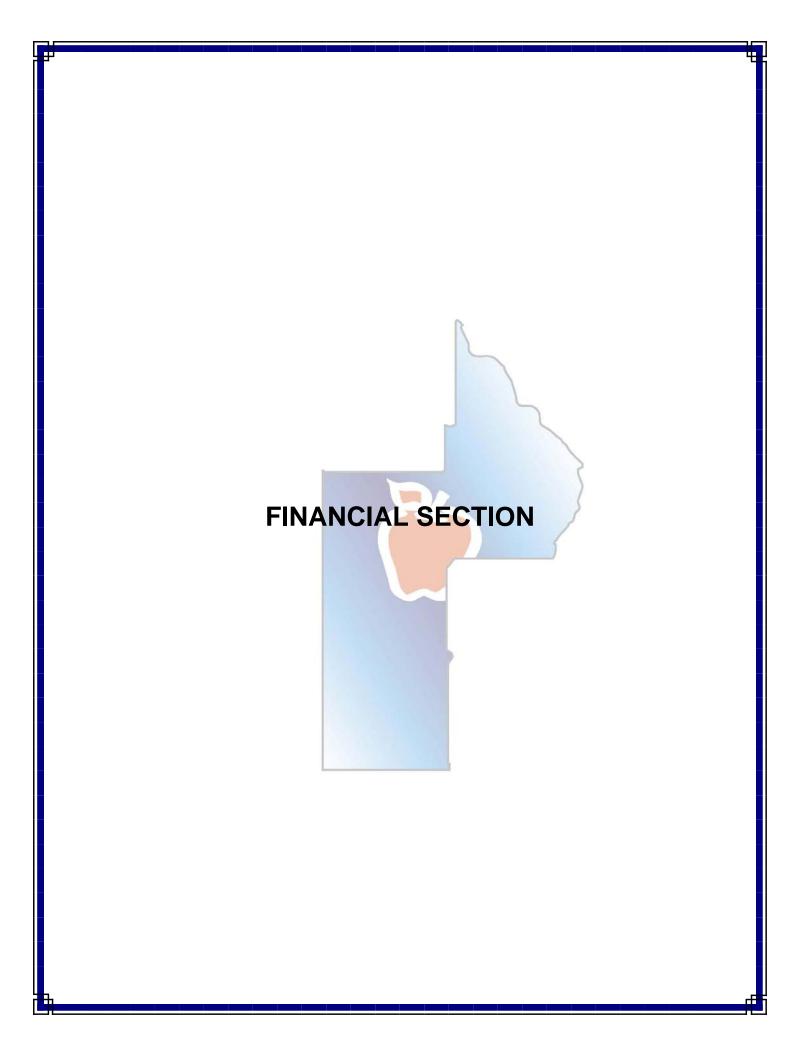
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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

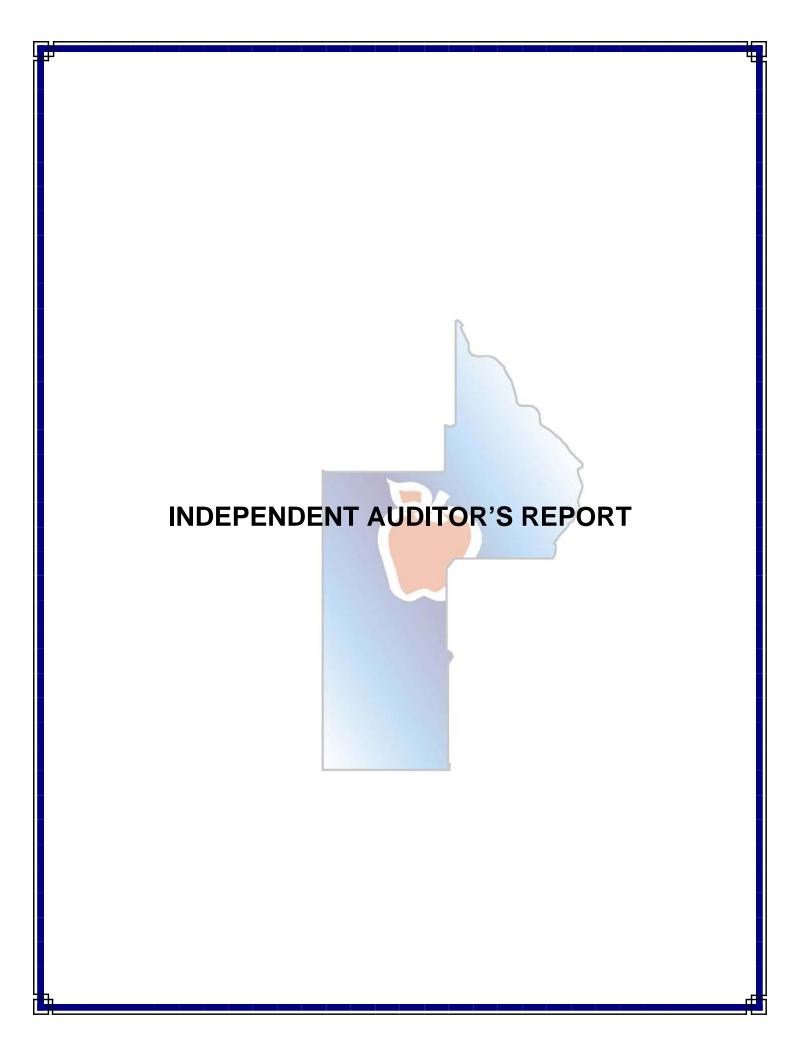
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* /

President

Executive Director







INDEPENDENT AUDITORS' REPORT

District School Board of Lake County, Florida and Superintendent Tavares, Florida

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Lake County, Florida (the District), as of and for the fiscal year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units on the accompanying basic financial statements. The aggregate discretely presented component units' financial statements were audited by other auditors whose reports have been provided to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the District's aggregate discretely presented component units is based solely on the report of the other auditors.

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. The financial statements of the Educational Foundation of Lake County, Inc. were not audited in accordance with *Government Auditing Standards*. 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 and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2009, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Certified Public Accountants

District School Board of Lake County, Florida and Superintendent Tavares, Florida

INDEPENDENT AUDITORS' REPORT (Concluded)

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the required supplementary information, as identified in the accompanying table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor governmental statements, individual fund budgetary schedules, schedule of expenditures of federal awards and statistical section are presented for purposes of additional analysis as required by the United States Office of Management and Budget OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the basic financial statements. The combining nonmajor governmental statements, schedule of expenditures of federal awards and individual fund budgetary schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

December 18, 2009 Ocala, Florida

Purvis, Gray and Company, LLP



LAKE COUNTY DISTRICT SCHOOL BOARD MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District School Board of Lake County, Florida, (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with our financial statements.

Financial Highlights

Key financial highlights for the fiscal year 2008-09 are as follows:

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$451,941,227.
- The District's total net assets increased by \$18,882,382.
- As of the close of the current fiscal year, the District's governmental funds reported combined fund balances of \$231,699,989, an increase of \$10,235,229 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$21,364,843 or 7.66 percent of total General Fund Revenues. The unreserved fund balance is available for spending at the District's discretion.
- The District's total long-term debt decreased by \$16,490,373 or approximately 3.97 percent during the current fiscal year. The key factor in this decrease was the repayment of outstanding debt.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-Wide Financial Statements Reporting the District as a Whole

The government-wide financial statements provide both long-term and short-term information about the District's overall financial status. The subsequent statements are fund financial statements that focus on individual parts of the District and provide greater detail of the District's operations than the government-wide statements. Additionally, the basic financial statements include notes, which explain some of the information in the statements and provide more detailed data.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's non-fiduciary assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities provides information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government activities of the District include such functions as instruction, pupil personnel services, administration, pupil transportation, maintenance, and other items. The business-type activities of the District include the Extended Learning Center Program.

The government-wide financial statements include not only the District itself (known as the primary government), but also 10 charter schools and the Educational Foundation of Lake County, Inc., for which the District is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Financing Corporation for the School Board of Lake County, Florida, (Financing Corporation), although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to substantive economic relationship between the District and Financing Corporation, the Financing Corporation has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 22 through 24 of this report.

Fund Financial Statements

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

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

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

The District maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Other Special Revenue Funds and two Capital Projects fund which are considered to be major funds. Data from the other 8 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements found on pages 74 through 77 of this report and the basic governmental fund financial statements can be found on pages 25 through 30 of this report.

Proprietary Funds. The District maintains two different types of proprietary funds. The enterprise fund is used to report the same functions as business-type activities in the government-wide financial statements. The District uses the enterprise fund to account for its Extended Learning Center (before and after school child care) Program. Internal service funds are an accounting device used to accumulate and allocate cost internally among the District's various functions. The District uses an internal service fund to account for its copy center. Because these services predominately benefit the governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statement, only in more detail. The proprietary fund financial statements provide separate information for the Extended Learning Center Program. The Extended Learning Centers provide before and after school care to elementary and middle school students enrolled in Lake County Schools. Expenses incurred for the operation of these programs are paid totally by fees collected for services. The basic proprietary fund financial statements can be found on pages 31 through 33 of this report.

<u>Fiduciary Funds.</u> Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds.

Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The Statement of Fiduciary Assets and Liabilities and the Statement of Changes in Fiduciary Net Assets can be found on pages 34 through 35 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found following the basic financial statements on pages 36 through 64 of this report.

Required Supplementary Information

The District adopts an annual budget for its General Fund. A budgetary comparison schedule and required note disclosure has been provided for the General Fund and the Other Special Revenue Funds on pages 65 through 69 to demonstrate compliance with this budget.

Notes to the Required Supplementary Information

The notes provide additional information that is essential to fully understand the data provided in the required supplementary information. The notes to required supplementary information can be found following the basic financial statements on page 71 this report.

Other Supplementary Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information on pages 72 through 77. Other supplementary statements and schedules can be found on pages 78 through 92 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceed liabilities by \$451,941,227 at June 30, 2009.

By far, the largest portion of the District's net assets (approximately 60.3 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to educate the students of Lake County, Florida; consequently, these assets are not available for future spending.

Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of the District's Net Assets as of June 30, 2009 compared to net assets as of June 30, 2008.

District School Board of Lake County, Florida's Net Assets

	Governmental Activities				Business-Type Activities				Total			
	June 30, 2009		June 30, 2008		June 30, 2009		June 30, 2008		June 30, 2009		J	une 30, 2008
Current and Other Assets Capital Assets	\$	261,437,487 615,695,979	\$	260,449,248 623,689,252	\$	911,273 -	\$	551,178 -	\$	262,348,760 615,695,979	\$	261,000,426 623,689,252
Total Assets	\$	877,133,466	\$	884,138,500	\$	911,273	\$	551,178	\$	878,044,739	\$	884,689,678
Current Liabilities Noncurrent Liabilities	\$	27,118,688 398,819,289	\$	36,298,739 415,309,662	\$	165,944 -	\$	22,432 -	\$	27,284,632 398,819,289	\$	36,321,171 415,309,662
Total Liabilities	\$	425,937,977	\$	451,608,401	\$	165,944	\$	22,432	\$	426,103,921	\$	451,630,833
Net Assets: Invested in Capital Assets, Net of Related Debt Restricted Unrestricted	\$	272,951,278 171,884,275 6,359,936	\$	271,111,705 158,181,484 3,236,910	\$	- - 745,738	\$	- - 528,746	\$	272,951,278 171,884,275 7,105,674	\$	271,111,705 158,181,484 3,765,656
Total Net Assets	\$	451,195,489	\$	432,530,099	\$	745,738	\$	528,746	\$	451,941,227	\$	433,058,845

A portion of the District's net assets, \$171,884,275, represents resources that are subject to external restrictions on how they may be used. The remaining net assets, \$7,105,674, are unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

There was an increase of \$13,702,791 in restricted net assets reported in connection with the District's governmental activities. This increase was the result of increased construction funds for future construction of District facilities.

The key elements of the changes in the District's net assets for the fiscal years ended June 30, 2008 and June 30, 2009 are as follows:

	Governi Activ			iness-Type activities	Total		
	June 30, 2009	June 30, 2008	June 30, 200		June 30, 2009	June 30, 2008	
Revenues:							
Program Revenues							
Charge for Services	\$ 7,189,871	\$ 8.293.805	\$ 2.317.06	2 \$ 2,027,149	\$ 9,506,933	\$ 10,320,954	
Operating Grants and Contributions	18,786,520	17,361,832	Ψ 2,017,00	2 ψ 2,021,140	18,786,520	17,361,832	
Capital Grants and Contributions	10,833,381	75,736,351	_	_	10,833,381	75,736,351	
General Revenues:	. 0,000,00	. 0,. 00,00			.0,000,00.	. 5,. 55,55	
Property Taxes	166,673,864	164,082,998	_	_	166,673,864	164,082,998	
Other Taxes	10,176,065	10,796,324	_	_	10,176,065	10,796,324	
Grants and Contributions (FEFP etc.)	160,135,889	172,779,838	_	-	160,135,889	172,779,838	
Unrestricted Investment Earnings	1,446,895	7,729,815	4,77	6 -	1,451,671	7,729,815	
Miscellaneous	10,048,507	14,043,243	94,68		10,143,196	14,043,243	
Total Revenues	385,290,992	470,824,206	2,416,52		387,707,519	472,851,355	
Expenses:							
Instruction	192,313,386	202,687,392	_	_	192,313,386	202,687,392	
Pupil Personnel Services	16,391,773	15,169,099	_	_	16,391,773	15,169,099	
Instructional Media Services	3,555,707	3,809,340	_	_	3,555,707	3,809,340	
Instruction and Curriculum Development	8,555,240	7,301,745	_	_	8,555,240	7,301,745	
Instructional Staff Training Services	8,264,672	8,032,580	_	-	8,264,672	8,032,580	
Instruction Related Technology	3,014,937	2,686,279	_	-	3,014,937	2,686,279	
Board of Education	1,062,337	1,199,774	_	-	1,062,337	1,199,774	
General Administration	1,376,414	1,437,635	_	-	1,376,414	1,437,635	
School Administration	17,563,599	17,302,826	-	-	17,563,599	17,302,826	
Facility Services	3,439,352	9,748,826	-	-	3,439,352	9,748,826	
Fiscal Services	1,871,890	1,862,969	-	-	1,871,890	1,862,969	
Food Services	15,425,111	15,269,624	-	-	15,425,111	15,269,624	
Central Services	4,458,428	4,936,060	-	-	4,458,428	4,936,060	
Pupil Transportation Services	16,461,927	17,304,697	-	-	16,461,927	17,304,697	
Operation of Plant	23,486,694	23,362,272	-	-	23,486,694	23,362,272	
Maintenance of Plant	6,725,548	6,600,430	-	-	6,725,548	6,600,430	
Administrative Technology Services	463,696	462,297	-	-	463,696	462,297	
Community Services	137,383	594,796	-	-	137,383	594,796	
Interest on Long-Term Debt	16,437,148	16,863,469	-	-	16,437,148	16,863,469	
Depreciation - Unallocated	25,620,360	19,046,510	-	-	25,620,360	19,046,510	
Loss on Disposal of Capital Assets		432,930	-	-	-	432,930	
Extended Learning Center Program			2,199,53	5 2,102,235	2,199,535	2,102,235	
Total Expenses	366,625,602	376,111,550	2,199,53	5 2,102,235	368,825,137	378,213,785	
Increase(Decrease) in Net Assets	18,665,390	94,712,656	216,99	2 (75,086)	18,882,382	94,637,570	
Net Assets, Beginning	432,530,099	337,817,443	528,74	6 603,832	433,058,845	338,421,275	
Net Assets, Ending	\$ 451,195,489	\$ 432,530,099	\$ 745,73	8 \$ 528,746	\$ 451,941,227	\$ 433,058,845	

The District's net assets increased by \$18,882,382 during the current fiscal year.

Governmental Activities. Governmental activities increased the District's net assets by \$18,865,390, thereby accounting for almost all of the total growth in the net assets of the District. Key elements of the increase are as follows:

• Revenues decreased by \$84,957,582 during the year. Most of this decrease was due to one-time State capital revenue received in the prior fiscal year.

• For the most part, decreases in expenses closely paralleled inflation and reduced growth in the number of students.

<u>Business-Type Activities.</u> Business-type activities increased the District's net assets by \$216,992 due to an increase in the programs offered.

Financial Analysis of the Government's Funds

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

Major Governmental Funds

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$231,699,989, an increase of \$10,235,229 in comparison with the prior year. Unreserved fund balance of \$161,742,044 represents approximately 69.8 percent of the ending fund balances and is available to meet the District's short-term pending needs. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders outstanding at year-end \$61,995,384; 2) to fund state categorical programs \$2,214,250; 3) to fund future debt service \$4,249,298; and 4) to fund inventories \$1,499,013.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$21,364,843 while total fund balance reached \$287,938,889. As a measure of the General Fund's liquidity, it may useful to compare both unreserved fund balance and total fund balance to total revenues. Unreserved fund balance represents approximately 7.66 percent of total General Fund revenues, while total fund balance represents approximately 10.02 percent of that same amount. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders outstanding at year end, \$3,158,632; (2) to fund specific state categorical programs, \$2,214,250; and (3) as available inventory \$1,201,164.

The fund balance of the District's General Fund increased by \$153,428 during the current fiscal year. The increase occurred primarily due to the Board's planning for State reductions received in the 2008-09 fiscal year.

Other Special Revenue Fund is used to account for the financial resources received from Federal, State and local sources, requiring separate accountability in accordance with legal or regulatory restrictions. Revenues and expenditures totaled \$22,735,645.

Local Capital Improvement Fund (LCIF) – is used to account for the financial resources generated specifically from the Capital Outlay levy of Ad Valorem property tax. The fund balance for this fund at the fiscal year end, which was all reserved for capital projects, was \$18,647,583, an increase of \$2,193,510 from the prior fiscal year.

The Capital Projects - Other Capital Projects Fund is used to account for the financial resources generated by various sources. Included in this fund were Certificate of Participation proceeds, Impact Fees, Efforts Index, Class Size Reduction, Effort Recognition and other capital outlay-funded projects. The fund balance for this fund at the fiscal year end, which was all reserved for capital projects, was \$141,551,228, an increase of \$297,396 from the prior fiscal year.

Proprietary Funds

The District's Proprietary fund provides the same type of information as business-type activities found in the government-wide financial statements. Unrestricted net assets at the end of the current fiscal year for the Extended Learning Center Program totaled \$745,738, an increase of \$216,992 from the prior fiscal year.

General Fund Budgetary Highlights

During the fiscal year, the District's revenue and expenditure projections remained similar to original budgeted amounts.

Capital Assets and Debt Administration

<u>Capital Assets.</u> The District's investment in capital assets for the governmental activities as of June 30, 2009, amounted to \$615,695,979 (net of accumulated depreciation). This investment in capital assets includes land; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; property under capital leases; audio visual materials and computer software; and construction in progress. The total decrease in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was approximately 1.2 percent.

 Major capital asset events during the current fiscal year included the material substantial completion of a replacement special needs school and a replacement elementary school.

District School Board of Lake County, Florida's Capital Assets (net of depreciation)

	Governmental				
		Activit	ies		
	J	une 30, 2009	June 30, 2008		
Land	\$	14,184,034	\$ 14,179,151		
Improvements Other Than Buildings		1,412,125	2,252,843		
Buildings and Fixed Equipment		569,039,703	437,728,569		
Furniture, Fixtures, and Equipment		8,580,633	10,666,051		
Motor Vehicles		12,527,410	12,793,511		
Construction in Progress		7,841,247	141,595,992		
Property Under Capital Lease		1,211,983	3,657,173		
Audio Visual Materials and Computer Software		798,844	815,962		
	\$	615,595,979	\$ 623,689,252		

Additional information on the District's capital assets can be found in note 5 of this report.

<u>Long-Term Debt.</u> At the end of the current fiscal year, the District had total long-term debt outstanding of \$377,846,639. Of this amount, \$12,345,000 comprises debt backed by the full faith and credit of the State of Florida. The following totals are the remaining debt of \$319,313,036 in certificates of participation, \$1,258,790 in obligations under capital leases, and \$44,929,813 in sales tax revenue bonds. The sales tax amount is supported by the pledge of the District's portion of infrastructure sales tax. There was no new debt issued during the 2008-09 fiscal year.

During the current fiscal year, the District paid \$15,326,722 for principal payments on long-term debt as follows:

State School Bonds	\$ 660,000
Sales Tax Revenue Bonds	3,925,000
Certificates of Participation Payable	9,155,000
Obligations Under Capital Lease	1,586,722
	\$ 15,326,722

Additional information on the District's long-term debt can be found in notes 6 through 10 of the notes to the basic financial statements.

Requests for Information

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief of Business Services, Lake County Schools, 201 West Burleigh Boulevard, Tavares, Florida 32778.



DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF NET ASSETS June 30, 2009

			Prima	ary Government				Component
	_	Governmental Activities		usiness-Type Activities		Total		Units
ASSETS								
Cash	\$	100 046 075	¢	011 351	\$	101 057 226	¢	17 101 171
Investments	Ф	100,946,075 70,021,488	\$	911,251	Ф	101,857,326 70,021,488	\$	17,101,471 3,482,134
Accounts Receivable		981,577		22		981,599		779,984
Due from Component Units		5,687,935		-		5,687,935		, -
Due from Primary Government		-		-		-		216,429
Deposits Prepaid Items		-		-		-		24 265
Due from Other Agencies		77,992,201		-		77,992,201		34,365 6,721
Inventories		1,499,013		-		1,499,013		-
Deferred Charges		4,309,198		-		4,309,198		-
Other Current Assets		=		-		-		125,971
Capital Assets:		44404004				44404004		000 447
Land Construction in Progress		14,184,034 7,941,247		_		14,184,034 7,941,247		303,417
Improvements Other Than Buildings, Net		1,412,125		-		1,412,125		148,163
Buildings and Fixed Equipment, Net		569,039,703		-		569,039,703		1,971,935
Furniture, Fixtures, and Equipment, Net		8,580,633		-		8,580,633		219,449
Motor Vehicles, Net		12,527,410		-		12,527,410		57,318
Property Under Capital Lease, Net		1,211,983		-		1,211,983		-
Audio Visual Materials and Computer Software, Net		798,844				798,844		<u> </u>
TOTAL ASSETS	\$	877,133,466	\$	911,273	\$	878,044,739	\$	24,447,357
LIABILITIES								
Salaries and Benefits Payable	\$	12,272,802	\$	-	\$	12,272,802	\$	928,442
Payroll Deductions and Withholdings		10,880,932		-		10,880,932		-
Accounts Payable		304,489		-		304,489		511,406
Construction Contracts Payable		1,575,027		-		1,575,027		-
Construction Contracts Payable - Retainage Sales Tax Payble		239,534 2,995		-		239,534 2,995		-
Deposits Payable		2,939		-		2,939		_
Matured Interest Payable		1,690,388		-		1,690,388		-
Due to Primary Government		-		-		-		5,624,544
Due to Other Agencies		21,247		405 505		21,247		-
Unearned Revenue Long-Term Liabilities:		128,335		165,535		293,870		59,220
Portion Due Within One Year:								
Obligations Under Capital Lease		1,038,749		-		1,038,749		132,854
Bonds Payable		4,730,000		-		4,730,000		-
Certificates of Participation Payable		9,910,000		-		9,910,000		-
Compensated Absences Payable		1,560,000		-		1,560,000		1,188,578
Notes Payable		-		-		-		121,604
Portion Due After One Year: Obligations Under Capital Lease		220,041		_		220,041		5,419
Bonds Payable		52,544,813		-		52,544,813		-
Certificates of Participation Payable		309,403,036		-		309,403,036		-
Compensated Absences Payable		16,498,834		-		16,498,834		-
Notes Payable		- 0.040.040		-		-		1,380,527
Other Postemployment Benefits Payable		2,913,816				2,913,816		<u> </u>
TOTAL LIABILITIES	\$	425,937,977	\$	165,535	\$	426,103,512	\$	9,952,594
NET ASSETS								
Invested in Capital Assets, Net of Related Debt Restricted for:		272,951,278		-		272,951,278		1,161,068
State Categorical Programs		2,214,251		-		2,214,251		
Debt Service		2,558,909		-		2,558,909		225,100
Capital Projects Special Revenue - Federal Grants		162,009,166 5,101,949		-		162,009,166		1,107,423
Unrestricted		6,359,936		745,738		5,101,949 7,105,674		523,538 11,477,634
TOTAL NET ASSETS	\$	451,195,489	\$	745,738	\$	451,941,227	\$	14,494,763
TOTAL REL ADDETO	Ψ	701,100,400	Ψ	175,130	Ψ	701,071,441	\$	17,707,700

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

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2009

		Expenses	penses			Program Revenues
				Charges for Services		Operating Grants and Contributions
Functions/Programs	_					
Primary Government						
Governmental Activities:						
Instruction	\$	192,313,386	\$	28,175	\$	-
Pupil Personnel Services		16,391,773		-		-
Instructional Media Services		3,555,707		-		-
Instruction and Curriculum Development Services		8,555,240		-		-
Instructional Staff Training Services		8,264,672		-		-
Instruction Related Technology		3,014,937		-		-
Board of Education		1,062,337		-		-
General Administration		1,376,414		-		-
School Administration		17,563,599		-		-
Facility Services		3,439,352		-		-
Fiscal Services		1,871,890		-		-
Food Services		15,425,111		6,591,197		9,608,363
Central Services		4,458,428		-		-
Pupil Transportation Services		16,461,927		570,499		9,178,157
Operation of Plant		23,486,694		-		-
Maintenance of Plant		6,725,548		-		-
Administrative Technology Services		463,696		-		-
Community Services		137,383		-		-
Interest on Long-Term Debt		16,437,148		-		-
Unallocated Depreciation Expense		25,620,360		<u> </u>		<u>-</u>
Total Governmental Activities		366,625,602		7,189,871		18,786,520
Business-Type Activities:						
Extended Learning Center Program		2,199,535		2,317,062		<u>-</u>
Total Business-Type Activities		2,199,535		2,317,062		<u>-</u>
Total Primary Government	\$	368,825,137	\$	9,506,933	\$	18,786,520
Component Units						
Educational Foundation	\$	810,108	\$	-	\$	-
Charter Schools	·	43,579,580		1,410,531		2,897,740
Total Component Units	\$	44,389,688	\$	1,410,531	\$	2,897,740

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Capital Projects

Local Sales Taxes

Grants and Contributions Not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets - July 1, 2008

Net Assets - June 30, 2009

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

	Capital			N	Net (Expense) Revenue and Changes in Net Assets Primary Government							
	Grants and Contributions	•	Governmental Activities		Business-Type Activities			Total	_	Component Units		
\$	<u>-</u>	\$	(192,285,211)	\$	-	ç	\$	(192,285,211)	\$	-		
	-		(16,391,773)		-			(16,391,773)		-		
	-		(3,555,707)		-			(3,555,707)		-		
	-		(8,555,240)		-			(8,555,240)		-		
	-		(8,264,672)		-			(8,264,672)		-		
	-		(3,014,937)		-			(3,014,937)				
	-		(1,062,337) (1,376,414)		-			(1,062,337) (1,376,414)		_		
	_		(17,563,599)		-			(17,563,599)				
	7,986,797		4,547,445		_			4,547,445		-		
	-		(1,871,890)		-			(1,871,890)				
	-		774,449		-			774,449		-		
	-		(4,458,428)		-			(4,458,428)		-		
	-		(6,713,271)		-			(6,713,271)		-		
	4 500 400		(23,486,694)		-			(23,486,694)		-		
	1,580,422		(5,145,126)		-			(5,145,126)		-		
	-		(463,696) (137,383)		-			(463,696) (137,383)				
	1,266,162		(15,170,986)		-			(15,170,986)				
	-,,		(25,620,360)		-			(25,620,360)		-		
	10,833,381		(329,815,830)		_			(329,815,830)				
	, ,					_						
		_	<u>-</u>		117,527	_		117,527		-		
			<u>-</u>	_	117,527	-		117,527		-		
<u> </u>	10,833,381		(329,815,830)		117,527	_		(329,698,303)		-		
6	-		-		-			-		(810,108		
	194,433		-	_	-	-		-		(39,076,876		
<u> </u>	194,433		-	_	-	-		-		(39,886,984		
			427 002 022					127 002 022				
			127,802,923 38,870,941		-			127,802,923 38,870,941		-		
			10,176,065		-			10,176,065				
			160,135,889		-			160,135,889		39,905,677		
			1,433,452		4,776			1,438,228		-		
		_	10,061,950	_	94,689	_		10,156,639		1,707,534		
			348,481,220	_	99,465	_		348,580,685		41,613,211		
			18,665,390		216,992			18,882,382		1,726,227		
			432,530,099	_	528,746	_		433,058,845		12,768,536		
		\$	451,195,489	\$	745,738	9	•	451,941,227	\$	14,494,763		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA BALANCE SHEET - GOVERNMENTAL FUNDS June 30, 2009

	General Fund		Special Revenue- Other Federal Program Fund		Local Capital Improvement Tax Fund (LCIF)	
ASSETS						
Cash Investments Accounts Receivable Due from Component Units Due from Other Funds Due from Other Agencies	\$	34,137,879 3,534,960 981,390 5,687,935 4,859,015 787,886	\$	11,699 - - - - - 3,928,134	\$	15,488,800 - - - - - 3,158,783
Inventories		1,201,164		-		-
TOTAL ASSETS	\$	51,190,229	\$	3,939,833	\$	18,647,583
LIABILITIES AND FUND BALANCES Liabilities:						
Salaries and Benefits Payable Payroll Deductions and Withholdings Accounts Payable Construction Contracts Payable Construction Contracts Payable - Retainage Due to Other Funds Due to Other Agencies Deferred Revenue	\$	12,272,658 10,880,932 71,473 - - 26,277	_	144 - 18,835 - - 3,791,615 904 128,335	\$	- - - - - -
Total Liabilities		23,251,340	_	3,939,833		-
Fund Balances: Reserved for State Categorical Programs Reserved for Encumbrances Reserved for Debt Service Reserved for Inventories Unreserved: Reported in General Fund Reported in Special Revenue Funds Reported in Capital Projects Funds		2,214,250 3,158,632 - 1,201,164 21,364,843 - -	_	- - - - -		1,315,112 - - - - 17,332,471
Total Fund Balances		27,938,889	<u> </u>			18,647,583
TOTAL LIABILITIES AND FUND BALANCES	\$	51,190,229	\$	3,939,833	\$	18,647,583

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

(Continued)

_	Capital Projects- Other Capital Projects Fund	_	Other Governmental Funds	_	Total Governmental Funds		
\$	23,675,936 66,145,187 - - - 53,352,943	\$	27,631,761 341,341 187 - - 16,764,455 297,849	\$	100,946,075 70,021,488 981,577 5,687,935 4,859,015 77,992,201 1,499,013		
\$	143,174,066	\$	45,035,593	\$	261,987,304		
\$	- 211 504,441 61,049 1,057,137	\$	213,970 1,070,586 178,485 10,263	\$	12,272,802 10,880,932 304,489 1,575,027 239,534 4,859,015 27,181 128,335		
	1,622,838		1,473,304		30,287,315		
	50,294,324 - - - - - 91,256,904 141,551,228		7,227,316 4,249,298 297,849 - 4,781,346 27,006,480 43,562,289		2,214,250 61,995,384 4,249,298 1,499,013 21,364,843 4,781,346 135,595,855 231,699,989		
\$	143,174,066	\$	45,035,593	\$	261,987,304		

DISTRICT SCHOOL BOARD OF LAKE COUNTY RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS For the Fiscal Year Ended June 30, 2009

\$231,699,989

Total Fund Balances - Governmental Funds

i otali i alia Balalioco Gorollillollali i aliao		Ψ201,000,000
Amounts reported for governmental activities in the statement of net asse	ets are different because:	
Capital assets, net of accumulated depreciation, used in governmental a financial resources and, therefore, are not reported as assets in the government.		
Non-Depreciable Assets Depreciable Assets	22,125,281 593,570,698	615,695,979
Debt Issuance costs are not expensed in the government-wide statemer as deferred charges and amortized over the life of the debt.	nts but are reported	4,309,198
Premiums paid on long-term debt issuances are reported as revenues in but as unamortized premiums in the government-wide statements and a the life of the debt.		
Unamortized Bond Premium Unamortized Certificates of Participation Premium	(1,094,813) (11,353,036)	(12,447,849)
Long-term liabilities are not due and payable in the current period and, to reported as liabilities in the governmental funds. Long term liabilities at consist of:		
Obligations under Capital Lease Bonds Payable Certificates of Participation Payable Compensated Absences Payable Other Postemployment Benefits Payable	(1,258,790) (56,180,000) (307,960,000) (18,058,834) (2,913,816)	(386,371,440)
Accrued Interest Payable on long- term liabilities are not due and payable therefore, are not reported as liabilities in the governmental funds	le in the current period and,	(1,690,388)
Total Net Assets - Governmental Activities	<u></u>	\$451,195,489

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Fiscal Year Ended June 30, 2009

	General Fund	Special Revenue- Other Federal Program Fund	Local Capital Improvement Tax Fund (LCIF)
Revenues	 		
Intergovernmental: Federal Direct Federal Through State State	\$ 247,728 1,057,374 144,905,101	\$ 1,353,192 20,930,212 444,795	\$: :
Ad Valorem Taxes	125,835,016	-	38,184,790
Local Sales Tax Impact Fees Food Service Revenue Other Local Revenue	- - - 6,659,874	- - 7,446	- - - 810,212
Total Revenues	278,705,093	22,735,645	 38,995,002
	 270,700,000	22,100,040	 00,000,002
Expenditures			
Current - Education: Instruction	179,709,914 14,413,023	11,259,516	-
Pupil Personnel Services Instructional Media Services	3,555,707	1,978,750	-
Instruction and Curriculum Development Services	4,182,833	4,372,407	-
Instructional Staff Training Services Instruction Related Technology	4,957,007 3,014,937	3,307,665	-
Board of Education	1,053,837	8,500	_
General Administration	900,465	475,949	-
School Administration	17,454,303	109,296	-
Facility Services	966,491		-
Fiscal Services	1,867,397	4,493	-
Food Services Central Services	- 4 424 207	7,418 24,221	-
Pupil Transportation Services	4,434,207 16,162,079	299,848	-
Operation of Plant	23,382,471	104,223	_
Maintenance of Plant	6,725,548	-	-
Administrative Technology Services	463,696	-	-
Community Services	121,997	15,386	-
Fixed Capital Outlay:			-
Facilities Acquisition and Construction	- 770 500	700.050	6,060,699
Other Capital Outlay Debt Service:	778,532	760,850	-
Principal	1,586,448	-	_
Interest and Fiscal Charges	 176,240	-	 <u>-</u>
Total Expenditures	 285,907,132	22,728,522	 6,060,699
Excess (Deficiency) of Revenues Over Expenditures	 (7,202,039)	7,123	 32,934,303
Other Financing Sources (Uses)			
• , ,			
Transfers In Transfers Out	8,047,554 (692,087)	(7,123)	94,495 (30,835,558)
Total Other Financing Sources (Uses)	 7,355,467	(7,123)	 (30,741,063)
Net Change in Fund Balances	153,428	-	2,193,240
Fund Balances, July 1, 2008	 27,785,461	-	 16,454,343
Fund Balances, June 30, 2009	\$ 27,938,889	\$ -	 18,647,583

Capital Projects- Other Capital Projects Fund	Go	Other vernmental Funds		Total Governmental Funds
\$ - 124,205	\$	9,404,437 11,163,901	\$	1,600,920 31,392,023 156,638,002
7,063,049 - 908,938		10,176,065 - 6,591,197 135,293		164,019,806 10,176,065 7,063,049 6,591,197 8,521,763
8,096,192		37,470,893		386,002,825
- - -		-		190,969,430 16,391,773 3,555,707 8,555,240
- - -		-		8,264,672 3,014,937 1,062,337
312,723		-		1,376,414 17,563,599 1,279,214 1,871,890
- - -		15,417,693		15,425,111 4,458,428 16,461,927
- - -		-		23,486,694 6,725,548 463,696 137,383
7,486,073		6,816,086 16,506		20,362,858 1,555,888
<u> </u>		13,740,000 17,145,965	_	15,326,448 17,322,205
7,798,796		53,136,250	-	375,631,399
297,396		(15,665,357)	-	10,371,426
-		29,789,006 (6,532,484)		37,931,055 (38,067,252)
		23,256,522		(136,197)
297,396 141,253,832		7,591,165 35,971,124		10,235,229 221,464,760
\$ 141,551,228	\$	43,562,289	\$	231,699,989

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Net Change in Fund Balances - Governmental Funds	:	\$ 1	0,235,229
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of depreciation expense of \$25,620,360 exceeded net capital outlays.		((7,993,272)
		`	(,===, ,
Premiums and issuance costs on new debt issues are reported when issued as other financing sources and other fiscal charges in the governmental funds, but are amortized over the life of the debt in the statement of activities.			
Deferred Charges:			
Current Year	4,309,198		
Less Prior Year Net reduction in expenses from Deferred Charges	4,610,803		(301,605)
Net reduction in expenses from Defenred Charges			(301,603)
Unamortized Premiums:			
Current Year	(12,447,849)		
Less Prior Year	(13,399,842)		
Net increase in expenses from Unamortized Premiums			951,993
Other postemployment benefit costs are recorded in the Governmental Funds			
under the pay-as-you-go method, but under the full accural method in the			
Government-Wide Governmental Activities. Current year accruals totaled:		((1,466,617)
Repayments of long-term liabilities are expenditures in the governmental funds, but			
repayments reduce long-term liabilities in the statement of net assets.			
			4 500 700
Obligations Under Capital Leases			1,586,722
Bonds Payable Certificates of Participation			4,585,000 9,155,000
Octanicates of Fattiopation			3,133,000
Accrued Interest Payable is reported in the statement of activities. In the governental funds,			
the costs are recognized as an expenditure in the year paid.			234,666
In the statement of activities, the cost of compensated absences is measured by the amounts			
earned during the year, while in the governmental funds expenditures are recognized based on			
the amounts actually paid for compensated absences. This is the net amount of compensated			1 670 074
absences earned less the amount paid in the current period.			1,678,274
Change in Net Assets - Governmental Activities	-	\$ 1	8,665,390

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF NET ASSETS PROPRIETARY FUNDS

June 30, 2009

	Business-Type Activities Extended Learning Center	_	Governmental Activities Internal Service Funds
ASSETS			
Current Assets: Cash and Cash Equivalents Accounts Receivable Inventories	\$ 911,251 22 -	\$	- 15,050 38,143
Total Current Assets	 911,273		53,193
TOTAL ASSETS	\$ 911,273	\$	53,193
LIABILITIES			
Current Liabilities: Accounts Payable Unearned Revenue	\$ 165,535	\$	53,193 -
Total Current Liabilities	 165,535		53,193
Total Liabilities	 165,535		53,193
NET ASSETS			
Unrestricted	 745,738		
Total Net Assets	 745,738		<u>-</u>
TOTAL LIABILITIES AND NET ASSETS	\$ 911,273	\$	53,193

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	_	Business-Type Activities Extended Learning Center	-	Governmental Activities Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$	2,317,062	\$	500,519
Total Operating Revenues		2,317,062		500,519
OPERATING EXPENSES				
Salaries		1,276,575		117,151
Employee Benefits		450,056		50,273
Purchased Services		51,963		504,694
Energy Services		5,017		12,846
Materials and Supplies		53,114		182,111
Capital Outlay		12,541		1,409
Other Expenses		23,812		<u>-</u>
Total Operating Expenses		1,873,078		868,484
Operating Income (Loss)		443,984		(367,965)
NONOPERATING REVENUES				
Interest Income		4,776		-
Transfers In		-		367,965
Transfers Out		(231,768)		<u>-</u>
Change in Net Assets		216,992		-
Total Net Assets, July 1, 2008		528,746		<u>-</u>
Total Net Assets, June 30, 2009	\$	745,738	\$	

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	-	Business-Type Activities Extended Learning Center Program	_	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES Cash Received from Services Cash Payments to Suppliers for Goods and Services Cash Payments to Employees for Services	\$	2,482,899 (146,447) (1,749,064)	\$	500,519 (701,061) (167,423)
Net Cash Used by Operating Activities		587,388		(367,965)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Interest Income Transfers In/Out		4,776 (231,768)		- 367,965
Net Cash Provided by Noncapital Financing Activities		(226,992)		367,965
Net Decrease in Cash and Cash Equivalents		360,396		-
Cash and Cash Equivalents, Beginning		550,855		
Cash and Cash Equivalents, Ending	\$	911,251	\$	_
Reconciliation of Operating Loss to Net Cash Used by Operating Activities: Operating Loss Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities: Changes in Assets and Liabilities: Increase in Accounts Receivable Increase in Salaries and Benefits Payable Decrease in Accounts Payable Increase in Unearned Revenue	<u>\$</u>	271 (11,679) (10,723) 165,535		

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

Total Adjustments

Net Cash Used by Operating Activities

143,404

587,388

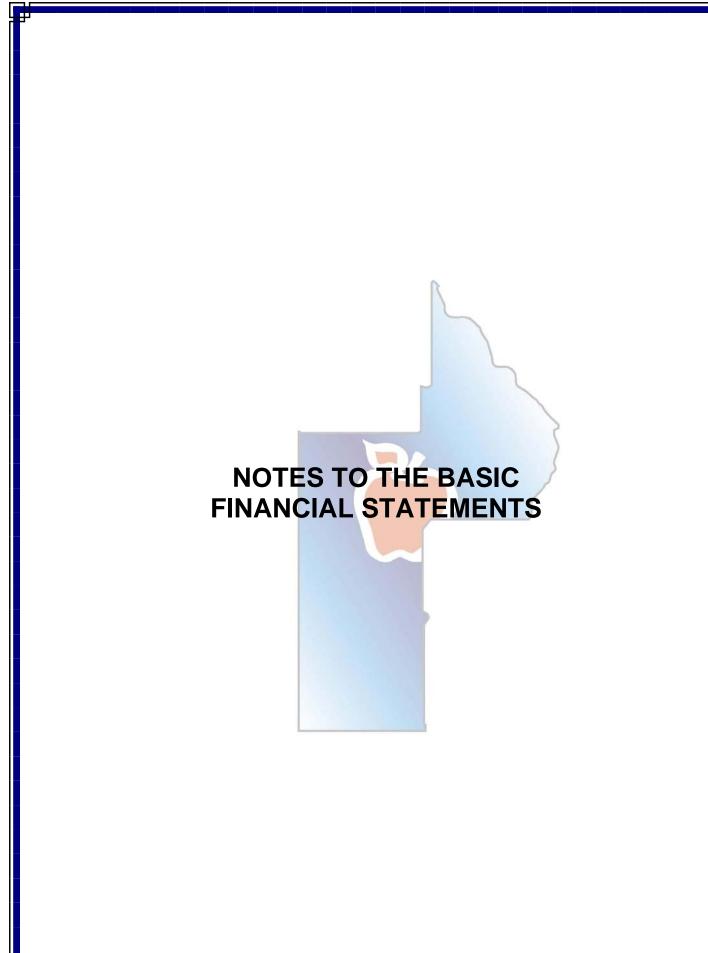
DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS June 30, 2009

	Private-Purpose Trust Funds	<u>-</u>	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 200,000	\$	2,201,063
TOTAL ASSETS	\$ 200,000	\$	2,201,063
LIABILITIES			
Internal Accounts Payable	\$ 	\$	2,201,063
Total Liabilities	 	\$	2,201,063
NET ASSETS			
Assets Held in Trust for Scholarships and Other Purposes	200,000		
Total Net Assets	 200,000		
TOTAL LIABILITIES AND NET ASSETS	\$ 200,000		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2009

	Private-Purpose Trust Funds		
ADDITIONS			
Investment Earnings: Interest, Dividends, and Other	\$	8,697	
Total Additions		8,697	
DEDUCTIONS			
Other Expenses		8,697	
Total Deductions		8,697	
Change in Net Assets		-	
Net Assets, July 1, 2008		200,000	
Net Assets, June 30, 2009	\$	200,000	



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

> Reporting Entity

The District School Board of Lake County, Florida (the "District") is considered a primary government for financial reporting. The District is considered part of the Florida system of public education. The governing body of the District is the Lake County District School Board (the "School Board"), which is composed of five elected members and has direct responsibility for operation, control, and supervision of District schools. The appointed Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Lake County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

As required by accounting principles generally accepted in the United States, these basic financial statements present the District (the primary government) and its component units. The component units discussed below are included in the District's reporting entity because of the significance of their operational or financial relationships with the District:

- Blended Component Unit. The Financing Corporation for the School Board of Lake County, Florida, (Financing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment, as further discussed in Note 7.
 Due to the substantive economic relationship between the District and the Financing Corporation, the financial activities of the Financing Corporation are included in the accompanying basic financial statements as part of the debt service and capital projects funds. Separate financial statements for the Financing Corporation are not published.
- <u>Discretely Presented Component Units</u>. The component units columns in the basic financial statements include the financial data of the District's other component units that are required to be reported separately. These component units consist of the Educational Foundation of Lake County, Inc., as well as the following charter schools: Alee Academy, Inc.; Altoona School, Inc.; Educational Charter Foundation of Florida, Inc. (dba South Lake Charter School); Lake Technical Center, Inc.; Mascotte Elementary School, Inc.; Milestones Community School, Inc.; Minneola Elementary School, Inc.; Round Lake Elementary School, Inc.; Spring Creek Elementary School, Inc.; and The Charter School at The

National Deaf Academy, Inc. The Charter School at the National Deaf Academy, Inc. ceased operation effective June 30, 2009. These are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the District.

The Educational Foundation of Lake County, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and to make expenditures on behalf of the District. The Foundation is considered to be a component unit of the District because the District must approve all members of the Foundation Board and the District has the ability to impose its will on the Foundation. The financial data reported for the Foundation was derived from audited financial statements on file in the District's administrative offices.

The charter schools are separate not-for-profit corporations organized under Section 1002.33, Florida Statutes, to operate as public (as opposed to private) schools and are held responsible for prudent use of the public funds they receive. Charter schools operate under charters approved by their sponsor, the School Board, and are considered to be component units of the District since they are fiscally dependent on the District to levy taxes for their support.. The financial data reported for the charter schools were derived from audited financial statements on file in the District's administrative offices.

> Measurement Focus, Basis of Presentation, and Financial Statement Presentation

Government-wide Financial Statements - Government-wide financial statements, including the statement of net assets and the statement of activities, present information about the District as a whole. These statements do not include the fiduciary financial activity of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on charges for services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Government—wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental

function or business segment is self-financing or draws from the general revenues of the District.

The effects of interfund activity have been eliminated from the government-wide financial statements, except for transfers between governmental activities and business-type activities. Interfund transactions include transactions involving the internal service funds. These transactions were eliminated by allocating the change in net assets of the internal service fund in direct proportion to how they were charged as expenses to the various functions or programs.

<u>Fund Financial Statements</u> - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

- General Fund to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Other Special Revenue Funds To account for programs funded by Federal, State and local sources, requiring separate accountability in accordance with legal or regulatory restrictions.
- <u>Local Capital Improvement Tax Fund (LCIF)</u> To account for the financial resources generated specifically from the Capital Outlay levy of Ad Valorem property tax. These funds are to be used for educational capital outlay needs, including new construction, and renovation and remodeling, maintenance projects and equipment as specified in statute.
- <u>Capital Projects Other Capital Projects Fund</u> to account for the financial resources generated by various sources. Included in the Capital Projects – Other Capital Projects Fund are certificate of participation proceeds; impact fees; and effort Index, class size reduction and other capital outlay appropriations. These funds are to be used for educational capital outlay needs, including new construction and renovation and remodeling projects as specified in statute, ordinance, or contract.

The District reports the following proprietary funds:

• Enterprise Fund - Extended Learning Center Program - to account for the financial resources of the District's Extended Learning Center Program. This program provides before- and after-school care to students.

 <u>Internal Service Fund</u> - to account for the financial resources of the District's Copy Center.

The District reports the following fiduciary funds:

- Agency Funds to account for resources of the school internal funds which are used to administer moneys collected at several schools in connection with school, student athletic, class, and club activities.
- <u>Private-Purpose Trust Fund</u> to account for resources that are legally restricted to the extent that only proceeds from interest, and not principal, may be used for scholarship purposes.

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements, which include the general, special revenue, debt service and capital projects funds are prepared using the current financial resource measurement focus and the modified accrual basis of accounting. Under the modified accrual method of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this rule are: (a) prepaid items are generally not accrued; (b) interest on general long-term debt is recognized as expenditures when due; and (c) expenditures related to long-term liabilities are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Revenues can be classified into two kinds of transactions; (a) exchange and exchange-like transactions, in which each party receives and gives up essentially equal value and (b) non-exchange transactions, in which a government gives (or receives) value without directly receiving (or giving) equal value in exchange. Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place.

Revenues resulting from non-exchange transactions are further classified into (a) derived tax revenues, (b) imposed non-exchange revenues, (c) government-mandated non-exchange transactions, and (d) voluntary non-exchange transactions. Derived tax

revenues (e.g., sales taxes) are recorded when the exchange transaction occurs. Imposed non-exchange transactions (e.g., property taxes) are recorded when the use of the resource is required or first permitted by time requirements (for example, for property taxes, the period for which they are levied.) Government-mandated and voluntary non-exchange transactions, (e.g., Federal mandates, grants, and donations) are recorded when all eligibility requirements have been met.

When applying the susceptible to accrual concept under the modified accrual basis, resources also should be available in order to be accrued. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property and sales taxes to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

Agency (fiduciary) Funds are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize receivables and payables.

Private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board prior to December 1, 1989, generally are followed in both the government-wide and proprietary funds financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitations. The District has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's proprietary funds are charges for services. The principal operating expenses for the proprietary funds include salaries and benefits, and cost of services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

The Educational Foundation of Lake County, Inc., shown as a discretely presented component unit, is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Alee Academy, Inc.; Altoona School, Inc.; Educational Charter Foundation of Florida, Inc. (dba South Lake Charter School); Lake Technical Center, Inc.; Mascotte Elementary School, Inc.; Milestones Community School; Minneola Elementary School, Inc.; Round

Lake Elementary School, Inc.; Spring Creek Elementary School, Inc.; and The Charter School at The National Deaf Academy, Inc., shown as discretely presented component units, implemented the requirements of GASB Statement 34, Basic Financial Statements and Management's Discussion and Analysis - For State and Local Governments, concurrently with the District. The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

> Deposits and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash as those accounts used as demand deposit accounts.

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund based on the ending monthly cash and investments balances.

Investments consist of amounts placed in the State Board of Administration Debt Service accounts for investment of debt service moneys, amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund and the Fund B Surplus Trust Fund investment pools created by Sections 218.405 and 218.417, Florida Statutes, and those made locally.

The District's investments in the Local Government Surplus Funds Trust Fund, which the State Board of Administration indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2009, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

Investments made locally consist of Money Market Mutual Funds, Federal Instrumentalities and Commercial Paper. Types and amounts of investments held at fiscal year-end are described in note 3.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Inventories

Inventories consist of expendable supplies held for consumption in the course of District operations. Warehouse (school supplies) and maintenance inventories are stated at

cost on a weighted-average basis. Copy Center inventory is stated at last invoice, which approximates the first-in, first-out basis. Transportation and food service inventories are stated at cost on the first-in, first-out basis, except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net assets but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Normal maintenance and repair costs that do not materially increase the value of assets or extend the useful lives of assets are not capitalized.

Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets of the primary government, excluding land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Improvements Other than Buildings	10 – 40 years
Buildings and Fixed Equipment	10 – 50 years
Furniture, Fixtures and Equipment	3 – 15 years
Motor Vehicles	5 – 10 years
Property Under Capital Lease	4 years
Audio Visual Materials and Computer	3 – 10 years
Software	·

Current-year information relative to changes in capital assets is described in note 5.

> Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported separately as deferred charges and amortized over the term of the related debt.

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

Changes in long-term debt for the current year are reported in note 10.

> Compensated Absences

The criteria for determining compensated absences (i.e., paid absences for employee vacation and sick leave benefit) liability are derived from Board policy, negotiated agreements and state law. Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or other means. Sick leave benefits are accrued as a liability using the termination method. The liability is based on sick leave accumulated at year-end by those employees who are eligible to receive termination payments and those employees for whom it is probable that they will become eligible to receive termination benefits in the future.

In the government-wide financial statements, compensated absences are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). The liability for compensated absences includes applicable salary-related payments for Social Security, Medicare and retirement contributions.

Changes in compensated absences for the current year are reported in note 10.

> State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of nine months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are

treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is reserved in the governmental fund financial statements for the unencumbered balance of categorical educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District also received allocations under the Classrooms for Kids and Class Size Reduction Construction Programs. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department.

A schedule of revenue from State sources for the current year is presented in note 14.

> District Property Taxes

The School Board is authorized by State law to levy property taxes for District school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Lake County Property Appraiser and property taxes are collected by the Lake County Tax Collector.

The School Board adopted the 2008 tax levy on September 8, 2008. Tax bills are mailed by the Lake County Tax Collector's Office in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become a lien on the property on January 1, and are delinquent on April 1, of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Lake County Tax Collector at fiscal year-end but not yet remitted to the District. Because any delinquent taxes collected

after June 30 would not be material, delinquent taxes receivable are not accrued and no delinquent tax revenue deferral is recorded.

Millages and taxes levied for the current year are presented in note 15

> Educational Impact Fees

Lake County imposes an educational impact fee based on an ordinance adopted by the County Commission in 1996. On December 11, 2007, Lake County amended Chapter 22 of the Lake County Code related to Impact Fees. Ordinance 2007-60 amended the County's Impact Fee Schedule. The educational impact fee is collected by the County for most new residential construction. The fees can only be used to acquire, construct, expand, and equip the educational sites and educational capital facilities necessitated by new development, and to pay for certain collection and legal defense costs. Because the educational impact fee is similar to a capital-type special assessment, it is reported as program revenue in the government-wide financial statements.

> Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows procedures established by State statutes and State Board of Education rules in establishing budget balances for governmental funds, as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each function level (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.

- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.
- During the fiscal year ended June 30, 2009, budgets for all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, etc. These amendments were made as part of the routine budget process of the District, and were not deemed to be significant by management.

3. INVESTMENTS

As of June 30, 2009, the District had the following investments and maturities:

Investment	Maturities	Rating	Fair Value	Allocation
State Board of Administration Local Government				
Surplus Funds Trust Fund(Fund B)	6.87 Year Average	Unrated	\$ 27,504	0.1%
State Board of Administration				
Debt Service Accounts	46 Days	AAAm	321,267	0.4%
Money Market Mutual Funds				
Ridgeworth Inst US Govt Securities	46 Days	AAAm	19,241,646	27.5%
First American Treasury Obligations	47 Days	AAAm	8,859,410	12.7%
Federal home Loan Bank Discount Notes (FHLB)	0.06 Year Average	A-1+	10,448,638	14.9%
Federal Home Loan Bank Bonds (FHLB)	0.05 Year Average	AAA	2,116,990	3.1%
Federal Home Loan Mortgage Corp Notes (FHLMC)	0.07 Year Average	AAA	1,485,892	2.1%
Federal National Mortgage Assn Notes (FNMA)	0.28 Year Average	AAA	5,516,029	7.8%
Commercial Paper				
CBA(DE) Finance Commercial Paper	0.16 Year Average	A-1+	5,220,356	7.5%
Calyon North America, Inc. Commercial Paper	0.16 Year Average	A-1+	11,284,825	16.1%
Nordea North America Inc. Commercial Paper	0.16 Year Average	A-1+	5,498,931	7.8%
Total Investments, Primary Government			\$ 70,021,488	100.0%

Section 218.415, Florida Statutes, limits the types of investments that a District can invest in unless specifically authorized by District policy.

Interest Rate Risk

District policies limit the length of investments of bond reserves, construction funds, and other non-operating funds to a maximum of five years and the investment of current operating funds to no longer than two years.

The District has no Federal Instrumentalities that have embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. The District also has no Federal Instrumentalities Mortgage pass-through securities.

Credit Risk

The District's investment policy authorizes the following investments:

- The Florida Local Government Surplus Funds Trust Fund (SBA)
- United States Government Securities
- United States Government Agencies
- Federal Instrumentalities
- Interest-bearing time deposit or saving accounts in qualified public depositories
- Repurchase agreements collateralized with a value of 102 percent, by negotiable direct obligations of the United States Government, Governmental Agencies, and Federal Instrumentalities with maturities under five years
- Commercial Paper and Bankers' Acceptances rated "Prime-1" by Moody's and "A-1" by Standard and Poor's
- State and/or local government taxable and/or tax-exempt debt rated at least "Aa" by Moody's and "AA" by Standard and Poor's
- Registered investment companies (mutual funds) rated "AAm" or "AAm-G" or better by Standard and Poor's or an equivalent rating by another rating agency

Under the Board's investment policy, proceeds from debt issues are allowed to be invested in accordance with the resolutions authorizing the debt issue and approved by bond insurer.

The District's Investments in Money Market Funds totaling \$28,101,056 are reported at fair value. Of these funds, \$19,241,646 were invested in the RidgeWorth Institutional United States Government Securities Money Market Fund and \$8,859,410 were invested in First American Treasury Obligations Money Market Fund. Both money market funds are rated Aaa by Moody's Investor Services and AAAm by Standard and Poor's.

The District's Investments in State Board of Administration – Fund B Surplus Funds Trust Fund are unrated.

The District's investments in the State Board of Administration Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the State Board of Administration for managing credit risk for this account.

Custodial Credit Risk

Section 218.415 (18), Florida Statutes, requires the District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a

depository chartered by the Federal Government, the State, or any other State or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District's \$19,241,646 investments in money market funds and \$50,431,071 of Federal Instrumentalities and commercial paper are held by the safekeeping agent, in the name of the District.

Concentration of Credit Risk

The District's investment policy has established asset allocation and issuer limits in the investment of available funds which are designed to reduce the concentration of credit risk of the District's investment portfolio as follows:

- Florida Local Government Surplus Funds Trust Fund ("SBA") 100%
- United States Government Securities 100%
- United States Government Agencies 50%
 - o 25% limit on individual issuers
- Federal Instrumentalities 80%
 - 40% limit on individual issuers
- Interest Bearing Time Deposit or Savings Accounts 25%
 - o 15% limit on individual issuers
- Repurchase Agreements 50%
 - 25% limit on individual issuers
- Commercial Paper 35%
 - 10% limit on individual issuers
- Registered Investment Companies (Mutual Funds) 50%
 - o 25% limit on individual issuers
- Banker's Acceptance 35%
 - o 10% limit on individual issuers
- State and/or Local Government Taxable or Tax-Exempt Debt 20%

Foreign Currency Risk

The District's investment policy does not allow for investments in foreign currency, therefore the District has no exposure to foreign currency risk.

4. RECEIVABLES

The majority of receivables are due from other agencies, including charter schools within the District. These receivables and the remaining accounts receivable are considered to be fully collectible. As such, no allowance for uncollectible accounts receivable is accrued.

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

GOVERNMENTAL ACTIVITIES

	<u> </u>			
Land	\$ 14,179,151	\$ 4,883	\$ -	\$ 14,184,034
Construction in Progress	141,595,992	12,675,511	146,330,256	7,941,247
	_			
Total Capital Assets Not Being Depreciated	155,775,143	12,680,394	146,330,256	22,125,281
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	15,185,089	753,588	_	15,938,677
Buildings and Fixed Equipment	494,048,454	146,330,256	_	640,378,710
Furniture, Fixtures, and Equipment	33,683,689	1,512,414	1,240,763	33,955,340
Motor Vehicles	27,877,495	2,144,559	127,643	29,894,411
Property Under Capital Leases	9,780,759	2,111,000	-	9,780,759
Audio Visual Materials and Computer	0,700,700			0,100,100
Software	5,298,644	536,132		5,834,776
Total Capital Assets Being Depreciated	585,874,130	151,276,949	1,368,406	735,782,673
-	,			
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	(12,932,246)	(1,594,306)	-	(14,526,552)
Buildings and Fixed Equipment	(56,319,885)	(15,019,122)	-	(71,339,007)
Furniture, Fixtures, and Equipment	(23,017,638)	(3,597,832)	(1,240,763)	(25,374,707)
Motor Vehicles	(15,083,984)	(2,410,660)	(127,643)	(17,367,001)
Property Under Capital Leases	(6,123,586)	(2,445,190)	-	(8,568,776)
Audio Visual Materials and				
Computer Software	(4,482,682)	(553,250)	_	(5,035,932)
Total Accumulated Depreciation	(117,960,021)	(25,620,360)	(1,368,406)	(142,211,975)
· -	<u>, , , , , , , , , , , , , , , , , , , </u>			
Total Capital Assets Being Depreciated, Net	467,914,109	125,656,589		593,570,698
Governmental Activities Capital Assets, Net	\$ 623,689,252	\$ 138,336,983	\$ 146,330,256	\$ 615,695,979

The decision not to allocate depreciation was made at the time of the conversion to GASB 34. It is based in the premise that the capital assets of the school district serve all of the district's functional activities as the schools district is a single purpose governmental entity.

The class of property under capital leases is presented in Note 6.

6. OBLIGATIONS UNDER CAPITAL LEASES

Computer equipment with an asset balance of \$9,780,759 is being acquired under capital leases.

Future minimum capital lease payments and the present value of the minimum lease payments as of June 30 are as follows:

Fiscal Year June 30	Total	Principal	Interest
2010 2011	\$1,115,047 233,107	\$1,038,749 220,041	\$76,298 13,066
Total Minimum Payments Required	\$ 1,348,154	\$ 1,258,790	\$ 89,364

The imputed interest rates range from 5.938 to 6.813 percent

7. CERTIFICATES OF PARTICIPATION

The District entered into a financing arrangement on July 1, 1998, which was characterized as a lease-purchase agreement, with the Financing Corporation for the School Board of Lake County, Florida (Financing Corporation) whereby the District secured financing of various educational facilities in the total amount of \$337,005,000. The financing was accomplished through the issuance of Certificates of Participation, Series 1998 for \$71,355,000; Series 2002 for \$65,155,000; Series 2003 for \$29,515,000; Series 2004A for \$29,025,000; Series 2005A for \$64,240,000; and Series 2006A for \$77,715,000, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Financing Corporation, with a rental fee of \$10 per year. The initial terms of the Series 1998 lease is 30 years commencing on July 1, 1998. The Series 2002, 2003, 2004A, 2005A, and 2006A leases each have an initial term of 25 years commencing on July 1, 2002, February 1, 2003, September 1, 2004, July 28, 2005, and December 1, 2006, respectively. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to 30 years from the date of the inception of the arrangement.

Certificates of Participation payable at June 30, 2009 are as follows:

Certificates of Participation	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Series 2002 Series 2003 Series 2004A Series 2005A Series 2005B, Refunding Series 2005C, Refunding Series 2006A Series 2006B, Refunding Subtotal Plus Unamortized Premium	\$65,155,000 29,515,000 29,025,000 64,240,000 28,755,000 25,280,000 77,715,000 34,855,000	\$32,905,000 24,680,000 25,270,000 62,750,000 28,755,000 25,280,000 74,335,000 307,960,000 11,353,036	3.500 - 5.375 3.000 - 5.000 3.000 - 5.000 2.900 - 5.000 3.400 - 5.250 5.250 3.375 - 5.000 3.375 - 5.000	2027 2028 2029 2030 2018 2018 2031 2023
Total Certificates of Participation	=	\$ 319,313,036		

Note: Certificates of Participation, Refunding Series 2005B were used to advance refund a portion of the Certificates of Participation, Series 1998. Certificates of Participation, Refunding Series 2005C were used to advance refund a portion of Certificates of Participation, Series 2002. Certificates of Participation, Series 2006B were used to advance refund a portion of the Certificates of Participation, Series 1998.

The District Properties included in the ground leases under this arrangement include:

Series 1998 Certificates

Round Lake Elementary
Astatula Elementary
Lost Lake Elementary
Villages Elementary
Windy Hill Middle
Beverly Shores – Classroom Wing
Groveland Elementary – Classroom Wing
Tavares Elementary – Classroom Wing
Triangle Elementary – Classroom Wing
Eustis Middle – Classroom Wing
Tavares Middle – Classroom Wing

Series 2002 Certificates

Pine Ridge Elementary Leesburg High Mt. Dora High

Series 2003 Certificates

Beverly Shores Elementary Fruitland Park Elementary Mt. Dora Middle Leesburg Elementary Oak Park Bus Lot Replacement

Series 2004A Certificates

Carver Middle
Mascotte Elementary
Lake Hills

Series 2005A Certificates

Mascotte Elementary Minneola Elementary Lake Hills East Ridge High Addition

Series 2006A Certificates

Sawgrass Bay Elementary East Ridge Middle School South Lake High Addition

The following is a schedule by years of future minimum lease payments under the above-referenced lease agreements together with the present value of minimum lease payments as of June 30:

Fiscal Year Ending June 30	Total		Principal		Interest
			_		
2010	\$ 24,324,896	\$	9,910,000	\$	14,414,896
2011	24,760,115		10,690,000		14,070,115
2012	25,205,665		11,510,000		13,695,665
2013	25,671,948		12,415,000		13,256,948
2014	26,170,473		13,395,000		12,775,473
2015-2019	129,362,534		75,920,000		53,442,534
2020-2024	98,008,900		60,560,000		37,448,900
2025-2029	98,011,375		77,085,000		20,926,375
2030-2031	 39,206,125		36,475,000		2,731,125
Subtotal	490,722,031		307,960,000		182,762,031
Unamortized Premium	-		11,353,036		-
			_		
Total Minimum Lease Payments	\$ 490,722,031	\$ 319,313,036		\$ 182,762,031	

8. BONDS PAYABLE

Bonds payable at June 30, 2008, are as follows:

Bond Type	Origi Issu Amo	ie	0	Amount outstanding	Intere Rates (Perce	S	Annu Matur To	
State School Bonds:								
Series 1999-A	\$ 8	300,000	\$	510,000	4.125 - 4	.750	2019	9
Series 2000-A	Ę	500,000		25,000	5.000 - 6	.000	2010)
Series 2001-A	1,8	370,000		1,520,000	4.200 - 5	.000	2021	1
Series 2002-A	5	565,000		475,000	4.667 - 5	.000	2022	2
Series 2002-B	5	505,000		290,000	3.375 - 5	.375	2014	4
Series 2003-A	9	95,000		845,000	3.000 - 5	.000	2023	3
Series 2005-A	2,3	375,000		2,095,000	4.000 - 5	.000	2025	5
Series 2005-A, Refunding	1,4	145,000		1,120,000	4.000 - 5	.000	2016	6
Series 2005-B	1,8	340,000		1,710,000	3.000 - 5	.000	2020)
Series 2006-A	9	900,000		850,000	4.000 - 5	.000	2026	6
Series 2008-A	2,9	990,000		2,905,000	3.250 - 5	.000	2028	3
Sales Tax Revenue Bonds:								
Series 2003	45,9	990,000		31,485,000	2.100 - 5	.000	2018	3
Series 2004	15,5	590,000		12,350,000	3.000 - 5	.000	2018	3
Subtotal				56,180,000				
Unamortized Bond Premium				1,094,813				
Total Bonds Payable			\$	57,274,813				

The various bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

State School Bonds

These bonds are issued by the State Board of Education (SBE) on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these SBE bonds. Principal and interest payments, investment of Debt Service Fund resources, compliance with reserve requirements, and any refundings are administered by the State Board of Education and the State Board of Administration.

Sales Tax Revenue Bonds - Series 2003 and Series 2004

These bonds are authorized by the Constitution and Laws of the State of Florida, including, particularly Chapters 1000-1013, Florida Statutes, Chapter 212, Part I, Florida Statutes, and other applicable provisions of law. The bonds are secured by a pledge of the proceeds received pursuant to the Interlocal Agreement from the levy and collection by the Lake County Board of Commissioners of the one-cent local infrastructure sales surtax. Annual principal and interest on the bonds are expected to require approximately 60 percent of such

revenues. Principal and interest paid for the current year was \$5,688,403. The District's portion of the one-cent local infrastructure sales surtax revenues totaled \$10,176,065 for the year. At year end, pledged future revenues totaled \$53,061,484, which was the total amount of remaining principal and interest on the bonds, payable through 2018.

Annual debt service requirements to maturity for all bonded debt as of June 30, 2009 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2010	\$1,250,773	\$675,000	\$575,773
2011	1,275,091	730,000	545,091
2012	1,291,510	780,000	511,510
2013	1,296,335	820,000	476,335
2014	1,303,160	865,000	438,160
2015-2019	5,729,335	4,165,000	1,564,335
2020-2024	3,632,888	2,940,000	692,888
2025-2028	1,516,494	1,370,000	146,494
Total State School Bonds	17,295,585	12,345,000	4,950,585
Sales Tax Revenue Bonds:			
2010	5,721,408	4,055,000	1,666,408
2011	5,764,193	4,210,000	1,554,193
2012	5,804,545	4,380,000	1,424,545
2013	5,856,840	4,575,000	1,281,840
2014	5,901,475	4,775,000	1,126,475
2015-2018	24,013,024	21,840,000	2,173,024
Subtotal Sales Tax Revenue Bonds	53,061,484	43,835,000	9,226,484
Unamortized Premium	1,094,813	1,094,813	
Total Sales Tax Revenue Bonds	54,156,297	44,929,813	9,226,484
Total	\$ 71,451,882	\$ 57,274,813	\$ 14,177,069

9. DEFEASED DEBT

In prior years, portions of the State School Bonds, Series 2000-A, were refunded by the Florida Department of Education and considered defeased in substance by placing a portion of the proceeds of new State School Bonds in an irrevocable trust to provide for all future debt service payments on the old State School Bonds. Accordingly, the trust account assets and the liability for the in-substance defeased State School Bonds have been removed from the government-wide financial statements.

In prior years, the Board defeased in substance certain outstanding certificates of participation (COPs) by placing the proceeds of new COPs in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust assets and the liability for the in-substance defeased COPs have been removed from the government-wide financial statements.

As of June 30, 2009, debt considered defeased in substance is as follows:

Bond Issues	 Amount Outstanding						
State School Bonds, Series 2000-A Certificates of Participation, Series 1998 Certificates of Participation, Series 2002	\$ 325,000 64,335,000 25,625,000						
Total Defeased Debt	\$ 90,285,000						

10. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Description	Balance 6/30/2008	Additions	Deletions	Balance 6/30/2009	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 60,765,000	\$ -	\$ 4,585,000	\$ 56,180,000	\$ 4,730,000
Unamortized Premium	1,217,430	-	122,617	1,094,813	-
Total Bonds Payable	 61,982,430	-	4,707,617	57,274,813	4,730,000
Certificates of Participation					
Payable .	317,115,000	=	9,155,000	307,960,000	9,910,000
Unamortized Premium	12,182,412	-	829,376	11,353,036	
Total Certificates of Participation Payable	329,297,412	-	9,984,376	319,313,036	9,910,000
Obligations Under Capital Lease	2,845,513	-	1,586,723	1,258,790	1,038,749
Other Postemployment Benefits Payable	1,447,199	2,624,111	1,157,494	2,913,816	
Compensated Absences Payable	19,737,108	-	1,678,274	18,058,834	1,560,000
Total Governmental Activities	\$ 415,309,662	\$ 2,624,111	\$ 19,114,484	\$ 398,819,289	\$ 17,238,749

For the governmental activities, compensated absences are generally liquidated with resources of the General Fund.

11. RESERVE FOR ENCUMBRANCES

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The Florida Department of Education requires that fund balances be reserved at fiscal year-end to report an amount likely to be expended from the 2009-2010 fiscal year budget as a result of purchase orders outstanding at June 30, 2008.

12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a summary of interfund receivables and payables reported in the fund financial statements:

	Interfund					
Funds	R	Receivables		Payables		
Major Funds:	<u> </u>	_		_		
General	\$	4,859,015	\$	-		
Other Special Revenue				3,791,615		
Capital Projects - Other Capital Projects		-		1,057,137		
Nonmajor Governmental Funds				10,263		
Total	\$	4,859,015	\$	4,859,015		

The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within twelve months.

The following is a summary of interfund transfers reported in the fund financial statements:

	Interfund				
Funds	1	ransfers In	Tı	ransfers Out	
Major Funds:				_	
General	\$	8,047,554	\$	692,087	
Other Special Revenue		-		7,123	
Nonmajor Governmental Funds		29,883,501		37,368,042	
Subtotal		37,931,055		38,067,252	
Proprietary Funds:					
Internal Service Fund		367,965		-	
Enterprise Fund		-		231,768	
				_	
Total	\$	38,299,020	\$	38,299,020	

The principal purposes of interfund transfers are the provision of funds for repayment of debt service principal and interest payments, and the funding of certain maintenance costs.

13. DONOR-RESTRICTED ENDOWMENTS

During the 2003-2004 fiscal year the District became the administrator of the Lester J. Bodley Trust Fund in the amount of \$200,000. The terms of the Trust require that the income of the Trust be divided equally between a graduating male and female student from Leesburg High School. These students, who in the sole judgment of the School Board, shall have made the most overall personal improvement during the four years of his or her high school career. The gifts from the Trust each year are to be given on a one-time basis. The Trust is reported as a Private-Purpose Trust Fund in the District's basic financial statements. Any earnings received on the Private-Purpose Trust Fund investments are earnings that are held in a fiduciary capacity and are not available for general appropriation.

14. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2008-2009 fiscal year:

Source		Amount		
Florida Education Finance Dragger	Ф.	70 705 070		
Florida Education Finance Program	\$	79,725,273		
Categorical Educational Programs:		40.040.000		
Class Size Reduction		40,919,066		
Transportation		9,178,157		
Instructional Materials		3,932,817		
Discretionary Lottery Funds		969,683		
Excellent Teaching Program		924,802		
Florida Teachers Lead Program		568,526		
Gross Receipts Tax (Public Education Capital Outlay)		8,483,607		
Workforce Development Program		4,585,571		
School Recognition		2,317,388		
Preschool Projects		1,313,278		
CO&DS withheld for SBE Bonds		1,265,825		
Capital Outlay - Charter Schools		821,567		
Mobile Home License Tax		359,230		
Motor Vehicle License Tax (Capital Outlay and Debt Service)		224,310		
School Breakfast/ Lunch Supplement		203,926		
Racing Commission Funds		148,833		
State Gas Tax Reimbursement		124,205		
Full Service Schools		100,598		
Adults with Disabilities		29,249		
CO&DS withheld for Administrative Expenses		22,280		
Interest on Undistributed CO&DS		15,832		
State Forest Funds		15,754		
Miscellaneous		388,225		
Total	\$	156,638,002		

Accounting policies relating to certain State revenue sources are described in Note 1.

15. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2008 Final Certified Taxable Value of Property in the County of \$22,737,182,842 for the 2008-2009 fiscal year:

	Millages	Taxes Levied
GENERAL FUND		
Nonvoted School Tax:		
Required Local Effort	5.082	\$ 115,550,363
Basic Discretionary Local Effort	0.685	15,574,970
CAPITAL PROJECTS FUNDS		
Nonvoted Tax:		
Local Capital Improvements	1.750	39,790,070
Total	7.517	\$ 170,915,403

16. STATE RETIREMENT PROGRAM

All regular employees of the District are covered by the Florida Retirement System (FRS). Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of FRS. FRS is a single retirement system administered by the Division of Retirement, Department of Management Services and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

Benefits in the Plan vest at six years of service. All vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in PEORP in lieu of the Plan. District employees participating in DROP are not eligible to participate in PEORP. Employer contributions are defined by law; however, the ultimate benefit depends in part on the performance of investment funds. PEORP is funded by employer contributions that are based on salary and membership class (Regular Class, Elected County Officers Class, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Benefits in PEORP vest after one year of service. There were 907 District participants during the 2008-2009 fiscal year. Required contributions made to PEORP totaled \$2,573,433.

FRS Retirement Contribution Rates

The Florida Legislature establishes, and may amend, contribution rates for each membership class of FRS. During the 2007-08 fiscal year, contribution rates were as follows:

	Percent of	Gross Salary
Class or Plan	Employee	Employer (A)
Florida Retirement System, Regular	0.00	9.85
Florida Retirement System, Elected County Officers	0.00	16.53
Florida Retirement System, Senior Management Class	0.00	13.12
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plan	0.00	10.91
Florida Retirement System, Reemployed Retiree	(B)	(B)

Note (A): Employer contribution rates include 1.11 percent for the post-retirement health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.05 percent for administrative costs of the Public Employee Optional Retirement Program.

Note (B): Contribution rates are dependent upon the retirement class in which reemployed.

The District's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions for the fiscal years ending June 30, 2007, June 30, 2008, and June 30, 2009 totaled \$15,540,911, \$16,197,755, and \$16,003,228, respectively, which were equal to the required contributions for each fiscal year.

The financial statements and other supplementary information of FRS are included in the comprehensive annual financial report of the State of Florida, which may be obtained from

the Florida Department of Financial Services. Also, an annual report on FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement.

17. POSTEMPLOYMENT HEALTH CARE BENEFITS

Beginning with the 2007-08 fiscal year, the District implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment health care benefits provided by the District. The requirements of this Statement are being implemented prospectively, with the actuarially determined liability of \$30,749,335 at the October 1, 2007, date of transition amortized over 30 years. Accordingly, for financial reporting purposes, no liability is reported for the postemployment health care benefits liability at the date of transition.

Plan Description. The Postemployment Health Care Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District's self-insured health and hospitalization plan for medical and prescription drug coverages. The District subsidizes the premium rates paid by retirees by allowing them to participate in the plan at blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The Postemployment Health Care Plan does not issue a stand-alone report and is not included in the report of a Public Employee Retirement System or another entity.

<u>Funding Policy.</u> The District plans to fund this postemployment benefit on a pay-as-you-go basis. For the 2008-09 fiscal year, 286 retirees received postemployment health care benefits. The District provided required contributions of \$1,157,494 toward the annual other postemployment benefits (OPEB) cost, comprised of benefit payments made on behalf of retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums, and net of retiree contributions totaling \$1,956,205.

Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for Postemployment Health Care Benefits:

Description	Amount	
Normal Cost (service cost for one year) Amortization of Unfunded Actuarial Accrued Liability Interest on Normal Cost and Amortization	\$	1,493,400 1,045,277 75,786
Annual Required Contribution Interest on Net OPEB Obligation Adjustment to Annual Required Contribution		2,614,463 57,888 (48,240)
Annual OPEB Cost (Expense)		2,624,111
Contribution Toward the OPEB Cost		(1,157,494)
Increase in Net OPEB Obligation Net OPEB Obligation, Beginning of Year		1,466,617 1,447,199
Net OPEB Obligation, End of Year		\$2,913,816

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2009, was as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
		Continuated	
Begnining Balance 10/01/07	\$ 2,538,677	42.99%	\$ 1,447,199
2008-09	2,624,111	44.11%	2,913,816

<u>Funded Status and Funding Progress.</u> As of June 30, 2009, the actuarial accrued liability for benefits was \$30,749,335, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$30,749,335. The covered payroll (annual payroll of active participating employees) was \$147,423,032 for the 2007-08 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 20.86 percent.

Actuarial Method and Assumptions

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

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) JUNE 30, 2009

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

The District's initial OPEB actuarial valuation as of October 1, 2007, used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2008, and to estimate the District's 2007-08 fiscal year annual required contribution. This method was selected because it produced the lowest OPEB liability and annual cost. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 4 percent per year, and an annual healthcare cost trend rate of 16 percent initially for the 2007-08 fiscal year, reduced by 6% in the first year and 0.5% thereafter to an ultimate rate of 5 percent after ten years. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2009, was 28 years.

18. CONSTRUCTION CONTRACT COMMITMENTS

The following is a summary of major construction contract commitments remaining at fiscal year-end:

Project	Cor	ntract Amount	Amount Completed to		Bala	nce Committed
Elementary "J"						
Architect		\$781,130		\$463,365		\$317,765
Contractor		18,487,556		560,490		17,927,066
High School "BBB"						
Architect		3,635,000		2,250,000		1,385,000
Contractor		44,915,033		-		44,915,033
Gray Middle						
Architect		1,708,000		1,420,000		288,000
Contractor		24,674,496		1,862,359		22,812,137
Totals	\$	94,201,215	\$	6,556,214	\$	87,645,001

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) JUNE 30, 2009

19. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District limits its exposure to these risks through its membership in the Preferred Governmental Insurance Trust (Trust). The Trust provides coverage for public entities within the State of Florida. The Trust is organized to meet and fulfill a member's obligations and liabilities under the Florida Workers' Compensation Act, and to write certain other lines of coverage including property protection, money and securities, employee fidelity and faithful performance, boiler and machinery, and general and auto liability to participating members. Section 1001.42(10)(k), Florida Statutes, provides the authority for the District to enter into such a risk management program.

Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

On July 1, 2007, the District entered a participation agreement with five school districts to purchase property insurance coverage through the Preferred Government Insurance Trust (PGIT). Under this agreement, the District shares \$100,000,000 of coverage on a per occurrence basis with a \$25,000 deductible for all other perils excluding wind damage from a named storm. The deductible for a named storm is 5 percent of the Total Insured Value, per location, subject to a minimum of \$50,000 deductible per occurrence. This participation agreement allowed the District to increase its coverage from \$25,000,000 to a shared \$100,000,000.

Health and hospitalization and life insurance coverage are being provided through purchased commercial insurance.

Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

20. LITIGATION AND CONTINGENCIES

The District is subject to potential litigation in the normal course of business. It is the opinion of management, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations on governmental liability on uninsured risks, that the amount of losses resulting from litigation, which exceed the above-mentioned limits, would not be material to the financial position of the District.

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by grantors, cannot be determined at this time. In the opinion of the management of the District, no material refunds will be required as a result of expenditures disallowed by grantors.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) JUNE 30, 2009

21. SUBSEQUENT EVENTS

Effective July 1, 2009, the District changed the Health and Hospitalization to a self-funded program administered through an outside provider. The District will report the self-funded program in the Internal Service Funds. Amounts will be transferred from various funds to provide sufficient resources to cover claim incurred, to pay for the purchase of excess insurance, and to pay the insurance services agent's administrative fees.

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE GENERAL FUND

	_	Original		Final		Actual		Variance with
		Budget		Budget				Final Budget -
	_		_		_			Under/ (Over)
Revenues								
Intergovernmental:								
Federal Direct								
ROTC	\$	269,000	\$	269,000	\$	247,728	\$	(21,272)
Federal Through State								
Medicaid		200,000		320,750		520,275		199,525
National Forest Funds		140,000		140,000		110,087		(29,913)
Miscellaneous Federal Through State Funds		300,000		460,198		427,012		(33,186)
State		00 040 044		00 004 454		70 705 070		(000 004)
Florida Educational Finance Program		86,613,344		80,624,154		79,725,273		(898,881)
Categorical Educational Programs		58,332,015		57,316,331		57,317,111		780
Workforce Development Program		4,589,853		4,585,571		4,585,571		(400.000)
Excellent Teaching Program		1,200,000		924,802		824,802		(100,000)
Miscellaneous State Funds		3,000,652		3,255,122		2,452,344		(802,778)
Local:		104 002 250		106 560 067		107 000 000		4 222 056
District School Tax		124,983,350		126,569,067		127,802,923		1,233,856
Investment Income				80,000		289,904		209,904
Miscellaneous Local Funds		2,600,000		1,998,977		4,402,063		2,403,086
Total Revenues		282,228,214		276,543,972		278,705,093	_	2,161,121
Expenditures								
Current - Education:								
Instruction								
Salaries		115,326,370		101,634,104		101,016,503		617,601
Employee Benefits		34,628,641		34,269,260		32,235,120		2,034,140
Purchased Services		36,833,083		39,354,876		38,722,113		632,763
Energy Services		15,500		5,814		1,947		3,867
Materials and Supplies		11,144,944		5,224,274		4,021,267		1,203,007
Capital Outlay		570,422		1,072,601		866,469		206,132
Other Expenses		1,259,543		2,893,276		2,846,495		46,781
Pupil Personnel Services								
Salaries		9,496,423		10,407,581		10,388,514		19,067
Employee Benefits		3,068,681		3,398,564		3,337,467		61,097
Purchased Services		351,477		397,303		333,937		63,366
Materials and Supplies		96,921		136,883		109,251		27,632
Capital Outlay		39,687		40,585		29,808		10,777
Other Expenses		81,039		218,392		214,046		4,346
Instructional Media Services								
Salaries		2,293,063		2,290,177		2,290,177		
Employee Benefits		676,731		666,305		657,116		9,189
Purchased Services		64,011		75,262		66,581		8,681
Energy Services		1,000		1,000		669		331
Materials and Supplies		283,182		102,909		58,822		44,087
Capital Outlay		213,699		473,067		433,760		39,307
Other Expenses		23,575		50,909		48,582		2,327
Instruction and Curriculum Development Services		0.400.000		0.404.400		0.454.040		40.440
Salaries		2,163,023		2,194,123		2,154,013		40,110
Employee Benefits		657,159		639,462		620,353		19,109
Purchased Services		1,535,292		1,429,828		1,356,854		72,974
Energy Services Materials and Supplies		3,900 28,056		3,450 152,279		1,580 28,682		1,870 123,597
Capital Outlay								
Other Expenses		19,055 5,307		17,296 14,541		8,122 13,229		9,174 1,312
Instructional Staff Training Services		5,507		14,541		13,229		1,312
Salaries		2,890,972		3,091,472		3,081,897		9,575
Employee Benefits		2,030,312		886,725		853,522		33,203
Purchased Services		561,176		471,270		419,461		51,809
. aronadoa Gorvidos		551,175		-11,210		-10,701		31,009

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE GENERAL FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
				(Continued)
Materials and Supplies	45,567	55,146	50,276	4,870
Capital Outlay	78,082	118,204	58,626	59,578
Other Expenses	215,407	515,805	493,225	22,580
Instruction Related Technology				
Salaries	1,565,507	1,483,191	1,483,191	- 7 777
Employee Benefits Purchased Services	460,538 2,398,545	437,809 347,526	430,032 311,807	7,777 35,719
Materials and Supplies	70,182	72,634	56,461	16.173
Capital Outlay	973,663	1,090,477	733,371	357,106
Other Expenses	7,150	1,765,898	75	1,765,823
Board of Education				
Salaries	306,718	307,350	307,277	73
Employee Benefits	100,138	103,601	101,893	1,708
Purchased Services	596,995	661,016	610,699	50,317
Materials and Supplies	2,957	3,357	2,982	375
Capital Outlay Other Expenses	950 32,350	450 31,060	385 30,601	65 459
General Administration	32,330	31,000	30,001	459
Salaries	_	620,318	618,899	1,419
Employee Benefits	<u>-</u>	165,796	165,351	445
Purchased Services	79,376	105,125	83,261	21,864
Energy Services	-	2,500	623	1,877
Materials and Supplies	-	18,486	9,667	8,819
Capital Outlay	10,350	2,637	2,637	-
Other Expenses	23,550	23,529	20,027	3,502
School Administration	40.704.004	40.050.054	40.050.054	
Salaries Employee Penefits	12,791,901 3,931,719	13,052,951	13,052,951	-
Employee Benefits Purchased Services	51,279	3,910,783 177,134	3,910,783 177,134	-
Materials and Supplies	11,331	91,555	91,555	-
Capital Outlay	41,222	72,131	72,131	-
Other Expenses	55,959	149,749	149,749	-
Facility Services				
Salaries	-	727,444	727,444	-
Employee Benefits	-	229,956	223,468	6,488
Purchased Services	61,550	51,102	9,149	41,953
Energy Services	-	-	4.000	- 0.000
Materials and Supplies Capital Outlay	-	14,650 48,029	4,982 1,298	9,668 46,731
Other Expenses	-	200	150	50
Fiscal Services		200	100	00
Salaries	1,371,440	1,334,623	1,303,880	30,743
Employee Benefits	414,233	384,255	384,254	1
Purchased Services	132,552	154,119	103,453	50,666
Energy Services	4,500	4,500	3,234	1,266
Materials and Supplies	23,400	23,992	23,992	-
Capital Outlay	19,000	18,862	16,550	2,312
Other Expenses	17,300	36,954	32,034	4,920
Central Services Salaries	2,600,861	2,658,923	2,652,286	6,637
Employee Benefits	777,464	805,919	803,088	2,831
Purchased Services	1,201,543	1,112,256	725,466	386,790
Energy Services	23,300	22,300	15,554	6,746
Materials and Supplies	231,304	220,280	177,125	43,155
Capital Outlay	200,534	207,270	26,125	181,145
Other Expenses	67,357	76,265	34,563	41,702
Pupil Transportation Services				
Salaries	6,851,413	7,243,873	7,243,873	-
Employee Benefits	3,362,563	3,593,326	3,587,298	6,028
Purchased Services	1,769,967	1,977,812	1,863,153	114,659

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE GENERAL FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
				(Continued)
Energy Services	4,791,338	4,062,599	2,057,338	2,005,261
Materials and Supplies	858,383	1,221,403	702,555	518,848
Capital Outlay	36,765	36,765	6,305	30,460
Other Expenses	538,910	716,393	701,557	14,836
Operation of Plant				
Salaries	6,037,706	5,902,790	5,902,205	585
Employee Benefits	2,976,625	2,977,792	2,958,517	19,275
Purchased Services	7,289,938	6,455,685	5,855,654	600,031
Energy Services	9,462,774	9,405,978	7,789,502	1,616,476
Materials and Supplies	42,733	731,836	688,797	43,039
Capital Outlay	134,698	271,793	64,569	207,224
Other Expenses Maintenance of Plant	4,599	128,136	123,227	4,909
Salaries	4,117,038	4 026 059	4.026.050	8
Employee Benefits	1,606,996	4,026,058 1,555,352	4,026,050 1,551,765	3,587
Purchased Services	569,376	757,934	422,097	335,837
Energy Services	306,000	253,290	199,110	54,180
Materials and Supplies	444,773	533,605	455,762	77,843
Capital Outlay	124,738	141,858	55,878	85,980
Other Expenses	17,296	23,890	14,886	9,004
Administrative Technology Services	,200	20,000	,000	0,001
Salaries	353,709	281,717	281,717	-
Employee Benefits	92,311	88,329	81,754	6,575
Purchased Services	66,361	78,355	56,250	22,105
Materials and Supplies	14,378	15,151	10,265	4,886
Capital Outlay	82,703	63,718	33,696	30,022
Other Expenses	1,550	1,183	14	1,169
Community Services				
Salaries	16,950	72,700	68,506	4,194
Employee Benefits	3,136	19,430	19,144	286
Purchased Services	10,371	22,974	11,255	11,719
Materials and Supplies	13,424	15,815	12,391	3,424
Other Expenses	-	11,101	10,701	400
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	-	-	-
Other Capital Outlay	-	778,532	778,532	-
Debt Service:		. =00	. =00 0	
Retirement of Principal	-	1,586,448	1,586,448	-
Interest and Fiscal Charges		176,240	176,240	
Total Expenditures	307,329,228	300,361,566	285,907,132	14,454,434
Excess (Deficiency) of Revenues Over Expenditures	(25,101,014)	(23,817,594)	(7,202,039)	16,615,555
Other Financing Sources (Uses)				
Transfera la	10.750.000	0.047.554	0.047.554	
Transfers In Transfers Out	10,750,000	8,047,554 (692,087)	8,047,554	-
Transiers Out		(092,067)	(692,087)	
Total Other Financing Sources (Uses)	10,750,000	7,355,467	7,355,467	
Net Changes in Fund Balance	(14,351,014)	(16,462,127)	153,428	16,615,555
Fund Balance, July 1, 2008	28,231,480	27,785,461	27,785,461	
Fund Balance, June 30, 2009	\$ 13,880,466	\$ 11,323,334	\$ 27,938,889	\$ 16,615,555

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE OTHER SPECIAL REVENUE FUNDS

	_	Original Budget		Final Budget		Actual		Variance with Final Budget - Under/ (Over)
Revenues			_		_		-	(Ovci)
Intergovernmental:								
Federal Direct								
Miscellaneous Federal Direct	\$	2,406,145	\$	1,353,192	\$	1,353,192	\$	-
Federal Through State								
Vocational Education Acts				574,531		574,531		-
Eisenhower Math and Science				1,568,623		1,568,623		-
Drug Free Schools				145,265		145,265		-
Individuals with Disabilities Act (IDEA)		9,422,654		8,691,056		8,691,056		-
Elementary and Secondaty Education Act, Title I		6,595,834		7,855,435		7,855,435		-
Adult General Education				357,220		357,220		-
Elementary and Secondaty Education Act, Title V		25,000		35,304		35,304		-
Miscellaneous Federal Through State Funds		7,249,276		1,702,778		1,702,778		-
State								
Miscellaneous State Revenue Local		-		444,795		444,795		-
Miscellaneous Local Revenue		<u> </u>		7,446		7,446		-
Total Revenues		25,698,909		22,735,645		22,735,645	_	-
Expenditures								
Current - Education:								
Instruction								
Salaries		3,923,929		3,584,988		3,584,988		-
Employee Benefits		1,463,472		1,165,205		1,165,205		-
Purchased Services		1,941,555		1,934,871		1,934,871		-
Energy Services		5,100		-		-		-
Materials and Supplies		3,616,025		2,367,720		2,367,720		-
Capital Outlay		2,103,393		1,969,510		1,969,510		-
Other Expenses		137,412		237,222		237,222		-
Pupil Personnel Services								
Salaries		1,472,934		1,320,257		1,320,257		-
Employee Benefits		612,155		543,312		543,312		-
Purchased Services		6,696		30,916		30,916		-
Energy Services		4,000		72		72		-
Materials and Supplies		103,814		36,813		36,813		-
Capital Outlay		11,412		47,175		47,175		-
Other Expenses				205		205		-
Instructional Media Services								
Capital Outlay		29		-		-		-
Instruction and Curriculum Development Services								
Salaries		3,150,193		2,889,705		2,889,705		-
Employee Benefits		932,257		846,290		846,290		-
Purchased Services		334,185		470,162		470,162		-
Energy Services		8,380		2,041		2,041		-
Materials and Supplies		128,206		128,998		128,998		-
Capital Outlay		226,526		25,799		25,799		-
Other Expenses		22,939		9,412		9,412		-
Instructional Staff Training Services								
Salaries		1,831,904		1,706,747		1,706,747		-
Employee Benefits		337,372		456,768		456,768		-
Purchased Services		768,337		650,438		650,438		-
Materials and Supplies		303,843		307,809		307,809		-
Capital Outlay		57,671		47,143		47,143		-
Other Expenses		164,770		138,760		138,760		
Board				.00,.00		.00,.00		
Purchased Services		_		8,500		8,500		_
General Administration				0,000		0,000		
Other Expenses		936,340		475,949		475,949		-
Table Englished		330,040		.,0,040		.,0,040		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE OTHER SPECIAL REVENUE FUNDS

	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
				(Continued)
School Administration				
Salaries	6,355	23,215	23,215	-
Employee Benefits	735	10,057	10,057	_
Purchased Services	9,677	2,032	2,032	_
Materials and Supplies	45,060	26,994	26,994	_
Capital Outlay	5,055	46,998	46,998	_
Facility Services	0,000	10,000	10,000	
Materials and Supplies	8,548	_	_	
Capital Outlay	18,583			
Fiscal Services	16,363	-	-	•
	7 007	2.005	2.005	
Salaries	7,227	3,805	3,805	-
Employee Benefits	1,238	688	688	-
Food Service				
Salaries	1,814	1,408	1,408	-
Employee Benefits	418	1,294	1,294	-
Purchased Services	6,268	-	-	-
Materials and Supplies	-	4,630	4,630	
Other Expenses	-	86	86	
Central Services				
Salaries	-	22,293	22,293	-
Employee Benefits	-	1,928	1,928	-
Other Expenses	8,108	-	-	_
Pupil Transportation Services	5,			
Salaries	25,000	626	626	_
Employee Benefits	11,473	122	122	
Purchased Services	447,818	-	122	•
			-	-
Energy Services	800	-	-	-
Materials and Supplies	200	-		-
Capital Outlay	86	1,168	1,168	-
Other Expenses	389,440	297,932	297,932	-
Operation of Plant				
Salaries	-	142	142	-
Employee Benefits	-	31	31	-
Purchased Services	7,538	23,365	23,365	-
Energy Services	-		· -	-
Materials and Supplies	-	63,359	63,359	-
Capital Outlay	_	17,326	17,326	_
Community Services		,020	,020	
Salaries	22,069	7,686	7,686	
Employee Benefits	8,414			-
		1,348	1,348	-
Purchased Services	33,612	600	600	-
Materials and Supplies	1,556	5,210	5,210	-
Capital Outlay	810	542	542	-
Other Expenses	26,158	-	-	
Fixed Capital Outlay:				
Other Capital Outlay		760,850	760,850	
Total Expenditures	25,698,909	22,728,522	22,728,522	
Excess (Deficiency) of Revenues Over Expenditures	-	7,123	7,123	-
Other Financing Sources (Uses)				
		(7.400)	(7.400)	
Transfers Out		(7,123)	(7,123)	-
Total Other Financing Sources (Uses)	-	(7,123)	(7,123)	
Net Changes in Fund Balance	Ē	-	-	-
Fund Balance, July 1, 2008				
	_	_	_	_
Fund Balance, June 30, 2009	\$ -	\$ -	\$ -	\$ -
	·			·

DISTRICT SCHOOL BOARD OF LAKE COUNTY REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS POSTEMPLOYMENT HEALTHCARE BENEFITS For the Fiscal Year Ended June 30, 2009

Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of
Date		Liability (AAL) -				Covered Payroll
		Projected				
		Unit Credit				
	(A)	(B)	(B-A)	(A/B)	(C)	[(B-A)/C]
October 1, 2007	\$	\$ 30.749.335	\$ 30.749.335	0.0%	\$ 147.423.032	20.86%

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2009

1. BUDGETARY BASIS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each function level (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.

OTHER SUPPLEMENTARY INFORMATION COMBINING STATEMENTS AND SCHEDULES

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA Combining Statements and Schedules of Nonmajor Governmental Funds

Special Revenue Funds

The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government, and other local and private sources which are required to finance designated activities. Activities included within the non-major special revenue funds are as follows:

<u>Food Service Fund</u> – To account for the activities of the District's food services function. These activities are funded primarily through local charges and federal awards.

Debt Service Funds

The Debt Service Funds account for the payment of interest and principal of the current portion of long-term debt.

<u>State Board of Education Bonds Fund</u> – To account for and report on payments of principal and interest on various bonds issued by the State.

<u>Special Acts Bond Fund</u> – To account for and report on payments of principal, interest, and related costs on various bonds issued by the District.

Other Debt Service Funds – To account for and report on payment of principal, interest and related costs on sales surtax bonds, certificate of participation issues and other bonds.

Capital Projects Funds

The Capital Projects Funds account for the financing, acquisition and construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects.

<u>State Board of Education Capital Outlay Bond Issues Fund</u> – To account for and report on bonds issued by the State Board of Education on behalf of the District.

<u>Public Education Capital Outlay Fund</u> - To account for the financial resources generated by Public Education Capital Outlay appropriations. This fund is used for maintenance and other educational capital outlay needs, including new construction, renovation and remodeling projects.

<u>District Bond Fund</u> - To account for the financial resources generated by the one cent local infrastructure sales surtax to be used for educational capital outlay needs, including new construction, renovations and remodeling projects and payments on leases for relocatable school buildings.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA

Combining Statements and Schedules of Nonmajor Governmental Funds (Continued)

<u>Capital Outlay and Debt Service Fund</u> – To account for and report on the funds used for construction and maintenance of schools.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS June 30, 2009

	S	Special Revenue				Debt Service		
	_	Food Service Fund		State Board of Education Bonds (SBE) Fund	_	Special Acts Bond Fund	_	Other Debt Service Funds
ASSETS								
Cash Investments Accounts Receivable Due from Other Agencies Inventories	\$	3,119,637 187 1,694,474 297,849	\$	321,267 - - -	\$	444,143 - - - -	\$	3,463,871 20,017 - - -
TOTAL ASSETS	\$	5,112,147	\$	321,267	\$	444,143	\$	3,483,888
LIABILITIES AND FUND BALANCES								
Liabilities: Accounts Payable Construction Contracts Payable Construction Contracts Payable - Retainage Due to Other Funds	\$	10,198 - - -	\$	- - - -	\$	- - - -	\$	- - -
Total Liabilities		10,198		-		-		<u>-</u>
Fund Balances: Reserved for Encumbrances Reserved for Inventories Reserved for Debt Service Unreserved: Undesignated, reported in: Special Revenue Funds		22,754 297,849 - 4,781,346		321,267		444,143		3,483,888
Capital Projects Funds		-				<u> </u>		
Total Fund Balances		5,101,949	_	321,267		444,143	_	3,483,888
TOTAL LIABILITIES AND FUND BALANCES	\$	5,112,147	\$	321,267	\$	444,143	\$	3,483,888

(Continued)

		Capi	tal Pro	ojects			
	Capital Outlay Bond Issues (SBE/COBI) Fund	Public Education Capital Outlay (PECO) Funds	_	District Bond Fund	Capital Outlay & Debt Service (CO & DS) Fund	_	Total Nonmajor Governmental Funds
\$	3,097,536	\$ 4,864,645 -		11,338,511 57	\$ 1,303,418	\$	27,631,761 341,341
	- - -	14,120,237	_	949,744	 - - -		187 16,764,455 297,849
\$	3,097,536	\$ 18,984,882	=	12,288,312	\$ 1,303,418	\$	45,035,593
\$	- - -	\$ 203,772 1,070,586 178,485 10,263	\$	- - - -	\$ - - -	\$	213,970 1,070,586 178,485 10,263
_	<u>-</u>	 1,463,106			 <u>-</u>	_	1,473,304
	3,011,905 - -	2,500,046		389,785 - -	1,302,826 - -		7,227,316 297,849 4,249,298
_	- 85,631	15,021,730		- 11,898,527	 592	_	4,781,346 27,006,480
	3,097,536	 17,521,776		12,288,312	 1,303,418		43,562,289
\$	3,097,536	\$ 18,984,882	\$	12,288,312	\$ 1,303,418	\$	45,035,593

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

	S	pecial Revenue	Debt Service							
		Food Service Fund		State Board of Education Bonds (SBE) Fund		Special Acts Bond Fund		Other Debt Service Funds		
Revenues			_		_	_	_	_		
Intergovernmental:										
Federal Through State State	\$	9,404,437 203,926	\$	1,266,202	\$	- 148,833	\$	-		
Local:		203,920		1,200,202		140,033		-		
Ad Valorem Taxes		-		-		-		-		
Local Sales Tax		-		-		-		-		
Food Service		6,591,197		-		-		-		
Other Local revenue		32,672		-		2,027		15,377		
Total Revenues		16,232,232		1,266,202		150,860		15,377		
Expenditures										
Current - Education:										
Food Services		15,417,693		-		-		-		
Fixed Capital Outlay:										
Facilities Acquisition and Construction Other Capital Outlay		16,506		-		-		-		
Debt Service:		10,500								
Principal		-		660,000		-		13,080,000		
Interest and Fiscal Charges		-		538,682		<u>-</u>		16,606,548		
Total Expenditures		15,434,199		1,198,682		<u>-</u>		29,686,548		
Excess (Deficiency) of Revenues Over Expenditures		798,033		67,520		150,860		(29,671,171)		
Other Financing Sources (Uses)										
Transfers In		103,755		-		-		29,654,068		
Transfers Out		<u> </u>	_	-		-		<u> </u>		
Total Other Financing Sources (Uses)		103,755		<u>-</u>	_	<u>-</u>	_	29,654,068		
Net Change in Fund Balances		901,788		67,520		150,860		(17,103)		
Fund Balances, July 1, 2008		4,200,161	-	253,747		293,283		3,500,991		
Fund Balances, June 30, 2009	\$	5,101,949	\$	321,267	\$	444,143	\$	3,483,888		

(Continued)

			Capita	l Proje	ects				
	Capital Outlay	F	ublic Education		District		Capital Outlay &		Total Nonmajor
	Bond Issues		Capital Outlay		Bond		Debt Service		Governmental
	(SBE/COBI) Fund		(PECO) Funds		Fund		(CO & DS) Fund		Funds
				·					_
\$		\$		\$		\$		\$	9,404,437
			9,305,174				239,766		11,163,901
					10,176,065				10,176,065
	13,630		1,326		63,606		6,655		6,591,197 135,293
	13,630		9,306,500		10,239,671		246,421		37,470,893
	-		-		-		-		15,417,693
	-		5,589,000		1,227,086		-		6,816,086
	-		-		-		-		16,506
	-		-		-		-		13,740,000
_	<u>-</u>				<u> </u>		735		17,145,965
_	<u>-</u> .		5,589,000		1,227,086		735		53,136,250
_	13,630		3,717,500		9,012,585	_	245,686	_	(15,665,357)
					24.422				00 700 000
	=		(004.565)		31,183		-		29,789,006
_	-		(821,567)	_	(5,710,917)	_	<u> </u>		(6,532,484)
_	<u>-</u>		(821,567)		(5,679,734)		<u>-</u>		23,256,522
	13,630		2,895,933		3,332,851		245,686		7,591,165
_	3,083,906		14,625,843		8,955,461	_	1,057,732		35,971,124
\$	3,097,536	\$	17,521,776	\$	12,288,312	\$	1,303,418	\$	43,562,289

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE SPECIAL REVENUE FUNDS - FOOD SERVICE For the Fiscal Year Ended June 30, 2009

			(Special Revenue Fu	unds - Fo	od Service	
	_	Original Budget	Final Budget			Actual	 Variance with Final Budget - Under/ (Over)
Revenues							
Intergovernmental: Federal Through State State Local:	\$	8,462,188 82,682	\$	8,713,188 212,682	\$	9,404,437 203,926	\$ 691,249 (8,756)
Food Service Revenue		8,023,210		7,722,210		6,623,869	 (1,098,341)
Total Revenues		16,568,080		16,648,080		16,232,232	 (415,848)
Expenditures							
Current - Education: Food Service Salaries Employee Benefits Purchased Services Energy Services Materials & Supplies Capital Outlay Other Expenses Fixed Capital Outlay: Other Capital Outlay Total Expenditures		5,020,174 2,718,738 389,651 273,539 7,421,455 236,189 524,607		5,066,549 2,734,086 442,734 262,029 7,345,207 219,683 655,774 16,506		4,851,973 2,669,394 328,130 319,754 6,738,747 34,104 475,591 16,506	214,576 64,692 114,604 (57,725) 606,460 185,579 180,183
Excess (Deficiency) of Revenues Over Expenditures		(16,273)		(94,488)		798,033	(1,724,217)
Other Financing Sources							
Transfers In				103,755		103,755	
Total Other Financing Sources				103,755		103,755	
Net Change in Fund Balances		(16,273)		9,267		901,788	(1,724,217)
Fund Balances, July 1, 2008		3,733,168		3,749,441		4,200,161	 450,720
Fund Balances, June 30, 2009	\$	3,716,895	\$	3,758,708	\$	5,101,949	\$ (1,273,497)

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUNDS - STATE BOARD OF EDUCATION BONDS (SBE) For the Fiscal Year Ended June 30, 2009

	D	ebt Service Funds - State Bo	oard of Education Bonds (SE	BE)
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
Revenues				
Intergovernmental: State	\$ 1,219,073	\$ 1,266,202	\$ 1,266,202	\$ -
Total Revenues	1,219,073	1,266,202	1,266,202	
Expenditures				
Debt Service: Principal Interest and Fiscal Charges	660,000 559,073	660,000 538,682	660,000 538,682	<u>.</u>
Total Expenditures	1,219,073	1,198,682	1,198,682	
Excess of Revenues Over Expenditures	<u> </u>	67,520	67,520	
Net Change in Fund Balances	-	67,520	67,520	-
Fund Balances, July 1, 2008	253,747	253,747	253,747	
Fund Balances, June 30, 2009	\$ 253,747	\$ 321,267	\$ 321,267	\$ -

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUNDS - SPECIAL ACTS BOND For the Fiscal Year Ended June 30, 2009

		De	ebt Service Funds	- Special A	Acts Bond	
	 Original Budget		Final Budget		Actual	Variance with Final Budget - Under/ (Over)
Revenues						
Intergovernmental: State Local	\$ 148,833 -	\$	148,833 2,027	\$	148,833 2,027	\$ - -
Total Revenues	 148,833		150,860		150,860	 -
Expenditures	 		<u> </u>			 -
Total Expenditures	 		<u>-</u>			<u>-</u>
Excess of Revenues Over Expenditures	 148,833		150,860		150,860	
Net Change in Fund Balances	148,833		150,860		150,860	-
Fund Balances, July 1, 2008	 293,283		293,283		293,283	
Fund Balances, June 30, 2009	\$ 442,116	\$	444,143	\$	444,143	\$

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUNDS - OTHER DEBT SERVICE For the Fiscal Year Ended June 30, 2009

	Debt Service Funds - Other Debt Service								
	 Original Budget		Final Budget		Actual	Variance with Final Budget - Under/ (Over)			
Revenues									
Local: Other Local Revenue	\$ 15,377	\$	15,377	\$	15,377	\$			
Total Revenues	 15,377		15,377		15,377				
Expenditures									
Debt Service: Principal Interest and Fiscal Charges	 13,080,000 20,923,476		13,080,000 16,606,548		13,080,000 16,606,548		- -		
Total Expenditures	 34,003,476		29,686,548		29,686,548				
Deficiency of Revenues Over Expenditures	(33,988,099)		(29,671,171)		(29,671,171)		-		
Other Financing Sources									
Transfers In	 33,188,522		29,654,068		29,654,068				
Total Other Financing Sources	 33,188,522		29,654,068		29,654,068				
Net Change in Fund Balances	(799,577)		(17,103)		(17,103)		-		
Fund Balances, July 1, 2008	 3,500,991		3,500,991		3,500,991				
Fund Balances, June 30, 2009	\$ 2,701,414	\$	3,483,888	\$	3,483,888	\$	-		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - OTHER CAPITAL PROJECTS For the Fiscal Year Ended June 30, 2009

	Capital Projects Funds - Other Capital Projects								
	_	Original Budget	_	Final Budget		Actual		Variance with Final Budget - Under/ (Over)	
Revenues									
Intergovernmental: State Local: Impact Fees Other Local Revenue	\$	8,500,000 1,493,200	\$	124,205 7,063,049 908,938	\$	124,205 7,063,049 908,938	\$	- - -	
Total Revenues		9,993,200		8,096,192		8,096,192		_	
Expenditures									
Current - Education: Facility Services Fixed Capital Outlay: Facilities Acquisition and Construction		77,530,294		312,723 7,486,073		312,723 7,486,073			
Total Expenditures		77,530,294		7,798,796		7,798,796		<u>-</u>	
Excess/(Deficiency) of Revenues Over Expenditures		(67,537,094)		297,396		297,396			
Net Change in Fund Balances		(67,537,094)		297,396		297,396		-	
Fund Balances, July 1, 2008		144,025,824		141,253,832		141,253,832			
Fund Balances, June 30, 2009	\$	76,488,730	\$	141,551,228	\$	141,551,228	\$		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - CAPITAL OUTLAY BOND ISSUES (SBE/COBI) For the Fiscal Year Ended June 30, 2009

	Capital Projects Funds - Capital Outlay Bond Issues (SBE/COBI)									
		Original Budget		Final Budget	Actual			Variance with Final Budget - Under/ (Over)		
Revenues Local: Other Local Revenue	\$	<u>-</u> _	\$	13,630	\$	13,630	\$			
Total Revenues		<u>-</u>		13,630		13,630		<u>-</u> _		
Expenditures										
Fixed Capital Outlay: Facilities Acquisition and Construction		3,083,906		3,097,536				3,097,536		
Total Expenditures		3,083,906		3,097,536		<u>-</u>		3,097,536		
Excess/(Deficiency) of Revenues Over Expenditures		(3,083,906)		(3,083,906)		13,630		(3,097,536)		
Net Change in Fund Balances		(3,083,906)		(3,083,906)		13,630		(3,097,536)		
Fund Balances, July 1, 2008		3,083,906		3,083,906		3,083,906		<u>-</u>		
Fund Balances, June 30, 2009	\$		\$	-	\$	3,097,536	\$	(3,097,536)		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - PUBLIC EDUCATION CAPITAL OUTLAY (PECO) For the Fiscal Year Ended June 30, 2009

		Capital Projects Funds - Public Education Capital Outlay (PECO)								
	_	Original Budget	Final Budget			Actual		Variance with Final Budget - Under/ (Over)		
Revenues										
Intergovernmental: State Local:	\$	8,483,607	\$	9,305,174	\$	9,305,174	\$	-		
Other Local Revenue		-		1,326		1,326		<u>-</u>		
Total Revenues		8,483,607		9,306,500		9,306,500				
Expenditures										
Fixed Capital Outlay: Facilities Acquisition and Construction		23,219,498		5,589,000		5,589,000				
Total Expenditures		23,219,498		5,589,000		5,589,000		<u>-</u>		
Excess/(Deficiency) of Revenues Over Expenditures		(14,735,891)		3,717,500		3,717,500		-		
Other Financing Sources										
Transfers Out		<u> </u>		(821,567)		(821,567)		<u> </u>		
Total Other Financing Sources		<u>-</u>		(821,567)		(821,567)		<u>-</u>		
Net Change in Fund Balances		(14,735,891)		2,895,933		2,895,933		-		
Fund Balances, July 1, 2008		14,735,891		14,625,843		14,625,843	_			
Fund Balances, June 30, 2009	\$		\$	17,521,776	\$	17,521,776	\$			

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - DISTRICT BOND FUND For the Fiscal Year Ended June 30, 2009

		Capital Projects Funds - District Bond Fund									
	_	Original Budget		Final Budget		Actual	Variance with Final Budget - Under/ (Over)				
Revenues											
Local: Sales Tax Revenue Other Local Revenue	\$	9,600,000	\$	10,176,065 63,606	\$	10,176,065 63,606	\$ -				
Total Revenues		9,600,000		10,239,671		10,239,671					
Expenditures											
Fixed Capital Outlay: Facilities Acquisition and Construction		5,948,363		1,227,086		1,227,086					
Total Expenditures		5,948,363		1,227,086		1,227,086					
Excess of Revenues Over Expenditures		3,651,637		9,012,585		9,012,585					
Other Financing Uses											
Transfers In Transfers Out		(5,688,403)		31,183 (5,710,917)		31,183 (5,710,917)					
Total Other Financing Uses		(5,688,403)		(5,679,734)		(5,679,734)					
Net Change in Fund Balances		(2,036,766)		3,332,851		3,332,851	-				
Fund Balances, July 1, 2008		8,955,491		8,955,461		8,955,461					
Fund Balances, June 30, 2009	\$	6,918,725	\$	12,288,312	\$	12,288,312	\$ -				

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - CAPITAL OUTLAY AND DEBT SERVICE (CO&DS) For the Fiscal Year Ended June 30, 2009

	Capit	Capital Projects Funds - Capital Outlay and Debt Service (CO8						
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)				
Revenues								
Intergovernmental: State Local: Other Local Revenue	\$ 267,000	\$ 239,766 6,655	\$ 239,766 6,655	\$ - 				
Total Revenues	267,000	246,421	246,421					
Expenditures								
Fixed Capital Outlay: Facilities Acquisition and Construction Debt Service: Interest and Fiscal Charges	1,324,732	735	735	- -				
Total Expenditures	1,324,732	735	735					
Excess/(Deficiency) of Revenues Over Expenditures	(1,057,732)	245,686	245,686					
Net Change in Fund Balances	(1,057,732)	245,686	245,686	-				
Fund Balances, July 1, 2008	1,057,732	1,057,732	1,057,732	<u>-</u> _				
Fund Balances, June 30, 2009	\$ -	\$ 1,303,418	\$ 1,303,418	\$ -				

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUNDS - LOCAL CAPITAL IMPROVEMENT TAX FUND (LCIF) For the Fiscal Year Ended June 30, 2009

	Capital Projects Funds - Local Capital Improvement Tax Fund (LCIF)							
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)				
Revenues								
Local: Ad Valorem Taxes Other Local Revenue	\$ 37,926,281	\$ 38,184,790 810,212	\$ 38,184,790 810,212	\$ - -				
Total Revenues	37,926,281	38,995,002	38,995,002					
Expenditures								
Fixed Capital Outlay: Facilities Acquisition and Construction	19,367,110	6,060,699	6,060,699					
Total Expenditures	19,367,110	6,060,699	6,060,699					
Excess (Deficiency) of Revenues Over Expenditures	18,559,171	32,934,303	32,934,303					
Other Financing Uses								
Transfers In Transfers Out	(34,883,467)	94,495 (30,835,558)	94,495 (30,835,558)					
Total Other Financing Uses	(34,883,467)	(30,741,063)	(30,741,063)					
Net Change in Fund Balances	(16,324,296)	2,193,240	2,193,240	-				
Fund Balances, July 1, 2008	16,324,296	16,454,343	16,454,343					
Fund Balances, June 30, 2009	\$ -	\$ 18,647,583	\$ 18,647,583	\$ -				

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA Combining Statement of Changes in Fiduciary Assets and Liabilities Agency Funds

For the Fiscal Year Ended June 30, 2009

School Internal Accounts

	Beginning Balance	Additions	Deductions	Ending Balance		
Assets		•	•	•		
Cash and cash equivalents	\$ 2,350,059	\$ 5,381,752	\$ 5,530,748	\$ 2,201,063		
Total assets	\$ 2,453,511	\$ 5,381,752	\$ 5,530,748	\$ 2,201,063		
Liabilities						
Internal accounts payable	\$ 2,350,059	\$ 5,381,752	\$ 5,530,748	\$ 2,201,063		
Total liabilities	\$ 2,350,059	\$ 5,381,752	\$ 5,530,748	\$ 2,201,063		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA

Combining Statement of Net Assets Component Units June 30, 2009

		Alee Academy, Inc.	Altoona School, Inc.		Mascotte Elementary School, Inc.	Minneola Elementary School, Inc.	Round Lake Elementary School, Inc.
Assets	-			•			<u> </u>
Cash	\$	420,083 \$	186,215	\$	2,363,874 \$	4,823,813 \$	4,708,133
Investments		-	-		-	=	275,248
Accounts Receivable, Net		-	-		7,049	28,255	7,989
Due from Primary Government		-	-		-	=	-
Due from Other Agencies		-	-		-	-	-
Prepaid Expenses		-	-		-	-	-
Other Current Assets		101,190	4,781		-	-	-
Capital Assets:							
Land		303,417	-		-	-	-
Improvements Other Than Buildings, Net		-	-		-	-	42,621
Buildings and Fixed Equipment, Net		1,443,013	45,958		-	-	8,248
Furniture, Fixtures and Equipment, Net		(15,181)	31,837		106,656	4,598	6,387
Motor Vehicles, Net		(202)	-		-	-	-
Total Assets	\$	2,252,320 \$	268,791	\$	2,477,579 \$	4,856,666 \$	5,048,626
Liabilities							
Accrued Payroll and Other Expenses	\$	- \$	-	\$	- \$	- \$	-
Accounts Payable		71,861	63,816		56,608	55,522	16,121
Due to Primary Government		-	-		903,469	1,353,155	1,381,183
Deferred Revenue		-	-		-	-	-
Noncurrent Liabilities:							
Portion Due Within One Year:							
Notes Payable		121,604					
Obligations Under Capital Lease		-					
Liability for Compensated Absences		-			158,752	255,811	277,791
Portion Due After One Year:		_					
Notes Payable		1,380,527					
Obligations Under Capital Lease		-	-		-	-	-
Total Liabilities	=	1,573,992	63,816	_	1,118,829	1,664,488	1,675,095
Net Assets							
Invested in Capital Assets, Net of Related Debt		330,106	77,795		106,656	4,598	57,256
Restricted for:		000,.00	,		100,000	.,000	0.,200
State Categorical Programs							
Capital Projects			5,208		254,104	351,904	432,101
Debt Service		225,100	3,200		201,104	001,004	102,101
Other Purposes		225,100	30,000				
Unrestricted		123,122	91,972		997,990	2,835,676	2,884,174
Total Net Assets	\$	678,328 \$	204,975	\$	1,358,750 \$	3,192,178 \$	3,373,531
. 5.41 1101 / 100010	Ψ_	0.0,020 ψ	201,070	Ψ_	1,000,700 φ	σ,102,170 φ	0,070,001

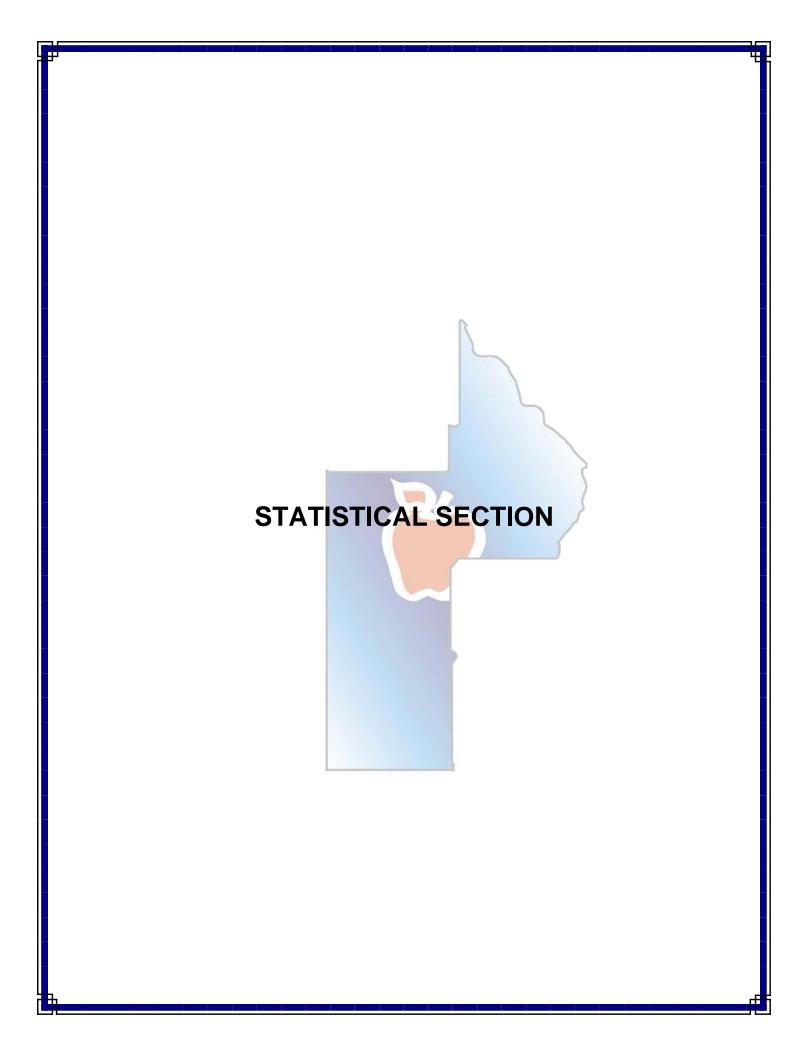
Spring Creek Elementary School, Inc.	Lake Technical Center, Inc.	The Charter School at the National Deaf Academy, Inc.	Milestones Community School, Inc.	South Lake Charter Elementary School	Total Charter Schools	Educational Foundation of Lake County, Inc.	Total Component Units
\$ 2,097,441 \$	1,720,026 \$	56,306 \$	120,142 \$	42,411 \$	16,538,444 \$	563,027 \$	17,101,471
- 5.040	3,074,292	-	-	- 040 440	3,349,540	132,594	3,482,134
5,219	47,261	362,405	980	246,116	705,274	74,710	779,984
-	-	-	- 5,641	216,429 1,080	216,429 6,721	-	216,429 6,721
-	-	-	16,941	17,424	34,365	_	34,365
- -	- -	- -	20,000	-	125,971	- -	125,971
			20,000		.20,07		.20,0.
-	-	-	-	-	303,417	-	303,417
-	-	-	105,542		148,163	-	148,163
=	-	44,889	338,543	91,284	1,971,935	-	1,971,935
3,068	9,946	26,994	6,555	38,589	219,449	=	219,449
	-		<u> </u>	57,520	57,318	<u> </u>	57,318
\$ 2,105,728 \$	4,851,525 \$	490,594 \$	614,344 \$	710,853 \$	23,677,026 \$	770,331 \$	24,447,357
\$ - \$ - 868,110 -	- \$ 67,961 1,118,627 59,220	576,870 \$ - - -	66,809 \$ - - -	284,763 \$ 28,377 - -	928,442 \$ 360,266 5,624,544 59,220	- \$ 151,140 - -	928,442 511,406 5,624,544 59,220
					121,604	0	121,604
			71,874	60,980	132,854	0	132,854
238,477	257,747				1,188,578	0	1,188,578
					1,380,527	0	1,380,527
		<u> </u>		5,419	5,419	0	5,419
1,106,587	1,503,555	576,870	66,809	379,539	9,663,181	151,140	9,814,321
3,068	9,946	71,883	378,766	120,994	1,161,068	0	1,161,068
					0	0	0
59,885			4,221		1,107,423	0	1,107,423
					225,100	0	225,100
	308,000				338,000	185,538	523,538
936,188	3,030,024	(158,159)	92,674	210,320	11,043,981	433,653	11,477,634
\$ 999,141 \$	3,347,970 \$	(86,276) \$	475,661 \$	331,314 \$	13,875,572 \$	619,191 \$	14,494,763

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA

Combining Statement of Activities Component Units For the Year Ended June 30, 2009

	Alee Academy, Inc.	Altoona School, Inc.	Mascotte Elementary School, Inc.	Minneola Elementary School, Inc.	Round Lake Elementary School, Inc.
Expenses:					
Instruction	\$ 1,233,135	\$ 562,302	\$ 3,603,694	\$ 4,838,868	\$ 4,619,839
Pupil Personnel Services	-	12,399	323,371	232,099	417,277
Instructional Support Services	-	-	-	-	-
Instructional Media Services	-	-	60,921	58,071	172,521
Instruction and Curriculum Development Services	-	-	55,970	82,331	60,747
Instructional Staff Training Services	-	-	138,376	165,142	83,385
Board	-	-	23,281	26,172	19,608
School Administration	590,353	174,656	636,962	664,437	785,340
Facility Services	-	-	-	-	430
Fiscal Services	-	-	-	-	-
Food Services	-	3,765	-	-	-
Central Services	-	-	-	-	-
Pupil Transportation Services	165,094	16,782	122,090	85,242	249,970
Operation of Plant	197,899	97,782	409,334	523,921	500,328
Maintenance of Plant	-	32,161	-	-	-
Community Services	-	31,987	79,971	245,587	223,856
Interest on Long-Term Debt	90,555				
Total Expenses	2,277,036	931,834	5,453,970	6,921,870	7,133,301
Program Revenues:					
Charges for Services	-	-	-	-	-
Operating Grants and Contributions	-	24,918	464,436	194,219	151,637
Capital Grants and Contributions					
Total Program Revenues		24,918	464,436	194,219	151,637
Net (Expenses) Revenues	(2,277,036)	(906,916)	(4,989,534)	(6,727,651)	(6,981,664)
General Revenues:					
Grants and Contributions Not Restricted					
to Specific Programs	2,170,475	794,932	5,222,433	6,568,440	7,342,575
Miscellaneous	25,845	49,934	337,889	606,194	405,155
Total General Revenues	2,196,320	844,866	5,560,322	7,174,634	7,747,730
Change in Net Assets	(80,716)	(62,050)	570,788	446,983	766,066
Net Assets - Beginning	829,125	287,215	787,962	2,745,195	2,607,465
Prior Period Adjustment	(70,081)	(20,190)			
Net Assets - Beginning, as restated	759,044	267,025	787,962	2,745,195	2,607,465
Net Assets - Ending	\$ 678,328	\$ 204,975	\$ 1,358,750	\$ 3,192,178	\$ 3,373,531

Elementary Technical National Deaf Community Elementary Charter School, Inc. Center, Inc. Academy, Inc. School, Inc. School Schools C	County, Inc.	Component Units
\$ 2,554,067 \$ 5,643,937 \$ 1,309,134 \$ 675,995 \$ 2,431,755 \$ 27,472,726 \$	-	\$ 27,472,726
236,543 - 231,277 5,665 362 1,458,993	-	1,458,993
- 482,834 482,834	-	482,834
69,418 34,191 395,122	-	395,122
94,263 40,366 - 7,000 - 340,677	-	340,677
19,748	-	427,288
19,866 77,006 - 9,939 31,510 207,382	-	207,382
503,644 807,379 403,020 154,258 1,288,715 6,008,764	-	6,008,764
135,127 - 135,557	-	135,557
- 161,772 - 135,244 - 297,016	-	297,016
2,580 79,836 - 86,181	-	86,181
- 198,820 - 8,438 22,379 229,637	-	229,637
273,533 149,035 147,152 1,208,898	-	1,208,898
310,778 750,027 - 82,045 1,050,600 3,922,714	-	3,922,714
- 2,795 - 8,104 16,484 59,544	-	59,544
109,359 47,268 738,028	810,108	1,548,136
<u> 6,115 11,549 108,219 </u>	-	108,219
4,193,799 8,177,934 1,943,431 1,456,801 5,089,604 43,579,580	810,108	44,389,688
1,259,294 17,244 133,993 1,410,531	-	1,410,531
287,200 1,142,332 - 172,343 460,655 2,897,740	-	2,897,740
		194,433
287,200 1,142,332 1,281,786 308,579 647,597 4,502,704	-	4,502,704
(3,906,599) (7,035,602) (661,645) (1,148,222) (4,442,007) (39,076,876)	(810,108)	(39,886,984)
3,952,865 7,458,193 111,485 1,242,783 4,518,320 39,382,501	523,176	39,905,677
<u>112,201</u> <u>9,073</u> <u>2,888</u> <u>23,566</u> <u>1,572,745</u>	134,789	1,707,534
<u>4,065,066</u> <u>7,458,193</u> <u>120,558</u> <u>1,245,671</u> <u>4,541,886</u> <u>40,955,246</u>	657,965	41,613,211
158,467 422,591 (541,087) 97,449 99,879 1,878,370 -	(152,143)	1,726,227
840,674 2,925,379 454,811 378,212 231,435 12,087,473	771,334	12,858,807
(90,271)		(90,271)
840,674 2,925,379 454,811 378,212 231,435 11,997,202	771,334	12,768,536
\$ 999,141 \$ 3,347,970 \$ (86,276) \$ 475,661 \$ 331,314 \$ 13,875,572 \$	619,191	\$ 14,494,763



DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA STATISTICAL SECTION

This part of the District School Board of Lake County, Florida's Comprehensive Annual Financial Report presents the detail information as a context for understanding what the information in the financial statements, note disclosures and other supplementary information say about the School Board's overall financial health.

Financial Trend Information

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity Information

These schedules contain information to help the reader assess the District's most significant local revenue sources, the ad valorem property tax.

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NET ASSETS BY COMPONENT - GOVERNMENT-WIDE LAST EIGHT FISCAL YEARS (b) (Accrual Basis of Accounting) (Unaudited)

				Fiscal Ye	Fiscal Year Ending			
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
Governmental Activities: Invested in Capital Assets, Net of Related Debt Restricted Unrestricted	\$ 117,938,457 54,291,911 12,059,816	\$ 138,931,700 60,976,011 3,815,038	\$ 106,204,426 119,287,714 1,795,687	\$ 234,618,249 25,913,522 (5,278,297)	\$ 275,104,412 14,846,719 (7,250,544)	\$ 308,195,823 24,746,869 4,874,751	\$ 271,111,705 158,181,484 3,236,910	\$ 272,951,278 171,884,275 6,359,936
Total Governmental Activities Net Assets (a)	184,290,184	203,722,749	227,287,827	255,253,474	282,700,587	337,817,443	432,530,099	451,195,489
Business-Type Activities: Unrestricted	212,504	184,902	168,068	357,858	433,237	603,832	528,746	745,738
Total Business-Type Activities Net Assets	212,504	184,902	168,068	357,858	433,237	603,832	528,746	745,738
Primary Government: Invested in Capital Assets, Net of Related Debt Restricted Unrestricted	117,938,457 54,291,911 12,272,320	138,931,700 60,976,011 3,999,940	106,204,426 119,287,714 1,963,755	234,618,249 25,913,522 (4,920,439)	275,104,412 14,846,719 (6,817,307)	308,195,823 24,746,869 5,478,583	271,111,705 158,181,484 3,765,656	272,951,278 171,884,275 7,105,674
Total Primary Government Net Assets	\$ 184,502,688	\$ 203,907,651	\$ 227,455,895	\$ 255,611,332	\$ 283,133,824	\$ 338,421,275	\$ 433,058,845	\$ 451,941,227

⁽a) The growth in net assets is primarily due to the increase in property taxes and the inception of a sales tax. These revenues were used to pay off debt and to construct or purchase capital assets that will be expensed in future years through depreciation.

⁽b) Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ended June 30, 2002 and as a result information is only available for the last eight years.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA CHANGES IN NET ASSETS - GOVERNMENT-WIDE LAST EIGHT FISCAL YEARS (b) (Accrual Basis of Accounting) (Unaudited)

				Fiscal Ye	Fiscal Year Ending			
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
Expenses:								
Governmental Activities:								
Instruction	\$ 102,348,394	\$ 111,633,886	\$ 126,517,160	\$ 148,828,939	\$ 165,074,296	\$ 181,376,758	\$ 202,687,392	192,313,386
Pupil Personnel Services	9,922,821	10,345,893	7,0,025,01,077	12,280,991	13,073,037	14,005,254	15,169,099	3 555 707
Instruction and Curriculum	0,752,00	0,500,	2,500,	5,5	00-100-100	20,010,0	0,000,000	0,000,0
Development Services	4.924.268	4.963.072	6.042.577	5.053.152	5.653.349	6.577.283	7.301.745	8.555.240
Instructional Staff Training Services	1,288,141	2,234,693	3,190,472	5,326,898	806'809'9	7,175,881	8,032,580	8,264,672
Instruction Related Technology (c)					1,819,829	2,267,854	2,686,279	3,014,937
Board of Education	536,035	509,084	682,504	764,882	744,824	591,518	1,199,774	1,062,337
General Administration	1,064,010	1,304,594	1,267,105	1,571,086	1,396,989	1,291,510	1,437,635	1,376,414
School Administration	11,694,780	12,648,254	13,560,175	14,065,517	14,922,963	16,351,813	17,302,826	17,563,599
Facility Services	2,732,225	5,047,239	1,722,465	6,940,913	12,532,579	49,215	9,748,826	3,439,352
Fiscal Services	1,228,253	1,477,359	1,737,683	1,558,943	1,778,358	2,098,246	1,862,969	1,871,890
Food Services	9,550,187	10,803,528	12,082,005	12,533,932	13,341,653	14,111,709	15,269,624	15,425,111
Central Services	2,763,327	4,651,175	5,965,810	5,791,421	3,792,366	4,537,733	4,936,060	4,458,428
Pupil Transportation Services	9,571,676	11,010,564	22,182,269	13,657,632	16,908,646	16,027,027	17,304,697	16,461,927
Operation of Plant	12,044,231	13,863,112	14,110,422	16,286,743	20,458,568	21,920,610	23,362,272	23,486,694
Maintenance of Plant	5,344,050	5,821,629	6,075,851	6,431,966	5,863,572	6,694,281	6,600,430	6,725,548
Administrative Technology Services (c)		•	i	•	376,231	443,920	462,297	463,696
Community Services	958,807	938,295	1,436,945	1,016,740	862,814	704,462	594,796	137,383
Interest and Fiscal Charges	4,734,899	8,567,706	10,352,343	11,414,323	20,028,810	18,709,706	16,863,469	16,437,148
Depreciation/Amortization	4,630,502	4,985,226	•	14,129,628	15,210,725	17,961,240	19,046,510	25,620,360
Loss on Disposal of Capital Assets				8,988,237			432,930	
Total Governmental Activities Expenses	188,566,392	214,010,475	241,383,848	289,883,877	323,881,675	336,509,347	376,111,550	366,625,602
Business-Type Activities: Extended Learnino Center Program	1.320.504	1.357.107	1.509.164	1.667.823	1.999.377	2.033.489	2.102.235	2.199.535
						000	2011	00000
Total Business-Type Activities Expenses	1,320,504	1,357,107	1,509,164	1,667,823	1,999,377	2,033,489	2,102,235	2,199,535
Total Primary Government Expenses	189,886,896	215,367,582	242,893,012	291,551,700	325,881,052	338,542,836	378,213,785	368,825,137
Program Revenues: Governmental Activities: Charges for Services Instruction Food Services Pupil Transportation Services Operating Grants and Contributions	1,059,166 4,153,650 - 14,012,378	1,194,384 4,616,994 14,765,442	1,291,749 5,672,390 - 15,280,497	458,833 6,015,368 - 14,068,079	325,938 7,817,717 915,000 15,038,718	469,954 7,120,958 560,320 15,823,513	576,261 7,007,022 710,522 17,361,832	28,175 6,591,197 570,499 18,786,520
Capital Grants and Contributions Total Governmental Activities Program Revenues	6,112,059	9,642,175	£ 43.213.070	\$ 41,560,227	15,523,713	10,031,520	\$ 101.391.988	10,833,381
) I							
Business-Type Activities: Charges for Services	\$ 1,549,598	\$ 1,531,500	\$ 1,628,013	\$ 1,857,613	\$ 2,201,549	\$ 2,204,084	\$ 2,027,149	\$ 2,317,062
Total Business-Type Activities Program Revenues	1,549,598	1,531,500	1,628,013	1,857,613	2,201,549	2,204,084	2,027,149	2,317,062

Total Primary Government Program Revenues	26,886,851	31,750,495	44,841,083	43,417,840	41,822,635	36,210,349	103,419,137	39,126,834
Net (Expenses)/Revenues Governmental Activities Business-Type Activities	(163,229,139) 229,094	(183,791,480) 174,393	(198,170,778) 118,849	(248,323,650) 189,790	(284,260,589) 202,172	(302,503,082) 170,595	(274,719,562) (75,086)	(329,815,830) 117,527
Total Primary Government Net Expenses	(163,000,045)	(183,617,087)	(198,051,929)	(248,133,860)	(284,058,417)	(302,332,487)	(274,794,648)	(329,698,303)
General Revenues and Other Changes in Net Assets: Governmental Activities: Property Taxes:								
Levied for Operational Purposes Levied for Capital Projects	50,758,626 16,361,045	57,621,817 18,021,303	63,974,995 19,868,366 8,406,671	70,124,629 23,378,280	82,566,965 27,609,765	103,930,799 36,794,450	121,488,446 42,594,552	127,802,923 38,870,941
Local Safes Taxes Grants and Contributions Not Restricted to Specific Programs Investment Earnings Miscellaneous Transfers	103,043,085 2,225,786 2,489,722	3,523,29,79,715,006,032 3,270,177 1,698,412	0,490,071 124,629,035 2,786,241 1,844,865	10,:45,220 141,749,516 3,695,415 27,096,231	1,617,700 158,884,150 7,472,606 28,086,298 126,793	1,07,1,003 172,782,817 10,860,156 2,150,429	172,779,838 7,729,815 14,043,243	10,176,065 160,135,889 1,446,895 10,048,507
Total Governmental Activities	174,878,264	198,947,038	221,600,173	276,289,297	316,564,357	338,190,016	369,432,218	348,481,220
Business-Type Activities: Transfers		'			(126,793)	,		99,465
Total Business-Type Activities					(126,793)			99,465
Total Primary Government General Revenues and Other Changes in Net Assets	174,878,264	198,947,038	221,600,173	276,289,297	316,437,564	338,190,016	369,432,218	348,580,685
Changes in Net Assets: (a) Governmental Activities Business-Type Activities	11,649,125 229,094	15,155,558 174,393	23,429,395 118,849	27,965,647 189,790	32,303,768 75,379	35,686,934 170,595	94,712,656 (75,086)	18,665,390 216,992
Total Primary Government	\$ 11,878,219	\$ 15,329,951	\$ 23,548,244	\$ 28,155,437	\$ 32,379,147	\$ 35,857,529	\$ 94,637,570	\$ 18,882,382

Notes:

(a) The growth in net assets is primarily due to the increase in property taxes and the inception of a sales tax. These revenues were used to pay off debt and to construct or purchase capital assets that will be expenses in future years through depreciation.

⁽b) Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ended June 30, 2002 and as a result information is only available for the last eight years.

⁽c) In the fiscal year ended June 30, 2006, two new function/program expense classifications were established to report technology expenses previously reported in central services.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST EIGHT FISCAL YEARS (b)

(Accrual Basis of Accounting)
(Unaudited)

Fiscal		Property	у Тах		Sales	Total
Year Ending		eral oses	Capita Projec		Tax (a)	
June 30, 2009	\$ 127,	802,923	\$38,870,	941	\$ 10,176,065	\$ 176,849,929
June 30, 2008	121,	488,446	42,594,	552	10,796,324	174,879,322
June 30, 2007	103,	930,799	36,794,	450	11,671,365	152,396,614
June 30, 2006	82,	566,965	27,609,	765	11,817,780	121,994,510
June 30, 2005	70,	124,629	23,387,	280	10,245,226	103,757,135
June 30, 2004	63,	974,995	19,868,	366	8,496,671	92,340,032
June 30, 2003	57,	621,817	18,021,	303	3,329,297	78,972,417
June 30, 2002	50.	758,626	16,361,	045	-	67,119,671

Notes:

- (a) The School Board began to receive the Sales Tax Revenues beginning January 1, 2003. The District's portion of this tax is one-third of one percent based on a seven percent total sales tax within the county.
- (b) Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ended June 30, 2002 and as a result information is only available for the last eight years.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

For the Fiscal Year Ending June 30, 2003 June 30, 2004 June 30, 2000 June 30, 2001 June 30, 2002 **General Fund** Reserved for: \$ 1,509,011 \$ 944,682 \$ 1,329,024 \$ 907,998 \$ 1,338,217 Encumbrances State Categorical Programs 2,964,489 2,594,872 3,798,443 2,971,478 4,451,282 Inventory 974,300 1,136,608 1,117,755 989,764 894,678 Other Purposes 61,814 970,874 922,522 Unreserved 1,967,699 7,462,000 13,247,477 9,317,782 13,287,752 Total General Fund 7,415,499 12,138,162 15,624,818 19,127,866 20,854,176 **All Other Governmental Funds** Reserved for: Retirement of Long-Term Debt \$ 4,337,421 4,676,080 \$ 5,851,097 5,216,891 Encumbrances 46,182,860 7,632,208 6,351,989 8,296,117 17.103.523 Inventory 244,093 348,977 364,067 353,588 334,821 Other Purposes 153,501,518 58,802,964 Unreserved, Reported in: Special Revenue Funds 2,586,572 2,565,051 2,742,034 2,467,027 2,352,255 **Debt Service Funds** 106,700 107,970 104.273 4,701,142 Capital Projects Funds 36,274,835 49,437,751 31,497,186 Total All Other Governmental Funds 45,656,418 179,383,453 51,843,311 64,660,067 112,997,761

For the Fisc:	al Year Ending
---------------	----------------

J	une 30, 2005	J	une 30, 2006	une 30, 2007	 une 30, 2008	J	une 30, 2009
\$	1,794,925	\$	1,942,713	\$ 2,499,114	\$ 3,364,244	\$	3,158,632
	3,275,426		1,634,031	3,107,549	1,786,296		2,214,250
	972,455		1,141,079	1,129,160	1,247,935		1,201,164
	-		-	-	-		
	10,001,351		9,334,044	 19,516,393	 21,386,986		21,364,843
\$	16,044,157	\$	14,051,867	\$ 26,252,216	\$ 27,785,461	\$	27,938,889
				_			
\$	5,100,854	\$	-	\$ -	\$ 4,048,021	\$	4,249,298
	15,866,397		44,777,942	78,361,016	21,791,307		58,836,752
	261,035		235,622	222,824	211,512		297,849
	-		-	-	-		
	2,192,037		2,810,319	3,480,593	3,972,376		4,781,346
	110,350		3,603,347	7,111,968	-		
	83,781,540		96,921,919	 67,754,433	 163,656,083		135,595,855
\$	107,312,213	\$	148,349,149	\$ 156,930,834	\$ 193,679,299	\$	203,761,100

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

		Fands Els 11	V F 15	
	June 30, 2000	For the Fiscal June 30, 2001	Year Ending June 30, 2002	June 30, 2003
Revenues:	Julie 30, 2000	Julie 30, 2001	Julie 30, 2002	Julie 30, 2003
Federal Direct	\$ 556,829	\$ 1,239,186	\$ 1,030,639	\$ 901,079
Federal Through State	14,926,033	15,365,128	17,704,669	19,613,533
State	111,500,339	127,397,523	101,754,061	114,840,424
Local	73,646,322	78,632,170	79,791,051	93,806,131
Total Revenues	200,629,523	222,634,007	200,280,420	229,161,167
Expenditures:				
Current: Instruction	88,593,875	97,208,286	99,213,544	108,231,339
Pupil Personnel Services	9,000,240	9,554,246	9,837,345	10,183,426
Instructional Media Services	2,964,607	2,629,932	2,597,194	2,782,230
Instruction and Curriculum				
Development Services	5,070,432	4,853,859	4,886,551	4,871,745
Instructional Staff Training Services	1,213,915	1,218,617	1,286,376	2,208,280
Instruction Related Technology	- 	420.240	- E26 025	- E06 993
Board of Education General Administration	567,957 1,067,756	439,340 1,005,401	536,035 1,063,760	506,883 1,099,680
School Administration	10,673,792	10,992,595	11,352,561	12,479,988
Facility Services	-	6,500	1,158	1,439,417
Fiscal Services	996,077	1,177,334	1,200,781	1,439,481
Food Services	7,536,698	8,346,187	9,020,878	10,311,624
Central Services	2,364,105	2,276,817	2,549,113	4,492,076
Pupil Transportation Services	6,942,840	7,726,630	8,076,092	9,575,623
Operation of Plant	10,690,362	11,196,946	11,940,347	13,722,495
Maintenance of Plant	3,986,671	4,533,067	5,299,791	5,724,283
Administrative Technology Services	-	-	-	-
Community Services	1,699,050	2,331,173	958,807	932,672
Capital Outlay: Facilities Acquisition and Construction	36,056,984	29,904,803	33,726,690	29,180,352
Other Capital Outlay	4,342,816	2,953,440	3,289,277	3,542,876
Debt Service:	.,,	_,,,,,,,	-,,	-,- :=,-: -
Principal	4,664,819	4,779,819	4,794,819	3,055,000
Interest and Fiscal Charges	5,159,862	5,412,130	4,734,899	9,833,927
Total Expenditures	203,592,858	208,547,122	216,366,018	235,613,397
Excess of Revenues over (under) Expenditures	(2,963,335)	14,086,885	(16,085,598)	(6,452,230)
Other Financing Sources (Uses)				
Issuance of Bonds	499,628	1,870,742	565,225	45,990,000
Premium on Sale of Bonds	-	-	-	1,572,714
Discount on Sale of Bonds	-	-	-	-
Certificates of Participation Issued	-	-	-	94,670,000
Premium on Certificates of Participation	-	-	-	1,232,831
Assets Acquired Under Capital Leases Loans Incurred	-	-	-	-
Proceeds from the Sale of Capital Assets	-	118,336	20,557	4,866
Payments to Refunded Certificates of Participation Escrow Agent	-	-	-	-,000
Payments to Refunded Bond Escrow Agent	-	-	-	-
Transfers In	8,796,712	8,857,103	10,626,948	11,987,064
Transfers Out	(9,786,248)	(9,431,218)	(10,610,358)	(11,785,069)
Total Other Financing Sources (Uses)	(489,908)	1,414,963	602,372	143,672,406
Net Change in Fund Balance	(3,453,243)	15,501,848	(15,483,226)	137,220,176
Fund Balance, Beginning	64,725,764	61,272,521	76,774,369	61,291,143
Find Polance Ending	f 64 070 504	f 70 774 200	£ 64 204 442	£ 400 544 240
Fund Balance, Ending	\$ 61,272,521	\$ 76,774,369	\$ 61,291,143	\$ 198,511,319
Ratio of Debt Service to Non-Capital Expenditures				
Total Debt Service Total Non-Capital Expenditures	\$ 9,824,681 163,193,058	\$ 10,191,949 175,688,879	\$ 9,529,718 179,350,051	\$ 12,888,927 202,890,169
·				
Ratio of Debt Service to Non-Capital Expenditures	6.02%	5.80%	5.31%	6.35%

		For the Fisca	l Year Ending		
June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
\$ 803,909	\$ 694,082	\$ 901,623	£ 1.116.204	¢ 1 220 416	\$ 1,600,920
\$ 803,909 21,264,694	\$ 694,082 25,037,318	\$ 901,623 28,362,225	\$ 1,116,304 29,501,330	\$ 1,230,416 31,408,156	\$ 1,600,920 31,392,023
127,680,033	152,083,093	160,216,757	168,019,215	233,239,449	156,638,002
115,064,607	139,576,729	159,540,935	195,464,324	204,946,184	196,371,880
264 912 242	317,391,222	349,021,540	204 101 172	470 924 205	
264,813,243	317,391,222	349,021,340	394,101,173	470,824,205	386,002,825
122,340,953	146,778,520	164,701,712	183,588,977	199,773,001	190,969,430
11,275,826	11,998,218	13,035,330	14,005,255	15,169,099	16,391,773
2,899,749	3,175,360	3,424,106	3,613,327	3,809,340	3,555,707
5,580,523	4,944,841	5,638,732	6,577,283	7,301,745	8,555,240
2,994,420	5,225,873	6,593,615	7,175,881	8,032,580	8,264,672
-	-	1,815,503	2,267,854	2,686,279	3,014,937
680,654	759,832	744,225	591,518	1,199,774	1,062,337
1,258,921	1,554,019	1,395,185	1,291,510	1,437,635	1,376,414
13,373,916	13,729,489	14,877,138	16,351,813	17,302,826	17,563,599
1,311,017	7,551,353	1,947	49,215	6,752,681	1,279,214
1,708,055	1,525,544	1,773,493	2,098,246	1,862,969	1,871,890
11,737,685	12,400,215	13,325,201	14,111,710	15,269,624	15,425,111
5,211,600	5,682,175	3,719,145	4,537,733	4,936,060	4,458,428
11,088,794	13,459,397	14,866,351	16,027,027	17,304,697	16,461,927
13,986,993	16,148,234	20,439,481	21,920,610	23,362,272	23,486,694
5,569,163	6,319,869	5,850,236	6,694,281	6,600,430	6,725,548
-	-	375,411	443,920	462,297	463,696
1,159,611	977,060	857,565	704,462	594,796	137,383
101,538,879	99,935,279	73,127,148	119,710,152	67,141,609	20,362,858
3,611,069	4,203,667	9,135,305	7,268,295	1,825,146	1,555,888
5,119,962	7,580,000	12,935,021	13,892,829	15,142,395	15,326,448
10,311,554	12,244,349	15,370,349	16,876,898	17,673,194	17,322,205
332,759,344	376,193,294	384,002,199	459,798,796	435,640,449	375,631,399
(67,946,101)	(58,802,072)	(34,980,659)	(65,697,623)	35,183,756	10,371,426
995,000	17,965,000	4,185,000	-	2,990,000	
-	332,071	7,981,937	-	107,954	
(9,929)	- 38,835,000	- 118,275,000	112,570,000	-	
_	620,209	-	5,284,475	-	
2,165,965	-	4,932,825	5,058,094	-	
-	-	-	-	-	
-	458,400	620,727	(26.422.012)	-	
	(9,904,175)	(61,966,537)	(36,432,912)	-	
17,009,680 (16,873,997)	25,213,509 (25,213,509)	38,140,808 (38,144,455)	39,510,795 (39,510,795)	36,125,913 (36,125,913)	37,931,055 (38,067,252)
3,286,719	48,306,505	74,025,305	86,479,657	3,097,954	(136,197)
(64,659,382)	(10,495,567)	39,044,646	20,782,034	38,281,710	10,235,229
198,511,319	133,851,937	123,356,370	162,401,016	183,183,050	221,464,760
\$ 133,851,937	\$ 123,356,370	\$ 162,401,016	\$ 183,183,050	\$ 221,464,760	\$ 231,699,989
\$ 15,431,516 227,609,396	\$ 19,824,349 272,054,348	\$ 28,305,370 301,739,746	\$ 30,769,727 332,820,349	\$ 32,815,589 366,673,694	\$ 32,648,653 353,712,653
6.78%	7.29%	9.38%	9.25%	8.95%	9.23%
2070	2070	2.2070	2.2070	2.3070	2.2070

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SUMMARY OF REVENUES, EXPENDITURES (by Major Object), AND CHANGES IN FUND BALANCES - GENERAL FUND LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

				Fiscal Ye	ar Er	nding		
	Ju	ne 30, 2000	Jı	une 30, 2001		ine 30, 2002	Ju	ine 30, 2003
Federal Direct Sources:	•	07.050	•	445.040	•	400.000	•	450 540
Reserve Officers Training Corps (ROTC) Miscellaneous Federal Direct	\$	87,650	\$	115,348	\$	133,036	\$	152,548
Miscellaneous Federal Direct		9,133	_	835	_	705		195
Total Federal Direct		96,783		116,183		133,741		152,743
				,				,
Federal Through State Sources:								
Other Federal Through State Grants		393,482		490,802		572,646		574,630
Total Federal Through State Sources		393,482		490,802		572,646		574,630
State Sources:								
Florida Education Finance Program (FEFP)		65,710,647		75,242,001		73,383,429		82,424,618
Categorical Programs		16,977,272		13,594,483		16,195,814		14,700,457
District Discretionary Lottery Funds		1,705,223		2,167,721		2,652,576		2,211,944
Workforce Development		4,219,346		4,533,063		4,338,161		4,411,798
State Grants and Other State Sources		1,720,625		1,609,128		758,651		708,094
otate oranis and other otate oddrees		1,720,023	_	1,000,120	_	730,031		700,034
Total State Sources		90,333,113		97,146,396		97,328,631		104,456,911
						01,000,000		
Local Sources:								
Ad Valorem Taxes		45,716,905		48,375,191		50,758,626		57,621,817
Interest Income and Others		1,148,905		1,628,319		762,257		449,906
Local Grants and Other Local Sources		3,296,357		3,337,104		1,979,738		2,445,024
Total Local Sources		50,162,167		53,340,614		53,500,621		60,516,747
Total Revenues		140,985,545		151,093,995		151,535,639		165,701,031
Francisco (by abject)								
Expenditures: (by object)		00 000 017		00 000 057		00 000 100		400 405 070
Salaries		89,832,317		89,803,057		96,399,100		102,185,278
Employee Benefits		23,556,804		27,737,042		24,595,182		26,307,864
Purchased Services		11,322,745		12,723,246		13,483,389		19,649,333
Energy Services		4,389,089		4,678,882		4,677,346		5,259,168
Material and Supplies		4,590,857		5,691,056		5,988,086		7,036,227
Capital Outlay		3,041,727		2,936,029		2,551,184		3,507,191
Other Expenditures		1,897,488		2,552,583		1,682,041		2,021,831
Total Expenditures		138,631,027		146,121,895		149,376,328		165,966,892
Excess (Deficiency) of Revenues								
Over Expenditures		2,354,518		4,972,100		2,159,311		(265,861)
Other Financina Servers (Hees) Not		(005, 440)		(040 407)		4 227 252		2.750.000
Other Financing Sources (Uses), Net		(965,440)		(249,437)		1,337,252		3,759,002
Excess (Deficiency) of Revenues								
and Other Sources Over								
Expenditures and Other Uses		1,389,078		4,722,663		3,496,563		3,493,141
Beginning Fund Balances		6,026,421		7,415,499		12,138,162		15,634,725
Dogg . and Dalanooc		0,020,121		7,110,100		12,100,102		10,001,120
Ending Fund Balances	\$	7,415,499	\$	12,138,162	\$	15,634,725	\$	19,127,866
Breakdown of Fund Balances:			_	_,			_	
Reserved for Encumbrances	\$	1,509,011	\$	944,682	\$	1,329,024	\$	907,998
Reserved for State Categoricals		2,964,489		2,594,872		3,798,443		2,971,478
Reserved for Inventory		974,300		1,136,608		1,117,755		989,764
Reserved for Other Purposes		-		-		71,721		970,874
Unreserved Fund Balances		1,967,699		7,462,000		9,317,782		13,287,752
T. 15 15 1			_	40.40- :	_	4= 00 :	_	10 10
Total Fund Balances	\$	7,415,499	\$	12,138,162	\$	15,634,725	\$	19,127,866
Unreceived Fund Polance to Povenies		1 20570/		4 02060/		6 1 4 9 0 0 /		0.04040/
Unreserved Fund Balance to Revenues		1.3957%	_	4.9386%	_	6.1489%		8.0191%

				scal Year E			
J	une 30, 2004	June 30, 2005	June 30, 2	2006	June 30, 2007	June 30, 200	8 June 30, 2009
\$	197,583 760	\$ 257,044 775	\$ 24	8,496 \$ -	256,441 -	\$ 221,8	359 \$ 247,728
	198,343	257,819	24	8,496	256,441	221,8	359 247,728
	-	<u> </u>					<u> </u>
	556,263	1,121,752	89	1,342	693,633	927,8	1,057,374
	556,263	1,121,752	89	1,342	693,633	927,8	1,057,374
	87,175,570	95,296,980		5,790	102,480,811	90,807,1	
	21,817,895	27,560,397		1,363	47,891,120	57,961,1	
	1,552,410	1,894,039	,	0,682	1,505,938	1,878,8	,
	4,381,614 681,021	4,528,142 738,435		5,133 2,954	4,941,930 406,869	4,870,4 1,024,9	
	115,608,510	130,017,993	143,87	5,922	157,226,668	156,542,5	144,905,101
	63,974,995	70,124,629	82,16	1,198	103,930,753	121,448,4	125,835,016
	409,797	806,847		9,808	1,693,914	1,640,9	
	2,678,663	2,787,315	3,85	8,127	7,832,148	3,315,7	704 6,369,970
	67,063,455	73,718,791	87,81	9,133	113,456,815	126,405,1	21 132,494,890
	183,426,571	205,116,355	232,83	4,893	271,633,557	284,097,4	278,705,093
	112,568,444	126,161,156	139,01	A 461	150,108,820	164,150,3	156,600,796
	30,028,696	35,597,912	40,73		45,599,247	48,584,6	
	24,803,144	31,569,356	42,61		50,453,715	51,850,9	
	5,612,071	6,897,564		1,099	9,419,484	10,341,5	
	7,294,812	8,098,491		0,816	7,068,608	7,903,6	
	2,965,476	6,262,477		2,316	8,066,235	3,079,8	
	2,363,656	2,712,638	6,73	3,916	4,775,402	6,805,7	6,495,849
	185,636,299	217,299,594	250,06	8,717	275,491,511	292,716,8	285,907,132
	(2,209,728)	(12,183,239)	(17,23	3,824)	(3,857,954)	(8,619,4	(7,202,039)
	3,936,038	7,373,220	15 24	1,534	16,058,303	10,152,6	7,355,467
	3,330,030	1,010,220	10,24	1,554	10,030,000	10,132,0	7,000,401
	1,726,310	(4,810,019)	(4.00	2,290)	12,200,349	1,533,2	245 153,428
	19,127,866	20,854,176	, ,	4,157	14,051,867	26,252,2	
\$	20,854,176	\$ 16,044,157	\$ 14,05	1,867 \$	26,252,216	\$ 27,785,4	\$ 27,938,889
\$	1,338,217	\$ 1,794,925	\$ 1,94	2,713 \$	2,499,114	\$ 3,364,2	244 \$ 3,158,632
	4,451,282	3,275,426	1,63	4,031	3,107,549	1,786,2	2,214,250
	894,678	972,455	1,14	1,079	1,129,160	1,247,9	1,201,164
_	922,522 13,247,477	10,001,351	9,33	4,044	19,516,393	21,386,9	21,364,843
\$	20,854,176	\$ 16,044,157	\$ 14,05	1,867 \$	26,252,216	\$ 27,785,4	\$ 27,938,889
	7.2222%	4.8759%	4.0	0089%	7.1848%	7.528	7.6658%

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SUMMARY OF REVENUES, EXPENDITURES (by Major Object), AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS - FOOD SERVICE LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

Fiscal Year Ending June 30, 2000 June 30, 2001 June 30, 2002 June 30, 2003 **Federal Through State Sources:** Food Service 3,924,141 4,093,938 4,499,830 5,026,654 **USDA** Donated Foods 363,858 382,534 439,557 412,613 Total Federal Through State Sources 4,287,999 4,476,472 4,939,387 5,439,267 **State Sources: Food Services** 165,179 158,083 171,221 175,5<u>59</u> **Total State Sources** 158,083 171,221 175,559 165,179 **Local Sources:** 3,755,615 Food Service Sales 3,362,458 4,153,650 4,617,425 Interest Income and Others 127,028 139,924 78,567 55,445 **Total Local Sources** 3,489,486 3,895,539 4,232,217 4,672,870 **Total Revenues** 7,942,664 8,530,094 9,342,825 10,287,696 Expenditures: (by object) Salaries 2,543,256 2,695,781 2,932,056 3,379,771 **Employee Benefits** 932.192 1.276.625 1.123.120 1.396.703 **Purchased Services** 276,373 216,326 200,779 266,601 **Energy Services** 308,970 5.775 174,021 203,979 Material and Supplies 3,520,641 3,767,992 4,305,046 4,645,085 Capital Outlay 62,444 58,149 73,755 101,034 Other Expenditures 1,021,798 373,488 381,717 491,252 **Total Expenditures** 8,358,184 8,566,677 9,220,452 10,589,416 Excess (Deficiency) of Revenues **Over Expenditures** (415,520)(36,583)122,373 (301,720)Other Financing Sources (Uses), Net 31,041 52,359 Excess (Deficiency) of Revenues and Other Sources Over **Expenditures and Other Uses** (415,520)(5,542)122,373 (249,361)Beginning Fund Balances 3,357,909 2,942,389 2,936,847 3,059,220

2,942,389

Ending Fund Balances

Source: District Records

2,936,847

3,059,220

2,809,859

(Continued)

Fiscal `	Year	Endina	ı
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	ne 30, 2004	1	ine 30, 2005	1	ne 30, 2006	ing ine 30, 2007	1	ne 30, 2008	1	ne 30, 2009
Jui	ie 30, 2004		ine 30, 2005	Ju	ne 30, 2006	 ne 30, 2007	Ju	ne 30, 2008	Ju	ne 30, 2009
\$	5,325,312 446,850	\$	5,717,298 313,255	\$	6,583,182 336,290	\$ 7,035,669 249,379	\$	8,445,276 -	\$	8,637,001 767,436
	5,772,162		6,030,553		6,919,472	 7,285,048		8,445,276		9,404,437
	185,598		185,193		180,767	 188,493		198,667		203,926
	185,598		185,193		180,767	 188,493		198,667		203,926
	5,672,390 39,627		5,985,412 46,617		6,696,233 45,338	7,131,910 98,849		7,007,022 54,015		6,603,298 20,573
	5,712,017		6,032,029		6,741,571	 7,230,759		7,061,037		6,623,871
	11,669,777		12,247,775		13,841,810	 14,704,300		15,704,980		16,232,234
	3,985,282 1,602,916 224,456 211,144 5,379,909 95,501 401,557		4,201,027 1,941,413 247,150 242,869 5,299,976 66,155 456,079		4,406,303 2,132,563 214,620 175,256 5,823,606 60,501 379,594	4,654,369 2,321,461 248,918 196,311 6,189,827 136,243 347,437		4,983,214 2,435,895 336,972 207,387 6,770,864 142,014 345,447		4,951,974 2,669,394 328,130 219,754 6,738,748 50,610 475,591
	11,900,765		12,454,669		13,192,443	 14,094,566		15,221,793		15,434,201
	(230,988) 85,896		(206,894)		649,367	 609,734		483,187		798,033 103,755
	(145,092)		(206,894)		649,367	609,734		483,187		901,788
	2,809,859		2,664,767		2,457,873	 3,107,240		3,716,974		4,200,161
\$	2,664,767	\$	2,457,873	\$	3,107,240	\$ 3,716,974	\$	4,200,161	\$	5,101,949

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SUMMARY OF REVENUES, EXPENDITURES (by Major Object), AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS - OTHER SPECIAL REVENUE LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

				Fiscal Ye	ar End	ing		
	Jun	e 30, 2000	Ju	ne 30, 2001	Ju	ne 30, 2002	Ju	ne 30, 2003
Federal Direct Sources:								
Miscellaneous Federal Direct	\$	460,046	\$	1,123,003	\$	896,898	\$	748,336
Total Federal Direct		460,046		1,123,003		896,898		748,336
Federal Through State Sources: Other Federal Through State Grants		10,244,552		10,397,854		12,192,635		13,599,636
Total Federal Through State Sources		10,244,552		10,397,854		12,192,635		13,599,636
State Sources: State Grants and Other State Sources		<u>-</u>				565,684		339,533
Total State Sources						565,684		339,533
Local Sources: Local Grants and Other Local Sources		17,385		109,715		704,060		888,101
Total Local Sources		17,385		109,715		704,060		888,101
Total Revenues		10,721,983		11,630,572		14,359,277		15,575,606
Expenditures: (by object)								
Salaries		4,520,171		5,867,867		7,400,724		7,993,832
Employee Benefits		1,209,433		1,737,894		1,945,864		2,047,380
Purchased Services		976,609		694,430		762,058		1,042,171
Energy Services		834		1,053		1,056		447
Material and Supplies		1,277,175		1,170,047		1,356,311		1,563,190
Capital Outlay		2,191,893		1,425,340		1,933,431		1,742,464
Other Expenditures		545,868		733,941		1,144,746		1,246,659
Total Expenditures		10,721,983		11,630,572		14,544,190		15,636,143
Excess (Deficiency) of Revenues						(184 012)		(60.527)
Over Expenditures						(184,913)		(60,537)
Other Financing Sources (Uses), Net						301,950		-
Excess (Deficiency) of Revenues and Other Sources Over								
Expenditures and Other Uses		-		-		117,037		(60,537)
Beginning Fund Balances				-		-		117,037
Ending Fund Balances	\$	<u>-</u>	\$	<u>-</u>	\$	117,037	\$	56,500

Fiscal	Year	Ending

Ju	ine 30, 2004	Ju	ine 30, 2005	Ju	ne 30, 2006		ne 30, 2007	June 30, 2008		Ju	ine 30, 2009
											<u> </u>
\$	605,566	\$	436,263	\$	653,127	\$	859,863	\$	1,008,557	\$	1,353,192
	605,566		436,263		653,127		859,863		1,008,557		1,353,192
	14,936,269		17,885,013		20,551,411		21,522,649		22,035,000		20,930,212
	14,936,269		17,885,013		20,551,411		21,522,649		22,035,000		20,930,212
	812,922		655,249		345,701		445,296		513,641		444,795
	812,922		655,249		345,701		445,296		513,641		444,795
	- ,-		,				-,		,-		,
	531,445		202,439		97,391		99,745		142,188		7,446
	531,445		202,439		97,391		99,745		142,188		7,446
	16,886,202		19,178,964		21,647,630		22,927,553		23,699,386		22,735,645
	7,931,078		8,040,601		8,727,634		8,874,409		9,545,931		9,560,872
	2,132,257		2,209,253		2,432,263		2,604,027		2,811,698		3,027,043
	1,197,504		1,471,429		1,682,868		2,188,302		2,854,293		3,120,884
	13,206 1,884,227		19,819 2,080,395		1,350 2,899,167		1,505 3,229,271		3,123 2,999,564		2,113 2,941,532
	2,528,467		3,892,496		4,641,671		5,072,667		3,868,951		2,916,512
	1,312,778		1,490,855		1,296,865		957,372		1,609,744		1,159,566
	16,999,517		19,204,848		21,681,818		22,927,553		23,693,304		22,728,522
	(113,315)		(25,884)		(34,188)		_		6,082		7,123
				-		-		-			
	79,124		28,467	-	34,188		(24,892)	-	(6,082)		(7,123)
	(34,191)		2,583		-		(24,892)		-		-
	56,500		22,309		24,892		24,892		-		-
\$	22,309	\$	24,892	\$	24,892	\$		\$	<u>-</u>	\$	-

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SUMMARY OF REVENUES, EXPENDITURES (by Major Object), AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

Fiscal Year Ending

State Sources: State Sources: State Sources: State Sources: Secondary (Cost) Secondary (Sources) Secondary (FISCAI 16		
CO8DS withheld for SBE/COBI Bonds \$ 909,801 \$ 933,338 \$ 894,729 \$ 941,148 SBE/COBI Bond Interest 10,301 9,162 4,931 2,015 Other State Sources 149,499 154,102 150,131 148,834 Total State Sources 1,069,601 1,096,602 1,049,791 1,091,997 Local Sources: 3,000 </th <th></th> <th>June 30, 2000</th> <th>June 30, 2001</th> <th>June 30, 2002</th> <th>June 30, 2003</th>		June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003
CO8DS withheld for SBE/COBI Bonds \$ 909,801 \$ 933,338 \$ 894,729 \$ 941,148 SBE/COBI Bond Interest 10,301 9,162 4,931 2,015 Other State Sources 149,499 154,102 150,131 148,834 Total State Sources 1,069,601 1,096,602 1,049,791 1,091,997 Local Sources: 3,000 </td <td>State Sources:</td> <td></td> <td></td> <td></td> <td></td>	State Sources:				
SBE/COBI Bond Interest 10,301 9,162 4,931 2,015 Other State Sources 149,499 154,102 150,131 148,834 Total State Sources 1,069,601 1,096,602 1,049,791 1,091,997 Local Sources: - <td< td=""><td></td><td>\$ 909,801</td><td>\$ 933,338</td><td>\$ 894,729</td><td>\$ 941,148</td></td<>		\$ 909,801	\$ 933,338	\$ 894,729	\$ 941,148
Other State Sources 149,499 154,102 150,131 148,834 Total State Sources 1,069,601 1,096,602 1,049,791 1,091,997 Local Sources: Ad Valorem Taxes - </td <td>SBE/COBI Bond Interest</td> <td></td> <td>9,162</td> <td>4,931</td> <td>2,015</td>	SBE/COBI Bond Interest		9,162	4,931	2,015
Local Sources: Ad Valorem Taxes 1.1.1.25 1.87,706 84,892 253,601 Total Local Sources 111,125 187,706 84,892 253,601 Total Revenues 1,180,726 1,284,308 1,134,683 1,345,598 Expenditures: (by object) (by Object) 0.00 <td< td=""><td>Other State Sources</td><td>149,499</td><td>154,102</td><td>150,131</td><td>148,834</td></td<>	Other State Sources	149,499	154,102	150,131	148,834
Total Local Sources	Total State Sources	1,069,601	1,096,602	1,049,791	1,091,997
Interest Income and Others 111,125 187,706 84,892 253,601 Total Local Sources 111,125 187,706 84,892 253,601 Total Revenues 1,180,726 1,284,308 1,134,683 1,345,598 Expenditures: (by object) Debt Service: Principal Interest and Fiscal Charges 4,664,819 4,779,819 4,794,819 3,055,000 Interest and Fiscal Charges 5,159,862 4,917,164 4,726,099 9,795,278 Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Local Sources:				
Total Local Sources 111,125 187,706 84,892 253,601 Total Revenues 1,180,726 1,284,308 1,134,683 1,345,598 Expenditures: (by object) Debt Service: Principal Interest and Fiscal Charges 4,664,819 4,779,819 4,794,819 3,055,000 Interest and Fiscal Charges 5,159,862 4,917,164 4,726,099 9,795,278 Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Ad Valorem Taxes	-	-	-	-
Total Revenues 1,180,726 1,284,308 1,134,683 1,345,598 Expenditures: (by object) Debt Service: Principal	Interest Income and Others	111,125	187,706	84,892	253,601
Expenditures: (by object) Debt Service: 7rincipal 4,664,819 4,779,819 4,794,819 3,055,000 Interest and Fiscal Charges 5,159,862 4,917,164 4,726,099 9,795,278 Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Total Local Sources	111,125	187,706	84,892	253,601
Debt Service: Principal 4,664,819 4,779,819 4,794,819 3,055,000 Interest and Fiscal Charges 5,159,862 4,917,164 4,726,099 9,795,278 Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Total Revenues	1,180,726	1,284,308	1,134,683	1,345,598
Interest and Fiscal Charges 5,159,862 4,917,164 4,726,099 9,795,278 Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Debt Service:	4 664 840	4 770 940	4 704 840	2.055.000
Total Expenditures 9,824,681 9,696,983 9,520,918 12,850,278 Excess (Deficiency) of Revenues Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	•	, ,		, ,	, ,
Excess (Deficiency) of Revenues (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Interest and Fiscal Charges	5,159,862	4,917,164	4,726,099	9,795,278
Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Total Expenditures	9,824,681	9,696,983	9,520,918	12,850,278
Over Expenditures (8,643,955) (8,412,675) (8,386,235) (11,504,680) Other Financing Sources (Uses), Net 8,807,987 8,554,331 8,411,297 12,761,335 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	Excess (Deficiency) of Revenues				
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	` ,	(8,643,955)	(8,412,675)	(8,386,235)	(11,504,680)
and Other Sources Over 164,032 141,656 25,062 1,256,655 Expenditures and Other Uses 4,370,392 4,534,424 4,676,080 4,701,142	Other Financing Sources (Uses), Net	8,807,987	8,554,331	8,411,297	12,761,335
Expenditures and Other Uses 164,032 141,656 25,062 1,256,655 Beginning Fund Balances 4,370,392 4,534,424 4,676,080 4,701,142	` ,				
		164,032	141,656	25,062	1,256,655
Ending Fund Balances \$ 4,534,424 \$ 4,676,080 \$ 4,701,142 \$ 5,957,797	Beginning Fund Balances	4,370,392	4,534,424	4,676,080	4,701,142
	Ending Fund Balances	\$ 4,534,424	\$ 4,676,080	\$ 4,701,142	\$ 5,957,797

(Continued)

Fiscal Year Ending

Fiscal Year Ending											
Ju	ine 30, 2004	Ju	ıne 30, 2005	Ju	ine 30, 2006	Ju	ne 30, 2007	Ju	ine 30, 2008	J	ıne 30, 2009
\$	989,874	\$	986,869	\$	1,298,134	\$	1,343,214	\$	979,549	\$	1,266,202
	2,082 148,833		1,994 148,833		<u> </u>		<u> </u>		8,954 148,833		148,833
	1,140,789		1,137,696		1,298,134		1,343,214		1,137,336		1,415,035
	- 140,436		- 78,532		- 108,102		- 421,292		- 97,904		- 17,404
	140,436		78,532		108,102		421,292		97,904		17,404
	1,281,225		1,216,228		1,406,236		1,764,506		1,235,240		1,432,439
	4,420,000 10,236,653		7,580,000 12,103,269		10,775,000 15,225,861		11,485,000 15,708,855		12,775,000 17,497,433		13,740,000 17,145,230
	14,656,653		19,683,269		26,000,861		27,193,855		30,272,433		30,885,230
	(13,375,428)		(18,467,041)		(24,594,625)		(25,429,349)		(29,037,193)		(29,452,791)
	12,742,492		18,353,384		22,986,768		28,937,970		25,973,246		29,654,068
	(632,936)		(113,657)		(1,607,857)		3,508,621		(3,063,947)		201,277
	5,957,797		5,324,861		5,211,204		3,603,347		7,111,968		4,048,021
\$	5,324,861	\$	5,211,204	\$	3,603,347	\$	7,111,968	\$	4,048,021	\$	4,249,298

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SUMMARY OF REVENUES, EXPENDITURES (by Major Object), AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

Fiscal		

	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003
REVENUES				
State Sources:				
CO&DS Distributed to District	\$ 133,591	\$ 118,910	\$ 199,401	\$ 488,002
Interest on Undistributed CO&DS	18,406	23,112	25,148	27,650
Public Education Capital Outlay	3,191,968	3,890,318	2,339,403	3,567,910
Classroom First Program	16,040,000	18,585,585	-	-
School Infrastructure Trust	-	573,781	-	2,819,603
Effort Index	-	5,804,735	-	1,500,000
Class Size Reduction and Classrooms for Kids		-		
State Grants and Other State Sources	548,481		74,782	373,259
Total State Sources	19,932,446	28,996,441	2,638,734	8,776,424
Local Sources:				
Ad Valorem Taxes	13,546,106	15,354,978	16,361,045	18,021,303
Sales Taxes	-	-	-	3,329,297
Interest Income and Others	2,506,601	2,169,340	1,322,815	2,401,723
Local Grants and Other Local Sources	3,758,899	3,505,451	3,520,274	3,722,189
Total Local Sources	19,811,606	21,029,769	21,204,134	27,474,512
T.(18)				
Total Revenues	39,744,052	50,026,210	23,842,868	36,250,936
Expenditures: (by object) Capital Outlay:				
Library Books	307,341	152,428	193,872	350,426
Audio Visual Materials	34,857	35,669	3,808	1,687
Buildings and Fixed Equipment	25,911,635	23,143,925	26,683,159	20,475,063
Furniture, Fixtures, and Equipment Motor Vehicles	4,537,454	2,137,397	1,940,881	9,434,441
Land	1,701,477	1,240,036	2,172,952	239,064
Improvements Other Than Buildings	1,759,438 390,880	106,758 613,405	540,364 481,211	239,064
Remodeling and Renovations	1,281,517	2,024,986	1,596,559	-
Computer Software	104,380	220,051	91,325	26,441
Debt Service	28,004	15,985	51,020	39,244
Dobt Corvido	20,001	10,000		
Total Expenditures	36,056,983	29,690,640	33,704,131	30,566,366
Excess (Deficiency) of Revenues				
Over Expenditures	3,687,069	20,335,570	(9,861,263)	5,684,570
Other Financing Sources (Uses), Net	(8,277,902)	(6,852,144)	(9,352,354)	127,099,710
Excess (Deficiency) of Revenues and Other Sources Over				
Expenditures and Other Uses	(4,590,833)	13,483,426	(19,213,617)	132,784,280
Beginning Fund Balances	48,100,041	43,509,208	56,992,634	37,779,017
Ending Fund Balances	\$ 43,509,208	\$ 56,992,634	\$ 37,779,017	\$ 170,563,297

					Fiscal Ye	ar End	ing				
Ju	ıne 30, 2004	Jı	une 30, 2005	Ju	ne 30, 2006	Ju	ne 30, 2007	Jı	une 30, 2008	Jı	ıne 30, 2009
\$	268,477	\$	328,689	\$	397,577	\$	232,542	\$	466,634	\$	239,766
	12,184		16,389		17,756		35,467		34,850		6,655
	7,006,990		3,699,491		4,398,086		8,432,006		16,035,551		9,305,174
	-		-		-		-		-		
	-		-		-		-		-		
	_		16,514,165		9,574,022		-		58,188,377		
	93,110		77,912		128,792		115,528		121,818		124,205
	7,380,761		20,636,646		14,516,233		8,815,543		74,847,230		9,675,800
	19,868,366		23,378,280		27,609,765		36,704,437		42,594,552		38,184,790
	8,496,671		10,245,226		11,817,779		11,671,365		10,796,324		10,176,065
	2,572,837		3,035,724		5,518,395		8,975,012		5,935,799		1,797,712
	13,221,875		22,921,252		19,828,799		16,904,900		11,913,259		7,063,049
	44,159,749		59,580,482		64,774,738		74,255,714		71,239,934		57,221,616
	51,540,510		80,217,128		79,290,971		83,071,257		146,087,164		66,897,416
											0.40 =00
	118,064 4,950		444,365 3,359		3,454		77,716		623,215 1,332		312,722 5,845
	86,465,187		85,095,675		58,719,915		106,731,357		58,454,093		9,112,055
	4,382,609		6,728,997		3,315,590		3,256,410		9,148,321		2,295,119
	3,812,899		2,333,525		2,805,127		3,917,298		152,218		2,034,915
	67,924		3,899,863		1,509,193		183,628		74,521		4,883
	2,869,649		2,614,836		1,388,872		787,370		1,246,790		1,027,965
	4,964,440		6,258,308		5,077,942		4,057,472		3,764,647		5,686,796
	104,166		12,162		226,536		85,102		242,872		195,281
	778,010		718,233		11,733		994,956		28,053		735
	103,567,898		108,109,323		73,058,362		120,091,309		73,736,062		20,676,316
	(52,027,388)		(27,892,195)		6,232,609		(37,020,052)		72,351,102		46,221,100
	(13,550,085)		22,524,615		35,762,815		41,508,276		(33,021,877)		(37,242,364)
	(65,577,473)		(5,367,580)		41,995,424		4,488,224		39,329,225		8,978,736
	170,563,297		104,985,824		99,618,244		141,613,668		146,101,892		185,431,117
\$	104,985,824	\$	99,618,244	\$	141,613,668	\$	146,101,892	\$	185,431,117	\$	194,409,853

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting) (Unaudited)

Fiscal		Property	у Тах	Sales	Total	
Year Ending		General Purposes	Capital Projects	Tax		
June 30, 2009	\$	127,802,923	\$ 38,870,941	\$ 10,176,065	\$	176,849,929
June 30, 2008		121,488,446	42,594,552	10,796,324		174,879,322
June 30, 2007		103,930,799	36,794,450	11,671,365		152,396,614
June 30, 2006		82,566,965	27,609,765	11,817,780		121,994,510
June 30, 2005		70,124,629	23,387,280	10,245,226		103,757,135
June 30, 2004		63,974,995	19,868,366	8,496,671		92,340,032
June 30, 2003		57,621,817	18,021,303	3,329,297		78,972,417
June 30, 2002		50,758,626	16,361,045	-		67,119,671
June 30, 2001		48,375,191	15,348,604	-		63,723,795
June 30, 2000		45,716,905	13,546,106	-		59,263,011

Note: The School Board began to receive the Sales Tax Revenues beginning January 1, 2003. The District's portion of this tax is one-third of one percent with a total of seven percent sales tax within the county.

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

(amounts expressed in thousands) (Unaudited)

Fiscal Year	Real Property	Personal Property	Centrally Assessed Property	Total Taxable Assessed Value
2008-09	\$ 21,504,386	\$ 1,304,608	\$ 3,807	\$ 22,812,801
2007-08	21,194,820	1,330,022	4,068	22,528,910
2006-07	17,673,743	1,297,600	4,299	18,975,642
2005-06	13,111,994	1,129,250	4,382	14,245,626
2004-05	10,672,343	1,120,028	3,858	11,796,229
2003-04	9,316,460	1,130,475	3,985	10,450,920
2002-03	8,257,954	1,099,642	4,074	9,361,670
2001-02	7,441,979	1,080,777	4,189	8,526,945
2000-01	6,696,842	1,020,941	3,922	7,721,705
1999-00	5,947,407	981,868	3,982	6,933,257

Note: Taxable Assessed Values are Taxable Values after deducting allowable

statutory exemptions.

Source: Lake County Property Appraiser

(Continued)

Estimated Actual Value		Total Direct Tax Rate	Ratio of Net Secondary Assessed to Estimated Actual Value
\$	30,662,367	7.5170	74.40%
	29,741,610	7.6980	75.75%
	24,897,626	7.6480	76.21%
	18,975,642	7.9810	75.07%
	15,900,386	7.9900	74.19%
	13,991,329	0.5289	74.70%
	12,571,992	8.3950	74.46%
	11,470,499	8.2020	74.34%
	10,558,098	8.4950	73.14%
	9,594,808	8.7420	72.26%

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

(per \$1,000 Assessed Valuation) (Unaudited)

	Fiscal Year			
	1999-00	2000-01	2001-02	2002-03
District Oak and Daniel				_
District School Board:	0.0470	F 7040	F F000	F 7070
Local Required Effort	6.0170	5.7910	5.5090	5.7070
Discretionary Local	0.5100	0.5100	0.5100	0.5100
Supplemental Discretionary	0.2150	0.1940	0.1830	0.1780
Capital Improvement	2.0000	2.0000	2.0000	2.0000
Total District School Board	8.7420	8.4950	8.2020	8.3950
Other County-Wide:				
Board of County Commissioners	4.8330	5.3170	5.4170	6.3170
Lake County Water Authority	0.5000	0.5000	0.5000	0.4819
Total County-Wide	14.0750	14.3120	14.1190	15.1939
Special Districts				
Lake County Ambulance District	0.3160	0.5500	0.5289	0.5289
South Lake County Hospital District	1.0000	1.0000	1.0000	1.0000
Southwest Florida Water Management	0.4220	0.4220	0.4220	0.4220
St. Johns River Water Management	0.4820	0.4220	0.4620	0.4620
North Lake County Hospital District	1.0000	1.0000	1.0000	1.0000
Municipalities:				
Astatula	2.2500	2.2500	2.3500	2.5000
Clermont	3.4790	3.7290	3.7290	3.7290
Eustis	5.2370	5.2370	5.4870	5.4870
Fruitland Park	3.8900	3.8900	3.8900	3.8900
Groveland	6.0000	6.0000	6.0000	6.0000
Howey-in-the-Hills	5.4450	5.4450	5.4450	5.4450
Lady Lake	2.7200	2.7200	2.7200	2.2000
Leesburg	4.5000	4.5000	4.5000	4.5000
Mascotte	5.3520	5.9990	5.9990	5.9990
Minneola	3.3900	3.3900	3.3900	3.3900
Montverde	2.9900	2.9900	2.9900	2.9900
Mount Dora	6.1810	6.1810	6.1810	6.1810
Tavares	4.4200	4.4200	4.4200	5.4200
Umatilla	5.5140	5.5140	5.7500	5.9900

Source: Lake County Property Appraiser.

			Fiscal Year		
2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
5.7660	5.3210	5.2210	4.9190	4.9960	5.0820
0.5100	0.5100	0.5100	0.5100	0.5100	0.4980
0.1640	0.1590	0.2500	0.2190	0.1920	0.1870
2.0000	2.0000	2.0000	2.0000	2.0000	1.7500
8.4400	7.9900	7.9810	7.6480	7.6980	7.5170
6.4170	6.3170	6.2970	6.5470	5.4394	5.5728
0.4080	0.3830	0.3370	0.2530	0.2130	0.2130
15.2650	14.6900	14.6150	14.4480	13.3504	13.3028
0.5289	0.5289	0.5289	0.5289	0.4651	0.4651
1.0000	1.0000	1.0000	1.0000	0.8666	0.8666
0.4220	0.4220	0.4220	0.4220	0.3866	0.3866
0.4620	0.4620	0.4620	0.4620	0.4158	0.4158
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2.8500	3.4000	3.9000	4.5000	4.5000	4.5000
3.7290	3.7290	3.7290	3.7920	3.1420	3.1420
5.4870	5.8400	5.8400	5.5000	4.7083	4.7083
3.8900	3.8900	4.3900	4.3900	4.1400	4.3600
5.9500	5.8500	5.7500	5.6500	3.9680	4.8205
5.4450	5.4450	5.4450	5.4450	5.4450	5.9900
2.2000	2.2000	2.2000	2.2000	2.2000	3.0870
4.5000	4.5000	4.5000	4.5000	4.2500	4.3179
5.9990	5.9990	5.9990	5.9990	5.6530	5.9990
3.3900	3.3900	4.5000	4.1500	3.7370	4.4990
2.9900	2.9900	2.9900	2.9900	2.8300	2.8300
6.1810	6.1810	6.1050	5.9750	5.0190	5.0190
5.4200	5.4200	5.4200	5.4200	5.4200	6.2500
5.9900	5.9900	6.2400	6.2400	5.7593	6.5000

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (Unaudited)

			Fiscal Year							
		2008-09				1999-00				
Taxpayer	Type of Business	Rank		Assessed Value	Percentage of Total Assessed Value	Rank		Assessed Value	Percentage of Total Assessed Value	
Summer Bay Partnership	Real Estate Dev.	1	\$	202,858,388	0.91%					
Embarq(Formerly Sprint)-Florida, Inc.	Public Utility	2		126,675,001	0.57%	1	\$	133,149,999	2.09%	
Florida Power Corporation	Public Utility	3		117,321,120	0.53%	2		83,198,548	1.31%	
Sumter Electric Co-op, Inc.	Public Utility	4		111,748,355	0.50%	4		51,525,447	0.81%	
Lowes Home Centers	Retail Stores	5		44,823,862	0.20%					
Villages Operating Company	Real Estate Dev.	6		41,369,725	0.19%	6		44,486,243	0.70%	
Centex Homes	Real Estate Dev.	7		40,058,155	0.18%					
Cutrale Citrus Juices USA Inc.	Citrus Producer	8		33,439,045	0.15%	5		47,878,885	0.75%	
John P Adams & Ann D Adams Family, LP	Real Estate Dev.	9		34,051,244	0.15%					
SDG Macerich Properties, LP	Real Estate Dev.	10		27,503,290	0.12%	8		27,731,104	0.44%	
NGR/Recovery Group	Real Estate Dev.					3		73019659	1.15%	
Lake Port Properties	Real Estate Dev.					9		27,079,821	0.43%	
Golden Gem Growers, Inc.	Citrus Producer					7		30,903,222	0.49%	
Wal-Mart Stores	Real Estate Dev.					10		19,034,488	0.30%	
Total			\$	779,848,185	3.500%	=	\$	538,007,416	8.470%	

^{*} Formerly NRG/Recovery Group, Inc.

Source: Lake County Property Appraiser.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (Unaudited)

	Collected to end of School Fiscal Year					Collected in Fiscal Year		
	Current					Total		
Fiscal	Total	Tax	Percent		Delinquent	Tax	Percent	
Year	Tax Levy (A)	Collections (B)	of Levy	Collections		Collections (C)	of Levy	
2008-09	\$ 171,483,825	\$ 164,019,806	95.65%	\$	2,654,058	\$ 166,673,864	97.20%	
2007-08	172,798,584	164,042,060	94.93%		40,938	164,082,998	94.96%	
2006-07	145,561,750	140,586,635	96.58%		366,568	140,953,203	96.83%	
2005-06	113,694,345	109,643,322	96.44%		533,407	110,176,729	96.91%	
2004-05	94,439,213	89,089,867	94.34%		4,413,042	93,502,909	99.01%	
2003-04	88,354,826	83,703,771	94.74%		139,590	83,843,361	94.89%	
2002-03	78,693,880	75,543,013	96.00%		100,107	75,643,120	96.12%	
2001-02	70,055,765	67,000,604	95.64%		119,067	67,119,671	95.81%	
2000-01	65,783,134	63,652,352	96.76%		71,443	63,723,795	96.87%	
1999-00	60,696,937	59,152,014	97.45%		110,997	59,263,011	97.64%	

Note:

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

Source:

⁽A) District School Board taxes levied per Lake County Tax Collectors Office form DR-403 CC.

⁽B) Net of allowable discounts. From District Records.

⁽C) District Records.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (Unaudited)

Governmental Activities (A) Sales Tax State Board Certificates Total Percentage Revenue Of Primary **Fiscal** of Education of Personal Per Capita (B) Year **Bonds Bonds** Participation Government Income (B) 2008-09 43,835,000 12,345,000 307,960,000 364,140,000 4.726% 1,187 2007-08 47,760,000 13,005,000 317,115,000 377,880,000 4.314% 1,247 325,585,000 1,329 2006-07 51,555,000 10,525,000 387,665,000 4.653% 2005-06 55,235,000 11,210,000 225,020,000 291,465,000 3.688% 1,040 2004-05 59,635,000 11,115,000 197,560,000 268,310,000 3.778% 995 2003-04 46,900,000 9,300,000 172,445,000 228,645,000 3.511% 911 176,220,000 2002-03 47,020,000 8,830,000 232,070,000 3.809% 966 2001-02 1,140,000 9,225,000 83,995,000 94,360,000 1.616% 408 2000-01 1,260,000 9,225,000 86,340,000 96,825,000 1.773% 439 1999-00 7,940,000 88,585,000 97,900,000 1.939% 465 1,375,000

Note: The primary government does not have any outstanding debt for business-type activities.

Source:

⁽A) District Records

⁽B) Total Primary Government Debt divided by Personal Income and Population from Page 126-127.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA RATIO OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (Unaudited)

Fiscal Year	Estimated Population (A)	Net Taxable Assessed Value (B)	Gross Bonded Debt (C)	Less Debt Service Funds (D)	Net Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2008-09	306,764	22,812,801	43,385,000	3471731	39,913,269	0.175%	130
2007-08	303,152	22,528,910	47,760,000	3,439,657	44,320,343	0.197%	146
2006-07	291,654	18,975,642	51,555,000	6,573,918	44,981,082	0.237%	154
2005-06	280,157	14,245,626	56,697,663	5,200	56,692,463	0.398%	202
2004-05	269,600	11,796,229	61,220,280	2,263,474	58,956,806	0.500%	219
2003-04	251,037	10,450,920	46,900,000	2,185,976	44,714,024	0.428%	178
2002-03	240,212	9,361,670	47,020,000	2,867,244	44,152,756	0.472%	184
2001-02	231,072	8,526,945	1,140,000	1,802,055	(662,055)	-0.008%	(3)
2000-01	220,323	7,721,705	1,260,000	1,805,518	(545,518)	-0.007%	(2)
1999-00	210,528	6,933,257	1,375,000	1,633,792	(258,792)	-0.004%	(1)

Notes:

(A) Population was obtained from the University of Florida, Bureau of Economic and Business Research. See pages 126-127.

(B) Net Taxable Assessed Values are expressed in thousands. See page 113

(C) Includes Special Act Certificates and Sales Tax Revenue Bonds.

(D) Includes Reserve for Debt Service on Special Act Certificates and Sales Tax Revenue Bonds.

(E) Estimated

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN FISCAL YEARS (Unaudited)

Fiscal Year	Principal	Interest	Total Debt Service (A)	G	otal General overnmental Non-Capital penditures (B)	Ratio of Debt Service to General Governmental Non-Capital Expenditures
2008-09	\$ 3,925,000	\$ 1,763,403	\$ 5,688,403	\$	355,395,877	1.60%
2007-08	3,795,000	1,849,792	5,644,792		369,669,839	1.53%
2006-07	3,680,000	1,929,622	5,609,622		332,820,349	1.69%
2005-06	4,400,000	2,061,123	6,461,123		301,739,376	2.14%
2004-05	2,855,000	1,952,730	4,807,730		272,054,348	1.77%
2003-04	120,000	1,428,501	1,548,501		227,609,396	0.68%
2002-03	110,000	74,300	184,300		202,890,169	0.09%
2001-02	120,000	82,325	202,325		179,350,052	0.11%
2000-01	115,000	90,500	205,500		172,848,525	0.12%
1999-00	110,000	98,325	208,325		163,193,058	0.13%

Notes:

- (A) Includes Special Act Certificates of Indebtedness and Sales Tax Revenue Bonds. Special Act Certificates of Indebtedness were paid in full as of 6/30/2006.
- (B) Includes general, special revenue, debt service, and capital projects funds of the Primary Government.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT June 30, 2009 (Unaudited)

		Direct	t Debt	Direct and Overlapping Debt		
Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to This Governmental Unit	Amount Applicable to This Governmental Unit	Percentage Applicable to Lake County	Amount Applicable to Lake County	
Lake County Board of County Commissioners	\$ 3,740,000	0%	\$ -	100%	\$ 3,740,000	
School District of Lake County	43,385,000	100%	43,385,000	100%	43,385,000	
Totals	\$ 47,125,000		\$ 43,385,000		\$ 47,125,000	

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS LAST TEN FISCAL YEARS (Unaudited)

Fiscal Year	Taxable Assessed Value (A)	Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (B)		
2008-09	\$ 22,812,801	\$ 23,919,621	1.10370 Mills		
2007-08	22,528,910	23,518,363	1.09886 Mills		
2006-07	18,975,642	18,072,445	1.00253 Mills		
2005-06	14,245,626	16,526,591	1.22118 Mills		
2004-05	11,796,229	12,989,318	1.15910 Mills		
2003-04	10,450,920	11,994,958	1.20815 Mills		
2002-03	9,361,670	10,053,302	1.13040 Mills		
2001-02	8,526,945	6,494,534	0.80174 Mills		
2000-01	7,721,705	6,485,641	0.88413 Mills		
1999-00	6,933,257	6,489,617	0.98528 Mills		

(A) Assessed Value is in Thousands. See page 113.

(B) Millage rate calculated using 95% of the taxable assessed valuation.

Note: Capital lease arrangements financed by Certificates of Participation are not

considered general obligation debt as no specific property tax levy has been

pledged.

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA CALCULATION OF LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (AMOUNTS EXPRESSED IN THOUSANDS) (Unaudited)

For the Fiscal Year Ending June 30, 2001 June 30, 2000 June 30, 2002 June 30, 2003 Assessed Value \$ 8,526,945 \$ 6,933,257 \$ 7,721,705 9,361,670 Debt Limit - 10% of Assessed Value \$ 693,326 \$ 772,171 \$ 852,695 \$ 936,167 Amount of Debt Applicable to Debt Limit: **Bond Payable** \$ 1,375 \$ 1,260 \$ 1,140 \$ 47,020 Less, Amount Available for Debt Service 1,634 1,806 1,802 2,867 Total Debt Applicable to the Debt Limit \$ (259)\$ (546)\$ (662)\$ 44,153 Legal Debt Margin \$ 693,585 \$ \$ 853,357 \$ 892,014 772,717

Note: Rule 6A-1.037(2), State Board of Education, Florida Administration Code, establishes a limit of 10 percent on the assessed valuation of the District.

(Continued)

For the Fiscal Year Ending

June 30, 2004 June 30, 2005		Jur	June 30, 2006		June 30, 2007		June 30, 2008		June 30, 2009	
\$	10,450,920	\$ 11,796,229	\$	14,245,626	\$	18,975,642	\$	22,528,910	\$	22,812,801
\$	1,045,092	\$ 1,179,623	\$	1,424,563	\$	1,897,564	\$	2,252,891	\$	2,281,280
\$	46,900 2,186	\$ 61,220 2,263	\$	56,698 5_	\$	51,555 6,574	\$	47,760 3,440	\$	43,835 3,471
\$	44,714	\$ 58,957	\$	56,693	\$	44,981	\$	44,320	\$	40,364
\$	1,000,378	\$ 1,120,666	\$	1,367,870	\$	1,852,583	\$	2,208,571	\$	2,240,916

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS (Unaudited)

Fiscal Year	Population (A)	Personal Income (1)	Per Capita Personal Income (A)	Median Age (A)	Unemployment Rate (B)
2008-09	306,764	7,705,298	25,118	46.00	8.5%
2007-08	303,152	8,759,880	28,896	44.10	3.5%
2006-07	291,654	8,330,940	28,551	45.10	3.2%
2005-06	280,157	7,902,000	28,206	46.00	2.9%
2004-05	269,600	7,101,873	27,122	45.10	4.2%
2003-04	251,037	6,512,795	26,389	45.10	4.2%
2002-03	240,212	6,093,467	25,937	45.10	4.7%
2001-02	231,072	5,839,137	26,048	45.10	4.7%
2000-01	220,323	5,459,638	25,651	45.10	3.7%
1999-00	210,528	5,048,075	24,610	45.00	3.1%

(1) Personal Income is in Thousands.

Sources:

- (A) Population, Personal Income, & Per Capita Personal Income were obtained from the United States Department of Commerce, Bureau of Economic Analysis and the University of Florida, Bureau of Economic and Business Research.
- (B) Unemployment Rates were obtained from Florida Agency for Workforce Innovation, Office of Workforce Information Services, Labor Market Statistics
- (C) Education Level was obtained from Metro Orlanso Economic Development Commission. Information prior to fiscal year 2005-06 was not available.
- (D) Student Enrollment was obtained from District Records UFTE- FEFP 4th Calculation

(Continued)

	Education L	.evel (C)		Government-wide Governmental			
Less than High School	High School	Bachelors	Graduate	School Enrollment (D)	Activities Expenses	Cost per Student	
43,002	73,654	26,193	11,819	40,151.05	\$ 366,625,602	\$ 9,131	
29,579	74,712	35,621	10,568	39,677.59	376,111,550	9,479	
35,191	67,388	22,851	10,983	38,901.28	336,509,347	8,650	
37,391	63,490	20,917	9,810	37,618.45	323,881,675	8,610	
n/a	n/a	n/a	n/a	35,523.84	289,883,877	8,160	
n/a	n/a	n/a	n/a	33,728.82	241,383,848	7,157	
n/a	n/a	n/a	n/a	31,577.72	214,010,475	6,777	
n/a	n/a	n/a	n/a	30,211.89	188,566,392	6,241	
n/a	n/a	n/a	n/a	28,936.80	n/a	n/a	
n/a	n/a	n/a	n/a	29,119.14	n/a	n/a	

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA PRINCIPAL EMPLOYERS ORLANDO METROPOLITAN STATISTICAL AREA (MSA) CURRENT YEAR AND NINE YEARS AGO (Unaudited)

Fiscal Year

		2008-0)9	1999-00			
			Percentage of Total MSA			Percentage of Total MSA	
Employer	Employees	Rank	Employment	Employees	Rank	Employment	
Lake County Public Schools	4,353	1	3.20%	3,451	1	3.52%	
Villages of Lake-Sumter, Inc.	2,220	2	1.63%	1,651	2	1.68%	
Leesburg Regional Medical Center	1,870	3	1.37%	1,300	4	1.32%	
Florida Hospital/Waterman, Inc.	1,400	4	1.03%	1,500	3	1.53%	
Embarq (Formerly Sprint)	811	5	0.60%	650	7	0.66%	
Casmin Incorporated	800	6	0.59%				
Lake County Government	690	7	0.51%				
Lake County Sherriff's Department	585	8	0.43%				
G & T Conveyor Company	550	9	0.40%				
Bailey Industries	509	10	0.37%				
Publix Supermarkets				1,001	6	1.02%	
Golden Gem Growers				629	8	0.64%	
Florida Crushed Stone				600	9	0.61%	
Winn Dixie Stores				1,190	5	1.21%	
Lester Coggins Trucking				500	10	0.51%	
	13,788		10.130%	12,472		12.70%	

Source: Metro Orlando Economic Development Commission - 2008

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DAT LAST TEN FISCAL YEARS (Unaudited)

	Year	Square		
	Completed (1)	Footage (2)	1999-00	2000-01
Elementary Schools	4000	440.000	540.70	F70 74
Astatula	1998	110,662	519.72	576.71
Beverly Shores	1955	96,546	566.04	553.25
Clermont	1937	94,722	582.20	580.38
Cypress Ridge	1914	51,998	618.62	625.77
Dabney	1921	48,145	387.52	399.02
Eustis	1927	63,444	496.20	451.68
Eustis Heights	1954	85,206	905.22	850.46
Fruitland Park	1962	92,683	668.76	599.45
Grassy Lake	2008	118,085	-	-
Groveland	1960	130,025	585.06	606.04
Leesburg	1961	101,137	-	-
Lost Lake	1998	138,582	933.22	828.37
Mascotte	1972	51,617	585.88	619.21
Pine Ridge	2002	126,337	-	-
Rimes	1960	63,205	301.67	284.06
Roseborough	1919	162,785	301.05	-
Sawgrass Bay	2008	117,840	-	-
Seminole Springs	1988	109,664	870.43	625.24
Skeen	1951	6,400	684.03	575.06
Tavares	1972	129,070	625.46	596.83
Treadway	1962	117,676	753.30	767.44
Triangle	1972	130,414	691.74	576.13
Umatilla	1998	110,767	661.58	680.04
Villages of Lady Lake	1998	113,419	624.44	659.22
Total Elementary			12,362.14	11,454.36
Middle Schools				
Carver	1952	170,422	746.91	751.92
Clermont	1950	127,764	-	-
East Ridge	2008	189,045	_	_
Eustis	1993	178,042	810.99	866.50
Gray	1923	130,379	939.83	1,000.25
Griffin	1991	58,789	305.00	302.00
Mt. Dora	1953	126,914	639.92	589.00
Oak Park	1961	90,245	699.99	732.28
Tavares	1990	156,901	794.01	822.00
Umatilla	1977	101,959	667.99	719.25
Windy Hill	1998	178,112	871.00	1,071.02
villay i iii	1990	170,112	07 1.00	1,071.02
Total Middle Schools			6,475.64	6,854.22

	Full-Time Equivalent Enrollment Data							
2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	
604.70	620.21	69449	720 11	772 56	790.00	740.60	740.00	
601.72	639.21	684.18	729.11	773.56	789.00	742.63	712.82	
569.25	577.08	516.80	726.77	779.04	776.41	640.10	600.35	
670.87	768.39	751.24	777.15	824.11	829.57	709.47	670.84	
636.38	642.51	620.96	611.84	614.73	614.73	613.87	611.98	
326.00	299.04	301.40	-	-	-	-	-	
483.58	450.64	458.32	503.04	543.53	552.35	535.03	569.00	
845.77	842.63	794.16	698.74	696.83	689.39	684.60	643.48	
618.78	607.92	648.19	621.70	631.13	639.35	630.34	599.17	
-	-	-	-	-	-	916.90	998.56	
624.16	628.52	678.41	739.15	782.52	817.27	881.64	824.25	
-	-	-	880.05	1,011.99	996.44	930.62	948.82	
1,115.38	1,165.02	1,112.29	1,346.36	1,299.33	1,340.00	1,012.67	1,084.50	
638.78	670.80	715.53	738.07	779.45	, -	, -	, -	
_	_	986.02	1,272.03	1,271.19	1,328.14	781.79	761.77	
245.50	234.00	263.05		, <u>-</u>	107.26	199.57	243.74	
-	-	-	-	_	-	-		
_	_	_	-	_	_	886.16	1,008.63	
614.84	625.60	674.10	640.16	719.91	756.44	867.48	851.61	
576.27	526.39	513.26	-	7 10.51	700.44	-	-	
607.53	583.65	626.58	620.28	680.92	690.98	757.92	746.57	
780.54	769.67	842.27	868.46	944.73	979.69	941.05	973.51	
598.96	626.10	629.47	639.83	659.01	656.42	603.60	582.32	
623.63	662.62	698.56	704.92	730.94	739.81	715.60	703.82	
649.40	629.44	665.37	677.74	709.26	719.26	796.25	793.90	
11,827.34	11,949.23	13,180.16	13,795.40	14,452.18	14,022.51	14,847.29	14,929.64	
766.00	766.30	765.90	761.71	748.31	743.32	784.44	827.00	
-	858.83	909.45	1,004.44	942.32	935.12	902.16	693.23	
_	-	-	-	-	_	-	1,009.32	
897.50	992.50	1,051.38	1,019.07	1,072.12	1,069.20	1,046.24	1,100.59	
1,110.22	731.51	859.44	954.11	1,179.28	1,245.96	1,283.47	1,011.48	
296.50	-	-	-	-	-	-	-	
595.00	573.50	589.90	598.60	637.12	637.12	715.72	723.48	
703.50	701.20	669.86	677.00	656.25	653.45	584.15	608.65	
817.50	878.52	961.03	998.27	983.37	981.94	1,007.00	1,004.61	
716.00	731.58	775.55	762.94	776.10	771.87	688.38	678.99	
1,226.07	1,263.51	1,223.89	1,428.09	1,422.22	1,510.00	1,582.23	1,102.13	
1,220.07	1,203.31	1,223.09	1,420.09	1,422.22	1,010.00	1,002.23	1,102.13	
7,128.29	7,497.45	7,806.40	8,204.23	8,417.09	8,547.98	8,593.79	8,759.48	
.,.20.20	7,107.40	7,000.40	0,207.20	3, 117.00	0,0 17.00	0,000.70	5,700.40	

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA LAST TEN FISCAL YEARS (Unaudited)

	Year Completed (1)	Square Footage (2)	1999-00	2000-01	2001-02
High Schools					
East Ridge	2003	372,488	-	-	-
Eustis	1941	257,038	1,008.07	961.86	976.51
Leesburg	1927	323,045	2,016.76	1,714.38	1,704.72
Mt. Dora	1960	245,274	801.93	849.53	875.68
South Lake	1991	376,003	2,095.18	2,274.69	2,611.43
Tavares	1916	197,426	895.31	933.31	994.61
Umatilla	1956	180,854	730.94	746.23	785.20
Total High Schools			7,548.19	7,480.00	7,948.15
Speciality Schools					
Lake Hills	2008	95,359	142.63	147.64	144.23
Lake Technical Center	1967	239,724	890.12	193.70	139.57
Umatilla Girls Academy	n/a	n/a	-		
Total Speciality Schools			1,032.75	341.34	283.80
Charter Schools					
Alee Academy, Inc.	n/a	n/a	62.00	126.95	188.67
Altoona	1912	10,395	-	60.00	64.40
Mascotte	2007	120,382	-	-	-
Milestones Community School of Lake County, Inc.	n/a	n/a		258.00	267.33
Minneola Elementary	2007(3)	128,713	667.84	745.41	786.91
Rivendell Academy	n/a	n/a	-	-	-
Round Lake Elementary	1997	107,516	-	751.33	786.41
South Lake Charter	n/a	n/a	-	-	-
Spring Creek Elementary	1992	101,775	707.00	664.00	656.52
The Charter School at National Deaf Academy, Inc.	n/a	n/a	-		32.00
			1,436.84	2,605.69	2,782.24
Other Programs					
Boys Ranch Learning Center	n/a	n/a	149.65	-	-
Lake-Sumter Community College	n/a	n/a	-	30.60	24.27
McKay Scholarships	n/a	n/a	-	9.50	60.51
Misc 9000 Centers	n/a	n/a	113.93	161.09	157.29
Total Other Sites			263.58	201.19	242.07
Total District			29,119.14	28,936.80	30,211.89

 ⁽¹⁾ Original date that the school construction was completed. This date does not reflect additions, renovations, replacements or remodeling.
 (2) Square footage includes portables
 (3) Minneola rebuilt on existing site.

	Full-Time Equivalent Enrollment Data							
2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09		
1,523.22	2,251.75	2,616.75	2,698.14	2,896.00	2,767.51	2,858.22		
1,021.77	1,122.52	1,138.68	1,174.90	1,284.00	1,315.96	1,293.04		
1,743.08	1,711.70	1,699.91	1,676.76	1,671.05	1,680.53	1,632.27		
916.85	937.11	931.31	911.82	903.66	925.06	967.44		
1,511.94	1,276.08	1,394.76	1,745.84	1,805.00	2,060.77	2,053.96		
1,065.67	1,055.73	1,035.50	1,119.35	1,150.38	1,256.16	1,258.61		
806.10	831.88	859.63	829.43	814.33	833.64	898.03		
8,588.63	9,186.77	9,676.54	10,156.24	10,524.42	10,839.63	10,961.57		
450.00	400.04	100.01	400.00	4.40.00	450.70	477.04		
153.88	166.04	160.81	162.38	149.26	150.70	177.31		
60.22	18.53	12.76	4.15	40.00	17.56	15.00		
		19.84	85.30					
04440	404.57	100.44	254.02	400.00	400.00	400.04		
214.10	184.57	193.41	251.83	189.26	168.26	192.31		
207.43	215.90	286.86	299.13	299.00	298.59	226.50		
64.67	61.27	60.54	77.50	119.00	118.00	112.50		
04.07	-	00.54	77.50	858.00	768.76	758.85		
226.92	220.00	221.56	195.50	210.00	199.00	209.00		
950.31	880.54	978.22	1,056.16	991.14	991.56	994.33		
330.31	-	21.00	32.00	36.00	34.50	-		
903.28	982.45	1,078.53	1,042.70	1,129.00	1,102.31	1,140.78		
-	-	1,070.00	558.38	568.82	577.48	703.50		
656.11	634.98	548.47	558.98	631.00	595.52	597.08		
54.22	55.09	58.45	61.50	6.00	8.85	11.50		
01.22		00.10	01.00	0.00	0.00	11.00		
3,062.94	3,050.23	3,253.63	3,881.85	4,847.96	4,694.57	4,754.04		
-	-	-	-	_	-			
27.34	38.07	59.53	107.43	68.00	287.35	163.52		
84.50	126.42	139.50	130.93	150.00	150.00	156.10		
153.53	156.20	201.60	220.90	551.15	96.70	234.39		
-								
265.37	320.69	400.63	459.26	769.15	534.05	554.01		
·								
31,577.72	33,728.82	35,523.84	37,618.45	38,901.28	39,677.59	40,151.05		

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA NUMBER OF PERSONNEL LAST TEN FISCAL YEARS (Unaudited)

Fiscal <u>Year</u>	(A) Instructional	(B) <u>Administrative</u>	(C) Support <u>Services</u>	<u>Total</u>	(D) Ratio of Students to Instructional Personnel	(E) Ratio of Instructional Personnel to School Administrators
2008-09	2,987	176	2,424	5,587	13.44	16.97
2007-08	2,967	181	2,357	5,505	13.37	16.39
2006-07	2,391	149	2,117	4,657	16.27	16.05
2005-06	2,350	149	2,083	4,582	16.01	15.77
2004-05	2,372	147	2,051	4,570	14.98	16.14
2003-04	2,138	135	1,911	4,184	15.78	15.84
2002-03	1,900	128	1,806	3,834	16.62	14.84
2001-02	1,681	119	1,683	3,483	17.97	14.13
2000-01	1,748	115	1,644	3,507	16.55	15.20
1999-00	1,875	126	1,668	3,669	15.53	14.88

Notes:

(C)

(A)	Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists,
	Other Professional Instructional Staff

⁽B) Principals, Assistant Principals, Superintendent, Assistant Superintendents, Executive Directors, Directors, Managers, Coordinators

Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, etc.

(D) Calculated using enrollment data from page 124/125

(E) Calculated using data from columns A and B

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA INSTRUCTIONAL SALARY INFORMATION LAST TEN FISCAL YEARS (Unaudited)

Fiscal Year	Minimum Maximu Salary Salary		Average Salary
2008-09	\$ 35,600	\$ 58,875	\$ 42,334
2007-08	35,600	58,875	42,334
2006-07	34,300	57,525	40,647
2005-06	32,200	55,150	39,851
2004-05	31,100	53,375	38,735
2003-04	30,500	52,325	38,085
2002-03	29,800	50,981	37,652
2001-02	28,500	48,695	35,047
2000-01	26,650	47,665	34,465
1999-00	26,000	46,600	34,756

10 Month Teachers

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA FOOD SERVICE OPERATING DATA LAST EIGHT FISCAL YEARS(a) (Unaudited)

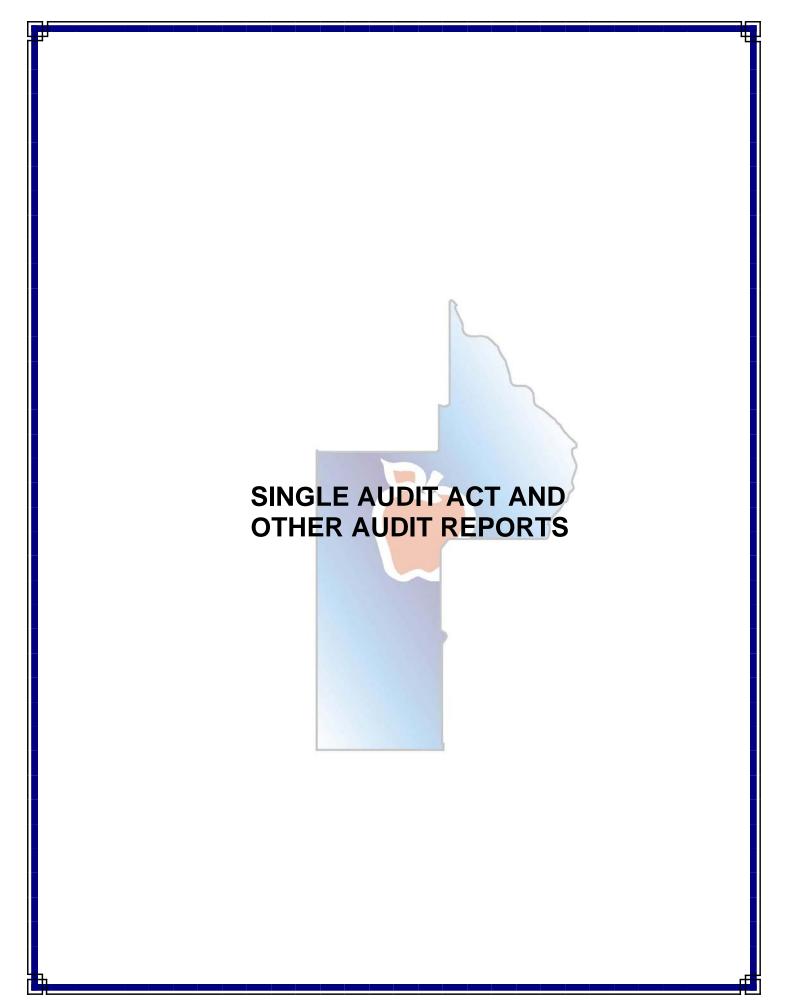
Fiscal Year Ending June 30, 2002 June 30, 2003 June 30, 2004 Days Meals were Served 180 180 180 Average Number of Free and Reduced Meals Served Daily 12,452 13,763 14,186 Number of Free and Reduced Meals Served 2,241,416 2,477,313 2,553,391 Average Daily Subsidy Received \$ 24,999 \$ 27,926 \$ 29,393 **Total Subsidy Received** \$ 4,499,847 \$ 5,026,769 \$ 5,290,694 Average Number of Meals Served Daily 19,912 32,839 23,021 Number of Meals Served 3,584,081 5,911,084 4,143,767 Average Daily Revenues \$ 51,905 65,309 57,445 \$ **Total Revenues** \$ 9,342,825 \$ 10,340,055 \$ 11,755,673 \$ Average Daily Costs 51,225 \$ \$ 58,830 66,115 **Total Costs** \$ 9,220,451 10,589,416 \$ 11,900,765

⁽a) Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ended June 30, 2002 and as a result information is only available for the last eight years.

(Continued)

Fiscal Year Ending

June 30, 2005 June 30, 2006		ine 30, 2007	ıne 30, 2008	June 30, 2009		
	180	180	180	180		180
	14,615	16,476	18,180	17,677		19,479
	2,630,780	2,965,736	3,272,328	3,181,848		3,506,220
\$	31,763	\$ 36,352	\$ 40,110	\$ 42,418	\$	52,247
\$	5,717,299	\$ 6,543,286	\$ 7,219,757	\$ 7,635,169	\$	9,404,437
	24,463	26,464	31,859	28,393		39,279
	4,403,315	4,763,583	5,734,559	5,110,661		7,070,220
\$	68,043	\$ 76,899	\$ 81,691	\$ 87,250	\$	90,755
\$	12,247,755	\$ 13,841,810	\$ 14,704,300	\$ 15,704,980	\$	16,335,987
\$	68,783	\$ 73,291	\$ 78,303	\$ 84,566	\$	85,746
\$	12,380,884	\$ 13,192,442	\$ 14,094,566	\$ 15,221,793	\$	15,434,199



DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Fiscal Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures (1)	Amount Provided to Subrecipients
United States Department of Agriculture:				
Indirect:				
Child Nutrition Cluster: Florida Department of Education:				
School Breakfast Program	10.553	321 \$	1,539,126	\$ -
National School Lunch Program	10.555	300	6,978,139	-
Florida Department of Agriculture and Consumer Services:				
National School Lunch Program	10.555 (2)	None _	767,436	-
Total Child Nutrition Cluster		_	9,284,701	
Child and Adult Care Food Program	10.558	None _	119,737	
Florida Department of Financial Services:				
Schools and Roads - Grants to States	10.665	None _	110,088	
Total United States Department of Agriculture		_	9,514,526	
United States Department of Education: Direct:				
Fund for the Improvement of Education	84.215	N/A	1,353,192	
Total Direct		_	1,353,192	
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	263	8,463,702	-
Special Education - Preschool Grants	84.173	267	227,354	<u> </u>
Total Special Education Cluster		_	8,691,056	
Florida Department of Education: Adult Education - Basic Grants to States	84.002	101 103	357 220	
Title I Grants to Local Educational Agencies	84.002 84.010	191, 193 212, 222, 226, 228	357,220 7,586,557	-
Migrant Education - State Grant Program	84.011	217	209,376	
Career and Technical Education - Basic Grants to States	84.048	151	574,508	136,441
Safe and Drug-Free Schools and Communities - State Grants	84.186	103	145,265	-
Tech-Prep Education	84.243	157	23	100 602
Charter Schools Twenty-First Century Community Learning Centers	84.282 84.287	298 244	373,564 13,168	188,602
State Grants for Innovative Programs	84.298	113	35,304	-
Education Technology State Grants	84.318	121, 122	493,249	-
Reading First State Grants	84.357	211	374,028	-
English Language Acquisition Grants	84.365	102	326,685	-
Improving Teacher Quality State Grants Title I, School Improvement	84.367 84.377	224 _	1,568,624 59,500	
			00.000	
Total Indirect		_	20,808,127	325,043
Total United States Department of Education	ae 137	_	22,161,319	325,043

DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Fiscal Year Ended June 30, 2009

(Continued)

Corporation for National and Community Service:				
Indirect:				
Florida Department of Education:				
Learn and Serve America - School and Community				
Based Programs	94.004	232, 234	132,481	 -
United States Department of Defense: Direct:				
Navy Junior Reserve Officers Training Corps	None	N/A	247,728	 -
Total United States Department of Defense			247,728	
Total Expenditures of Federal Awards			\$ 32,056,054	\$ 325,043

Notes:

- (1) <u>Basis of Presentation</u>. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the 2008-09 fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been reported.
- (2) Noncash Assistance National School Lunch Program. Represents the amount of donated food received during the 2008-09 fiscal year. Commodities are valued at fair value as determined at the time of donation.



REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

District School Board of Lake County, Florida and Superintendent Tavares, Florida

Compliance

We have audited the compliance of the District School Board of Lake County, Florida (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement*, that are applicable to each of its major federal programs for the year ended June 30, 2009. The District's major federal program is identified in the summary of audit results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

The District's basic financial statements include the operations of the discretely presented component units, which received federal awards which are not included in the schedule for the year ended June 30, 2009. Our audit, described below, did not include the operations of the discretely presented component units because the component units engaged other auditors to perform audits in accordance with OMB Circular A-133.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

Certified Public Accountants

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (Concluded)

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* is an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

December 18, 2009 Ocala, Florida

Purvis, Gray and Company, LLP

SCHEDULE OF FINDINGS AND QUESTIONED COSTS IN ACCORDANCE WITH OMB CIRCULAR A-133 DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA TAVARES, FLORIDA

1. Summary of Audit Results

- I. The auditors' report expresses an unqualified opinion on the basic financial statements of the District School Board of Lake County, Florida (the District).
- II. No significant deficiencies relating to the audit of the financial statements are identified in the report on internal control over financial reporting and on compliance and other matters based on an audit of the basic financial statements of the District.
- III. No instances of noncompliance material to the financial statements of the District were disclosed during the audit.
- IV. No significant deficiencies relating to the audit of the major federal award programs are identified in the report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.
- V. The auditors' report on compliance for major federal programs expresses an unqualified opinion.
- VI. The audit disclosed no findings required to be reported in accordance with Section .510(a) of OMB Circular A-133, relative to the major federal programs.
- VII. The programs tested as major programs include:

■ Department of Agriculture

Child Nutrition Cluster:

School Breakfast Program (CFDA No. 10.553) National School Lunch Program (CFDA No. 10.555)

■ Department of Education

Improving Teacher Quality State Grants (CFDA No. 84.367)

- VIII. The threshold used for distinguishing between Type A and B programs was \$961,682.
- IX. The District did qualify as a low-risk auditee pursuant to OMB Circular A-133.
- 2. <u>Findings Related to the Basic Financial Statements Required to be Reported Under</u> Generally Accepted Government Auditing Standards (GAGAS)

The audit disclosed no findings which are required to be reported under GAGAS.

3. <u>Findings and Questioned Costs for Federal Awards Required to be Reported Under Section .510(a) of OMB Circular A-133</u>

The audit disclosed no findings which are required to be reported under Section .510(a) of OMB Circular A-133.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS IN ACCORDANCE WITH OMB CIRCULAR A-133 DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA TAVARES, FLORIDA

(Concluded)

4. <u>Status of Prior Audit Findings</u>

See Summary Schedule of Prior Year Audit Findings.

5. Corrective Action Planned for Current Year Audit Findings

There are no current year audit findings included in the current year schedule of findings and questioned costs.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA TAVARES, FLORIDA

Federal Awards Finding No. 1 (a)

Program: Child Nutrition Cluster (CFDA No. 10.553 and CFDA No. 10.555)

Brief Description: The District was unable to provide documentation supporting meal counts for a

portion of the sample selected. The District indicated that the counts were maintained on computer files which were lost. Insufficient or improperly maintained support records may result in an increased risk that Federal reimbursements may be

over claimed.

Current Status: The recommendation was adopted by the District. No similar findings were noted in

the 2009 audit.

Federal Awards Finding No. 2007-03 (b)

Program: Not Applicable - Subrecipient Monitoring

Brief Description: The District's procedures for monitoring subrecipients had not been formally

documented, which may result in insufficient procedures to ensure adherence to the

subrecipient compliance requirement.

Current Status: The recommendation was adopted by the District. No similar findings were noted

in the 2009 audit.

(a) Finding is from the 2008 Comprehensive Annual Financial Report

(b) Finding is from the 2007 Comprehensive Annual Financial Report



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

District School Board of Lake County, Florida and Superintendent Tavares, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the District School Board of Lake County, Florida (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 18, 2009. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Educational Foundation of Lake County, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District'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 an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (Concluded)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic 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 or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the District in a separate letter dated December 18, 2009.

The District's response to the management letter comments identified in our audit is described in the accompanying management's response to management letter comments. We did not audit the District's response and, accordingly, we express no opinion on it.

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

December 18, 2009 Ocala, Florida

Purvis, Gray and Conpany, LLP



MANAGEMENT LETTER

District School Board of Lake County, Florida and Superintendent Tavares, Florida

We have audited the basic financial statements of the District School Board of Lake County, Florida (the District), as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated December 18, 2009. Our report was modified to include a reference to other auditors. Other auditors audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This letter does not include the results of the other auditors' audit, which are reported on separately by those auditors. The financial statements of the Educational Foundation of Lake County, Inc. were not audited in accordance with *Government Auditing Standards*.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our report on internal control over financial reporting and compliance and other matters, report on compliance requirements applicable to each major federal program and on internal control over compliance, and schedule of findings and questioned costs. Disclosure in those reports and schedule, which are dated December 18, 2009, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.800, *Rules of the Auditor General*, which governs the conduct of the District's audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' report or schedule:

- Section 10.804(1)(f)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Please see the accompanying management letter comments.
- Section 10.804(1)(f)2., *Rules of the Auditor General*, requires a statement be included as to whether the District has met one or more of the conditions described in Section 518.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.302(1), Florida Statutes.
- Section 10.804(1)(f)3., *Rules of the Auditor General*, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we noted no instances of noncompliance with Section 218.415, Florida Statutes.

Certified Public Accountants

MANAGEMENT LETTER (Concluded)

- Section 10.804(1)(f)4., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. Please see the accompanying management letter comments.
- Section 10.804(1)(f)5., *Rules of the Auditor General*, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.804(1)(f)6., *Rules of the Auditor General*, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements considering both quantitative and qualitative factors: (1) violations of provisions of contracts and grant agreements, fraud, illegal acts, or abuse; and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.
- Pursuant to Sections 10.804(1)(f)7.a. and 10.805(6), *Rules of the Auditor General*, we applied the financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the District and management, and the Florida Auditor General, and is not intended to be and should not be used for anyone other than these specified parties.

December 18, 2009

Purvis, Gray and Company, LLP

Ocala, Florida



MANAGEMENT LETTER COMMENTS

District School Board of Lake County, Florida and Superintendent Tavares, Florida

During the course of our audit, the following items came to our attention. These items involve primarily operational matters, which, if improved, will result in more efficient and effective operations.

Prior Year Comments Remaining

Payroll - Timesheets

The District does not currently have a standard timekeeping methodology or procedure. During our audit we noted that significant variances exist between schools and departments in the method of tracking payroll time; some schools/departments used a check-off system or sign-in/sign-out sheet; some schools/departments used timecards; and some schools lacked appropriate documentation of time worked or time off for nonexempt and exempt employees, documenting time worked only on an exception basis.

From our sample of employee timekeeping records, many records lacked evidence of supervisory review and approval of time worked. For employees paid for time off, employee time off forms were completed and properly approved in all except one instance. Note, however that due to the process of payroll by exception, time off could be taken and a form not completed and the employee therefore would be paid regular time.

RSM performed an internal audit dated December 31, 2007 with findings related to lack of segregation of duties related to timekeeping at the schools, incomplete or inaccurate time logs, inaccurate overtime reporting, lack of payroll report review at schools, incomplete leave forms, and a lack of standardized procedures. None of these issues seem to have been significantly addressed as of the conclusion of our audit. Management's response to that internal audit had been to design a system and provide a policy/procedure manual by September 2008.

We recommend that the district review the recommendations of the internal audit and allocate the needed resources to implement those recommendations in a timely manner.

Balance Sheet Account Reconciliations

During our audit we noted that not all miscellaneous balance sheet accounts are being reconciled, primarily system generated workers compensation payable and health insurance payable. Both of these accounts required audit adjustments very late in the audit process. Not reconciling these accounts increases the likelihood that errors or fraud will not being detected on a timely basis and could result in misstated financial statements.

Certified Public Accountants

MANAGEMENT LETTER COMMENTS (Continued)

Prior Year Comments Remaining (Concluded)

Balance Sheet Account Reconciliations (*Concluded*)

Additionally, the District maintains accounts to track the cost paid on behalf of the conversion Charter Schools and the related reimbursements, which are not being reconciled regularly. While the tracking and reconciliation process has improved since our 2007 audit, there are still some ongoing reconciliation issues and year-end adjustments to these accounts.

We recommend that the District continue its efforts to improve this process, including monthly or quarterly, documented reconciliations of all balance sheet accounts.

Internal Accounts

The Internal Auditor of the District is issuing an Audit Report covering the Internal Accounts of the District for the 2009 fiscal year-end. That audit has identified numerous comments and recommendations dealing with control deficiencies found throughout the internal accounts at the various schools of the District. We have participated with the Internal Auditor in all aspects of that audit and concur with the recommendations made therein. We urge the District to continue its efforts to improve internal controls of the internal accounts by carefully addressing these comments.

Bonding Coverage

Insurance coverage for Employee Dishonesty, Theft, Forgery, and Computer Fraud are all only \$100,000 each. Given the size of the District's budget and the quantity and size of financial transactions that are handled and processed, we believe that these coverage limits should be reviewed to determine if additional coverage is desirable.

Current Year Comments

Investments

The District has been reporting its investments in U.S. Government Agency Securities and Commercial Paper at cost as opposed to market value, which is not in accordance with GAAP. Due to the short-term nature of both investment types, the differences between cost and market are immaterial; however the difference between the cost and the fair value may become more significant in the future. We recommend that all investments be carried at market value.

We also noted that the Investment Note in the annual financial report filed with the Department of Education and the preliminary draft CAFR did not properly identify and classify the various investment of the district and did not include all disclosures as to the maturities, credit ratings, etc. required for investments. We recommend that the District review the nature of the investments managed by the money manager periodically to ensure that all descriptions and required disclosures are complete and accurate.

Charter School Monitoring

The Charter Schools of the District are considered component units of the District for financial reporting purposes and are included as discretely presented component units in the District's CAFR. Our review of the various audit reports of the Charter Schools indicates that some have obvious errors in them such as

MANAGEMENT LETTER COMMENTS (Concluded)

<u>Current Year Comments</u> (Concluded)

Charter School Monitoring (*Concluded***)**

negative balances in property and equipment accounts and that the amounts payable to the District from the Charter Schools does not agree to the amount shown by the District as receivable from the Charter Schools, which is presumed to be correct. Additionally, receiving completed audit reports in time for inclusion in the District CAFR has been a problem for some. Accordingly, we recommend that the District increase its fiscal monitoring of the Charter Schools to improve the accuracy and timeliness of their financial reporting.

Payroll - Unemployment

The District has recently experienced an increase in unemployment claims as the result of the economic recession affecting the country. Additionally all Florida school district budgets are being partially funded by stimulus money (ARRA) from the federal government due to the lack of money available for funding at the state level from traditional sources. The stimulus money is scheduled to decline significantly in the near future and the District may experience even higher unemployment compensation claims if and when this occurs. Accordingly, we recommend that the District review this area closely for cost mitigation alternatives and begin to plan for a possible further increase in claims, including reviewing if entering the State insurance system rather than self insuring would be a wise strategy to eliminate or at least defer the full effect of increasing claims.

Booster Organizations

The District does not appear to have formal policies governing administrative monitoring of the various booster organizations that support the activities of individual schools. Informal policy is that individual Principals monitor booster activities. Because of the significant amounts of money that booster organizations can collect from high school athletic concessions and other activities along with the volunteer nature of the organizations which typically equates to poor internal controls as well as the many IRS requirements that may apply to these organizations, we recommend that the District develop a District-wide administrative policy governing booster clubs that might include; periodic financial reporting, evidence of IRS compliance, and other desirable items.

These management letter comments are intended solely for the information and use of the District Board, Superintendent, management, the State of Florida, and other governmental agencies and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation for the courtesies that have been extended to our staff. If you have any questions or comments about the contents of this letter, or the information accompanying this letter, please do not hesitate to contact us.

December 18, 2009 Ocala, Florida

Purvis, Gray and Company, LLP



Leading Our Children to Success

201 West Burleigh Boulevard · Tavares · FL 32778-2496 (352) 253-6500 · Fax: (352) 343-0198 · <u>www.lake.k12.fl.us</u> Superintendent:

Susan Moxley, Ed.D.

School Board Members:
District 1
Larry Metz
District 2
Rosanne Brandeburg
District 3
Cindy Barrow
District 4
Debbie Stivender

District 5

Kyleen Fischer

December 18, 2009

Mark White, CPA, Partner Tim Westlake, CPA, Partner Purvis Gray & Company, CPA's 2347 S.E. 17th Street Ocala, FL 34471

Gentlemen;

First, let me thank you and your staff for the professional manner in which the audit was conducted. It was completed in a timely manner and with very little disruption to our daily operations. As a former auditor, I understand and value the audit process and consider the findings as opportunities to improve. In response to the Independent Auditor's Management Letter Comments related to the audit of our financial statements for the fiscal year ended June 30, 2009, we offer the following:

Payroll - Timesheets

We agree with this finding. We have been attempting to assess various payroll tracking systems in order to find a more effective and efficient method of timekeeping. This will be an ongoing business change process that will not be corrected quickly. As a compensating control, we are preparing standardized timesheets to be used by all areas to provide consistency until a more comprehensive system can be implemented.

Balance Sheet Account Reconciliations

We agree with this finding. This is an area that we identified as an internal control weakness and have reallocated staffing resources to specifically target this area. All balance sheets accounts are being reconciled as part of the standard monthly closing process.

Internal Accounts

We agree with the finding. Your work with the District Internal Auditor has allowed us to improve this audit process. The comments and recommendations noted are being incorporated into an updated Procedures manual for Internal Accounts both for the Bookkeepers and the Principals to provide consistent guidance for the entire District.

Bonding Coverage

We agree with this finding. We have contacted our insurance carrier and requested a cost determination to increase the coverage in these areas of increased potential exposure.

Investments

We agree with this finding. We have been in contact with our financial advisors and have corrected our reconciliation process to ensure proper recording of investments at market value.

Charter School Monitoring

We understand this finding. As noted, we have significantly improved our monitoring of and communication with the charter schools and will continue to do so. However, while we can and will notify the charter schools of noted discrepancies in the audit reports, we are not in a position to effect change in their financial records and audit procedures after reports are received. In the event that significant deficiencies are noted and not addressed by the Charter school, the matter would be brought to the attention of the School Board for appropriate action.

Payroll – Unemployment

We agree with this finding. This is an area that we had previously identified as a potential liability to keep under review. We have closely monitored these claims and are considering all options for cost mitigation should it become necessary.

Booster Organizations

We agree with this finding. We are in the process of reviewing the entire internal accounts process including booster activities.

We appreciate your assistance and review of our systems and look forward to working together to continually improve our school district.

Respectfully submitted,

Carol J. MacLeod, CPA Chief of Business Services

Carry march

cc: Dr. Susan Moxley, Superintendent of Schools