

COUNTY OF VOLUSIA, FLORIDA



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



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2012

Prepared By:

CHARLENE WEAVER, CPA
DEPUTY COUNTY MANAGER /
CHIEF FINANCIAL OFFICER

DONNA de PEYSTER, CPA
ACCOUNTING DIRECTOR

ACKNOWLEDGEMENTS

The successful completion of this year's Comprehensive Annual Financial Report is attributed to the group efforts of several individuals deserving of special recognition. The cooperation, contributions, and expertise provided by each one are greatly appreciated.

The Accounting team is commended for their expertise and perpetual efforts put forth in the research, analysis, and compilation of this report.

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Robert Ehrhardt, Business Manager, Economic Development

Our gratitude for the creative and technical contributions in preparing the cover and tabs for this report goes to Community Information.

Cover and section artwork acknowledgement:
Joseph de Peyster, M.D.

INTRODUCTORY SECTION



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2012

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Volusia County
FLORIDA

March 5, 2013

Honorable Members of the County Council,
County Manager and Citizens of Volusia County:

Ladies and Gentlemen:

It is a pleasure to present the Comprehensive Annual Financial Report (CAFR) of the County of Volusia, Florida (the County) for the fiscal year ended September 30, 2012.

FORMAL TRANSMITTAL OF THE CAFR

Volusia County Home Rule Charter and Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the comprehensive annual financial report of the County of Volusia, Florida for the fiscal year ended September 30, 2012.

The report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the County'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 County's financial statements have been audited by an independent firm of certified public accountants, James Moore & Co., P.L., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2012, 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 County's financial statements for the fiscal year ended September 30, 2012, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated single audit and passenger facility charge audit designed to meet the special needs of federal and state grantor agencies. 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 County's internal controls and compliance with legal requirements, with special emphasis on those internal controls and legal requirements involving the administration of federal and state awards. These reports are in the compliance section of this report.

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

PROFILE OF THE COUNTY OF VOLUSIA, FLORIDA

Volusia County is located in the east-central region of the State of Florida and bordered by the Atlantic Ocean. Volusia County is approximately 40 miles northeast of the City of Orlando and approximately 200 miles from Tallahassee, Florida's capital.

Florida



Volusia County



Volusia County was established in 1854 and became the 30th county in the State of Florida. In June 1970, the electorate of Volusia County adopted a Home Rule Charter, effective January 1, 1971. The County operates under a Council/Manager form of government. The promulgation and adoption of policy are the responsibility of the seven-member council and the execution of such policy is the responsibility of the council-appointed County Manager. The Council is elected on a non-partisan basis. Voters elect the County Council which consists of seven members that serve four-year terms. Five are elected by district; the County Chair and the At-Large representative are elected countywide.

The Reporting Entity

The County provides a full range of services, including public protection; highway, street, and other infrastructure construction and maintenance; growth management; conservation and resource management; economic development; health and human welfare assistance; and recreational activities and cultural events. In addition, the County operates a water and sewer system, an international airport, a public transportation system, a parking garage, a garbage collection program, and a refuse disposal system. The legally separate Clerk of the Circuit Court and Volusia County Law Library are reported separately within the County's financial statements as discretely presented component units. Additional information on these legally separate entities can be found in Note 1.A.1. of the Notes to the Financial Statements, page 64.

INFORMATION USEFUL IN ASSESSING THE COUNTY'S ECONOMIC CONDITION

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

Local Economy

The economy of Volusia County improved in 2012 with most industry sectors showing stability or modest growth. Employment increased from 229,467 in September, 2011 to 232,926 in September, 2012, a gain of 1.5 percent. The unemployment rate has shown consistent improvement throughout the year, and stands at 8.8 percent, in September, 2012. This is an improvement of nearly 2 full percentage points when compared to the same month one year ago. However, the number of unemployed workers remains above 20,000 which highlights the ongoing need for retraining workers to upgrade current skills.

The number of new homes entering foreclosure has slowed, while the resale of existing homes in the area and the accompanying median sales price is up markedly. New construction residential permits have improved dramatically showing an increase of over 50 percent through the first three quarters of 2012 as compared to the same period in 2011. The number of new commercial and industrial permits has declined slightly as projects under construction are completed.

It is anticipated that 2013 will show continued improvement in the residential real estate market and in employment, subject to broader economic issues such as the nation's fiscal policy. However, as noted by Sean Snaith - Director of the Institute for Economic Competitiveness at the University of Central Florida, the timing and extent to which discouraged workers reenter the labor force will be a key determinant of the path of the unemployment rate.

Major Initiatives and Programs

International Speedway Corporation announced its intent to move forward renovating the Daytona International Speedway (DIS) and expanding its entertainment complex. Improvements to the 53-year-old DIS facilities and grandstands will likely happen first. New development could include up to two million square feet of retail space, 1,785 hotel rooms, 1,500 multifamily residential units, movie theaters with 5,000 seats, and 950,000 square feet of industrial space. Two developers are considering separate beachfront condominium hotel complexes in Daytona Beach – one a Russian hotel developer planning a 1.22 million square foot project valued at \$100 million and, the other, a Canadian investment and development company considering a 1.3 million square foot project with an estimated \$80 million construction cost. A \$16 million 112-room hotel opened for business in New Smyrna Beach, the first new hotel to be built there in 20 years.

Major manufacturers are expanding with Teledyne Oil & Gas expected to occupy a 50,000 square foot research and development facility in the first quarter of 2013 and AO Precision Manufacturing LLC nearing completion of a 60,000 square foot expansion to their existing manufacturing facility. Brown & Brown Insurance completed a 28,000 square foot hangar at the Daytona Beach International Airport, the largest free standing hangar ever constructed in Volusia County, to accommodate their fleet of corporate jets. In 2012, Sen-Pack moved into a new state-of-the-art robotic packaging manufacturing facility and ARK Technologies, Inc. began automotive component manufacturing in their first Florida facility, a new 50,000 square foot building in Daytona Beach. Conelec of Florida, LLC re-purposed a 60,000 square foot facility located in DeLand Crossing Industrial Park by making a significant capital investment prior to moving their 30 year old company from Seminole County.

During 2012, Embry-Riddle Aeronautical University completed or commenced construction on approximately \$70 million of new campus improvements including the campus loop road system, the east campus athletic expansion, Larson Motorsports facility, Henderson Administration and Welcome Center, Research Park, and the new College of Arts and Sciences. Stetson University completed an \$8 million Science Center addition and a \$6.7 million athletics complex on their DeLand campus. The University of Central Florida (UCF) managed Business Incubator at the Daytona Beach International Airport celebrated its one year anniversary in July, and ended the year with 13 client companies. These startup companies have created over 30 new positions pursuing business models that generally fall into four categories: technology, manufacturing, service, and health. The incubator management team has increased its focus on attracting angel or venture capital investors and has developed this incubator to be one of the most successful in the UCF system.

In fiscal year 2013, Daytona Beach International Airport will be celebrating 45 years of continuous jet service. Jet service began at Daytona Beach Municipal Airport on December 14, 1967 with Eastern Airlines offering nonstop service between Daytona Beach and New York City's JFK International Airport. For the fiscal year ending September 30, 2012, passenger traffic was approximately 600,000 total passengers, representing an increase of approximately 7 percent over fiscal year 2011. Aircraft operations (landings and take offs) for 2012 were approximately 300,000, representing an increase of roughly 30 percent over the prior year, making it the third busiest airport in the State of Florida. The airport staff, in partnership with the private sector, is leading a community-supported initiative to attract additional air service options for the area.

In 2012, the Florida Department of Transportation commenced two interstate widening projects in Volusia County. The Interstate 95 project is budgeted at \$118 million and is expected to generate 3,300 direct, indirect, or induced jobs while the Interstate 4 widening project is budgeted at \$134 million and could create 3,700 related jobs.

RELEVANT FINANCIAL INFORMATION

Long-term Financial Planning

The long-term financial planning process includes an examination of new capital and/or operating initiatives in relationship to their related impact on the County's financial position. As a result, a long-term capital improvement program (CIP) is developed to ensure that capital projects (1) match community objectives and goals; (2) encourage efficient government administration by eliminating overlapping or conflicting programs among government agencies; and (3) foster a sound and stable financial program. Each year, the County publishes a County Council approved five-year (CIP) document. By looking beyond year-to-year budgeting and projecting what, where, when, and how capital investments should be made, capital programming enables the County to maintain an effective level of service to the present and future population.

Major capital improvement projects that were approved for fiscal year 2012 include:

- Replacement of inmate dorms at the Volusia County Correctional Facility
- Renovations to the Volusia County Branch Jail
- Replacement of the County's Emergency Operation Center and renovations to the existing facility to be used as an Information Technology secondary computer data center.

The fiscal year 2012 CIP is financed by multiple funding options. Carryover (fund balance) is the largest source of funding, comprising 55 percent of the CIP budget. Federal and State funding is the second largest source at 32 percent, and Enterprise funds follow at 10 percent. The remaining budget is funded through a mix of ad valorem, city contributions, impact fees, and other miscellaneous revenues.

Long-term planning also incorporates multi-year projections for major operating funds including the General Fund, and Library, Municipal Services District, and Fire District funds. Revenue estimates are based on historical data, trend analysis, discussions with department directors, reviews of proposed initiatives, estimates from the State Department of Revenue, the Florida Legislature's Office for Demographic and Economic Research, and analysis of economic data from various sources, including the University of Florida Bureau of Economic and Business Research. Because these estimates showed that the depressed economy will have continued negative impact in the near future on the revenues upon which the operating funds rely, action has been taken to adjust expenditures and, if necessary, modify service levels. More than 20 mini-budget workshops were held with management and County Council to review these impacts and establish current and future priorities prior to adopting the fiscal year 2012 budget.

Budget Development

As evidenced by its long-term planning efforts, the County continues to operate under difficult economic conditions. Within the last four years, property values have fallen below 1994 values and the County's tax base fell 8 percent. Budgeted property taxes for fiscal year 2012 were \$3.2 million less than fiscal year 2011. However, the cost of providing services has continued to rise. The cost of providing \$100 worth of services in 2004, for example, now costs \$115; a 15 percent increase. As a result, areas within the organization implemented initiatives to reduce costs with a relatively small change in service levels.

Investment Policies and Practices

Cash balances of County funds are pooled and invested pursuant to the following criteria: safety, liquidity, and yield. The County's investment policy states safety - the preservation of capital - is the "foremost objective of the investment program." This objective is met by purchasing investments that mitigate both credit and interest rate risks. Credit risk, or the risk of loss due to failure of the security issuer, is mitigated by limiting investments to the safest types of securities, pre-qualifying broker/dealers with which the County will do business, and diversifying investments so that potential losses on individual securities is minimized. The investment policy provides a list of authorized investments with maximum percentages allowed. Interest rate risk, or the risk of reduced market value due to changes in interest rates, is mitigated by purchasing securities that mature to meet cash requirements thereby avoiding the need to sell securities prior to maturity.

During fiscal year 2012, the County's cash resources were primarily invested in U.S. Agency and Treasury issues, and government money market mutual funds regulated by the Securities and Exchange Commission. In order to provide some additional diversification, but still maintain an acceptable level of safety, the County invested in highly rated commercial paper with maturities of 270 days or less. The County did not invest in

any derivatives or similar debt and investment instruments because these do not meet its risk mitigation objectives. The interest rates received from individual securities for the fiscal year ranged from 0.01 percent to 5.00 percent. Because weak economic conditions have forced the federal funds rate (0.00 percent to 0.25 percent) to remain low, the County's average annual rate of return dropped from 1.05 percent in 2011 to 0.77 percent in 2012. It is expected that these exceptionally low levels will remain through at least mid 2015 based upon the views of the Federal Reserve's Federal Open Market Committee. For additional information concerning the investment of surplus funds, refer to Note 2 of the Notes to the Financial Statements on page 72.

Debt Management

The County issues debt only for the purposes of constructing or acquiring capital improvements or for making major renovations to existing capital assets. Financing in the form of long-term notes for the acquisition of major equipment is also allowed provided there is cost justification to do so. As part of its overall monitoring activities, the County assesses existing market conditions to determine the appropriate time to refund or extinguish outstanding debt issues, if appropriate, to realize sufficient cost savings. During fiscal year 2012, a review of the County's debt determined that savings could be realized if four bond issues were refinanced. As a result, the County refinanced a sales tax improvement bond, airport revenue bond, and two water and sewer bonds taking advantage of more than \$1.2 million in economic gains.

Emergency Reserve Policy

For the property tax supported operating funds, the County Council adopted an emergency reserve policy based upon recommendations of staff and Government Finance Officers Association (GFOA) recommended practices. The policy sets the goal for the County to systematically build emergency reserves for future fiscal years until the total of such reserves equal a minimum of five percent and maximum of ten percent of current budgeted revenues. Based upon recommendation and request from the County Manager, the County Council must approve any transfers from these reserves to the operating accounts to cover emergency-related expenditures not covered by other sources. No funds were transferred in fiscal year 2012. To the extent possible, emergency reserves that fall below the five percent threshold will be replaced during the following fiscal year, which for this reporting period, did not occur. For fiscal year 2012, the status of those reserves, based upon actual revenues, is as follows:

<u>Fund</u>	<u>Reserve Amount</u>	<u>Percentage of Operating Revenue</u>
General	\$15,616,023	8.6
Municipal service district	1,851,918	5.1
Library	1,234,065	7.9
East Volusia Mosquito Control district	372,498	9.3
Ponce Inlet Port Authority	204,550	10.2
Fire services	2,029,812	9.8

New Accounting Standards

Deferrals Presentation – In June 2011, the Governmental Accounting Standards Board issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The County early implemented Statement No. 63 for fiscal year 2012.

Assets and Liabilities Reporting – In March 2012, the Governmental Accounting Standards Board issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The County early implemented Statement No. 65 for fiscal year 2012.

Other Standards – In November 2010, the Governmental Accounting Standards Board issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Agreements* and Statement No. 61, *The Financial Reporting Entity Omnibus*. Both statements are in review by County staff, and if applicable, would be effective starting with fiscal year 2013.

In December 2010, the Governmental Accounting Standards Board issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Staff is currently reviewing this statement and, if applicable, would be effective starting with fiscal year 2013.

In March 2012, the Governmental Accounting Standards Board issued Statement No. 66, *Technical Corrections—2012—an Amendment to GASB Statements No. 10 and No. 62*. Staff is currently reviewing this statement and, if applicable would be effective starting with fiscal year 2014.

In June 2012, Governmental Accounting Standards Board issued Statement No. 67, *Financial Reporting for Pension Plans—an Amendment of GASB Statement No. 25*. Staff is currently reviewing this statement and will be implementing it starting with fiscal year 2014.

In June 2012, Governmental Accounting Standards Board issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. Staff is currently reviewing this statement and will early implement it starting with fiscal year 2014.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2011, an ongoing tradition since the County received its first award in 1977. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and it will be submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgements

A Comprehensive Annual Financial Report of this nature could not have been prepared without the dedicated efforts of the finance staff. I would like to express my sincere appreciation to the Accounting Director, each member of the Accounting Division, the Management and Budget Director, the Economic Development Business Manager, and the Deputy Director, Financial and Administrative Services, who assisted and contributed in the preparation of this report. I would also like to thank the County Manager, the County Chair and members of the County Council for their leadership and support in planning the financial operations of the County in a responsible and progressive manner.

USE OF THIS REPORT

This report and other financial information prepared by the County of Volusia, Department of Financial and Administrative Services may be found on the County's website at <http://www.volusia.org/finance>.

Sincerely,



Charlene Weaver, CPA
Deputy County Manager/Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Volusia
Florida

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

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



Christopher P. Howell

President

Jeffrey R. Emer

Executive Director

COUNTY OF VOLUSIA, FLORIDA

PRINCIPAL COUNTY OFFICIALS

September 30, 2012

COUNTY COUNCIL

Frank T. Bruno, Jr., County Chair

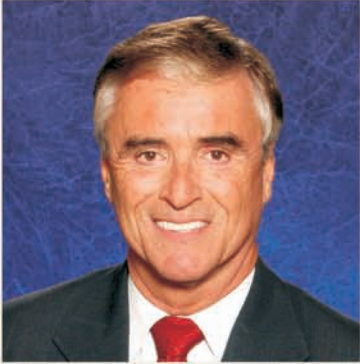
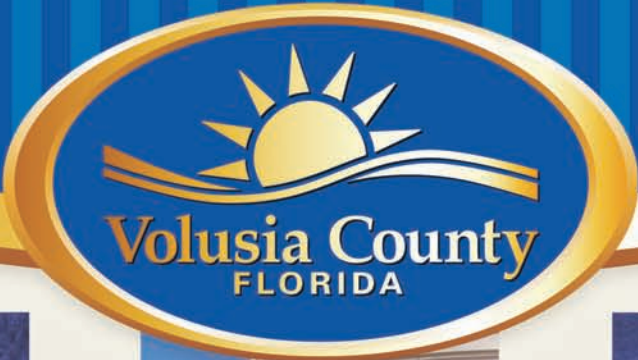
Joyce M. Cusack, Vice Chair	Council Member At-Large
Andy Kelly	District No. 1
Joshua J. Wagner	District No. 2
Joie Alexander	District No. 3
Vacant	District No. 4
Patricia Northey	District No. 5

COUNTY MANAGER

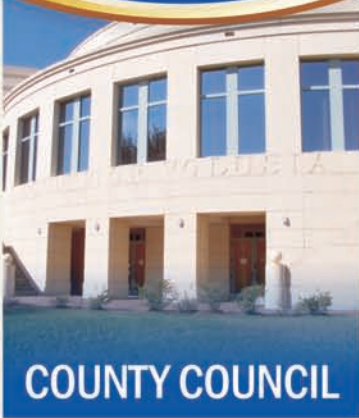
James Dinneen

ELECTED COUNTY OFFICIALS

Ben F. Johnson	Sheriff
Ann McFall	Supervisor of Elections
Morgan B. Gilreath, Jr.	Property Appraiser



FRANK T. BRUNO JR.
COUNTY CHAIR



COUNTY COUNCIL



JOYCE M. CUSACK
AT-LARGE, VICE CHAIR



ANDY KELLY
DISTRICT 1



JOSHUA J. WAGNER
DISTRICT 2



JOIE ALEXANDER
DISTRICT 3



VACANT
DISTRICT 4

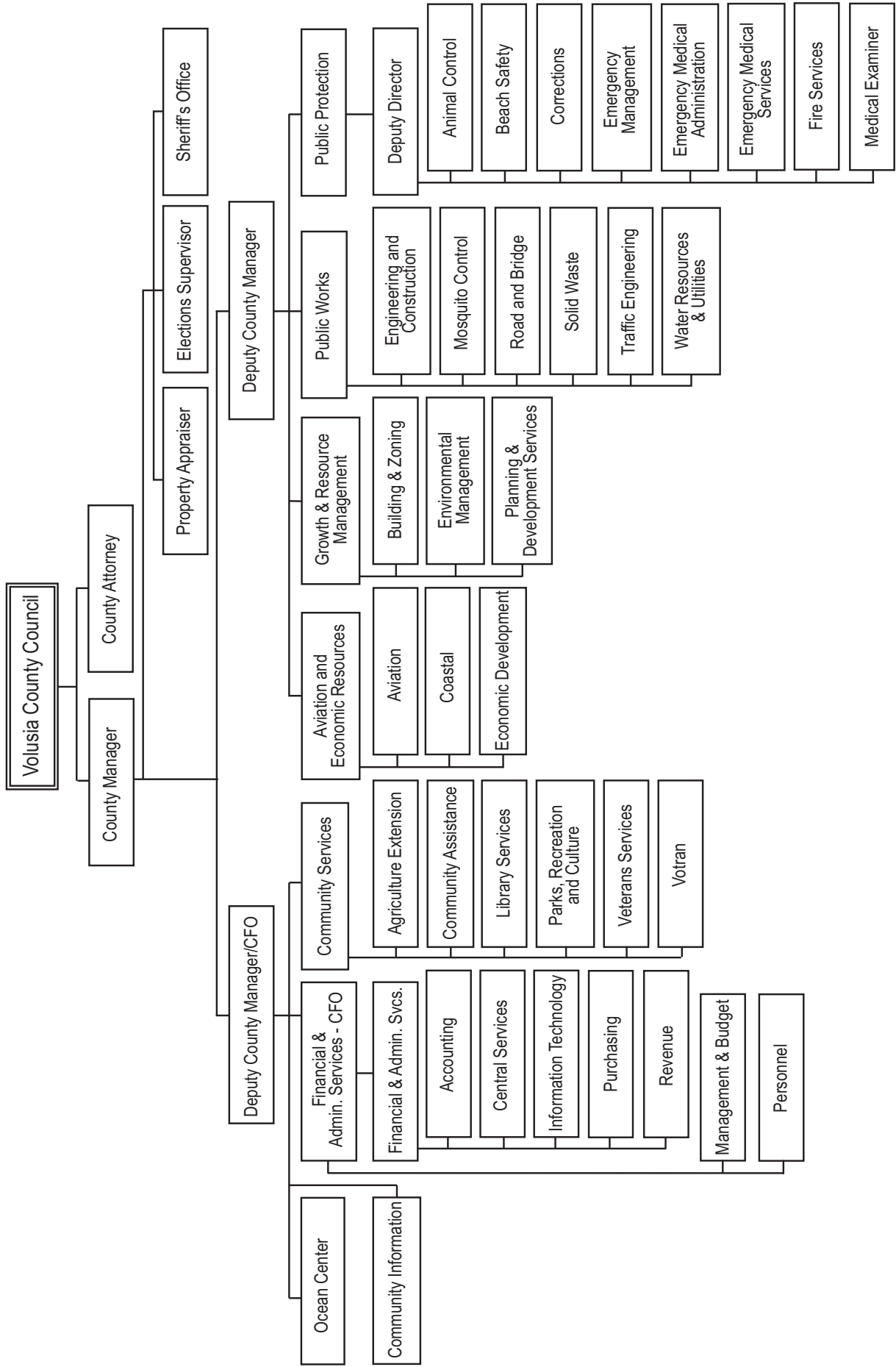


PATRICIA NORTHEY
DISTRICT 5



JAMES DINNEEN
COUNTY MANAGER

Volusia County Organizational Chart



FINANCIAL SECTION



Volusia County
FLORIDA

INDEPENDENT AUDITORS' REPORT

To the Honorable County Council Members
of the County of Volusia, 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 County of Volusia, Florida, as of and for the year ended September 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Volusia, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida which represents ninety-five and ninety-six percent of the assets and revenues of the aggregate discretely presented component units, respectively. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Clerk of the Circuit Court, County of Volusia, Florida is based 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. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to previously present fairly, in all material respects, the respective 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 County of Volusia, Florida, as of September 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Municipal Service District, Federal and State Grants, County Transportation Trust, and Volusia Forever funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2013, on our consideration of the County of Volusia, Florida'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

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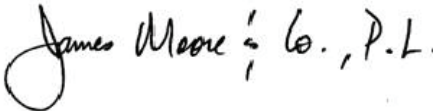
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internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Volusia, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance and schedule of passenger facility charges are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Section 215.97, Florida Statutes, *Florida Single Audit Act*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and are also not a required part of the financial statements. The combining and individual nonmajor fund financial schedules, schedule of expenditures of federal awards and state financial assistance, and schedule of passenger facility charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Daytona Beach, Florida
March 5, 2013

Management's Discussion and Analysis

Introduction

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2012. Please read it in conjunction with the letter of transmittal, beginning on page 1, and the County's financial statements beginning on page 26.

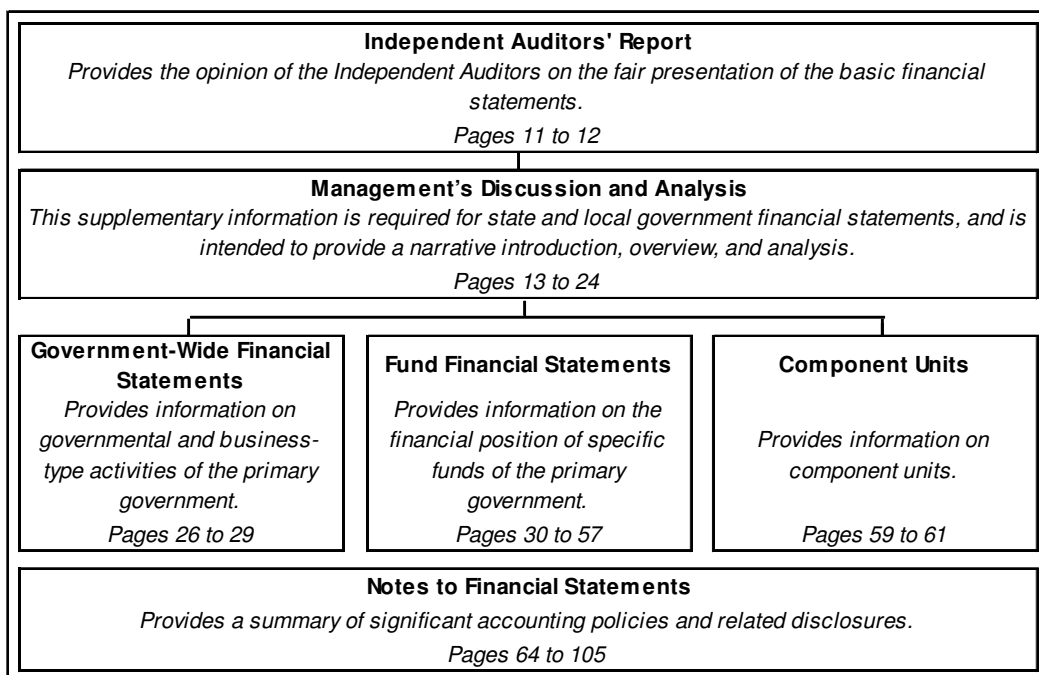
Financial Highlights

- The assets of the County exceeded its liabilities at the close of fiscal year 2012 by \$980,334,151 (*net position*). Of this amount, \$132,178,292 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- At September 30, 2012, the County's governmental funds reported combined ending fund balances of \$255,787,891, a decrease of \$26,058,399.
- At September 30, 2012, spendable fund balance, which includes restricted, assigned, and unassigned components, for the General Fund was \$48,566,567, a decrease of 7.1 percent from the prior fiscal year.
- Governmental funds revenues increased \$2,735,488 or .8 percent more than the prior fiscal year.
- The County's net outstanding notes payable and bonded debt decreased by \$20,585,031 or 7.2 percent during fiscal year 2012. The principal retirements of its notes payable and bonded debt totaling \$36,412,340 offset an increase in its notes payable and bonded debt in the amount of \$15,827,309 .

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County'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 supplementary information in addition to the basic financial statements themselves.

Organization and Flow of Financial Section Information



Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They consist of the *statement of net position* and the *statement of activities*. The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during fiscal year 2012. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, health and social services, culture/recreation, and other community services. The business-type activities of the County include refuse disposal, airport operations, mass transit, water and sewer utilities, parking garage operations, and garbage collection.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the following legally separate component units: Clerk of the Circuit Court and Volusia County Law Library. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 26-29 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 County, 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 County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as 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 reconciliations to facilitate this comparison between *governmental funds* and *governmental activities*.

The County reports on 46 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, municipal service district, federal and state grants, county transportation trust fund, and Volusia Forever, which are considered to be major funds. Data from the other 41 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* in the supplementary information section of this report.

The County adopts an annual appropriated budget for its general, special revenue, and debt service funds and project-length budgets for the capital projects funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 30-44 of this report.

Proprietary funds

The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements, except in more detail. The County uses enterprise funds to account for activities of a government that provide goods or services to the public at large primarily on a consumer charge basis. The proprietary fund financial statements provide separate information for the refuse disposal, Daytona Beach International Airport, Volusia Transportation Authority, water and sewer utilities, parking garage, and garbage collection funds. *Internal service funds* are an accounting device used to accumulate and internally allocate costs to the County's various functions. The County uses internal service funds to account for its computer replacement, vehicle maintenance, self-insurance and risk management, and employee group insurance programs. Because the services of these funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 46-55 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statements can be found on pages 56-57 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 64-105 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* related to the County's volunteer firefighters pension funding and Other Post Employment Benefit (OPEB) obligations. Required supplementary information can be found on pages 108-109 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, debt service, capital projects, internal service, and agency funds are presented in the supplementary information section of this report. Combining and individual fund statements and schedules can be found on pages 114-193 of this report.

**Financial Analysis of County Of Volusia, Florida:
Government-Wide Financial Analysis**

The County's net position decreased from a year ago – dropping from \$985,113,094 to \$980,334,151. The decrease of \$4,778,943 is less than last year's change of \$23,504,469. Looking at the net position of the governmental and business-type activities separately, the business-type activities experienced a significant change in its change in net position when compared to the previous year – from \$14,525,301 reported in 2011 to \$1,644,180 in 2012. The analysis that follows focuses on the changes in net position of both the County's governmental and business-type activities.

**County of Volusia, Florida
Net Position**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 364,083,082	\$ 381,980,258	\$ 66,728,239	\$ 64,219,697	\$ 430,811,321	\$ 446,199,955
Capital assets	710,091,828	703,249,091	223,412,848	233,176,892	933,504,676	936,425,983
Total assets	<u>1,074,174,910</u>	<u>1,085,229,349</u>	<u>290,141,087</u>	<u>297,396,589</u>	<u>1,364,315,997</u>	<u>1,382,625,938</u>
Deferred outflow of resources - Debt refundings	1,691,587	1,870,716	1,019,873	972,188	2,711,460	2,842,904
Current liabilities	60,099,075	52,283,969	9,041,153	12,184,085	69,140,228	64,468,054
Long-term liabilities	240,696,666	253,322,217	76,856,412	82,565,477	317,553,078	335,887,694
Total liabilities	<u>300,795,741</u>	<u>305,606,186</u>	<u>85,897,565</u>	<u>94,749,562</u>	<u>386,693,306</u>	<u>400,355,748</u>
Net Position:						
Net investment in capital assets	529,475,957	506,906,367	168,500,750	172,178,445	697,976,707	679,084,812
Restricted	144,038,411	148,688,476	6,140,741	7,723,501	150,179,152	156,411,977
Unrestricted	101,556,388	125,899,036	30,621,904	23,717,269	132,178,292	149,616,305
Total net position	<u>\$ 775,070,756</u>	<u>\$ 781,493,879</u>	<u>\$ 205,263,395</u>	<u>\$ 203,619,215</u>	<u>\$ 980,334,151</u>	<u>\$ 985,113,094</u>

The net position of the County's governmental activities decreased by .8 percent (\$775,070,756 compared to \$781,493,879). Unrestricted net position – the part used to finance day-to-day operations and meet the ongoing obligation to citizens and creditors without constraints by debt covenants, enabling legislation, or other legal requirements – changed from \$125,899,036 to \$101,566,388. The net position of the business-type activities increased by .8 percent over last year's amount (\$205,263,395 compared to \$203,619,215). Unrestricted net position changed from \$23,717,269 to \$30,621,904.

The largest portion of the County's net position (71.2 percent) reflects its net investment in capital assets (e.g., land, buildings, and equipment). The County uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its 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.

An additional portion of the County's net position (15.3 percent) represents resources that are subject to external restrictions on how they may be used. These restrictions include debt covenants, enabling legislation, and other legal requirements. For governmental activities, restricted net position decreased \$4,650,065 over last year. The restricted net position of the County's business-type activities decreased by \$1,582,760 due to a reduction in the debt service funding for the Daytona Beach International Airport and the water and sewer utility bonds.

The remaining balance of unrestricted net position (\$132,178,292) for both governmental and business-type activities may be used to finance its day-to-day operations. Unrestricted net position of the governmental activities decreased \$24,342,648. More than 50 percent of this decrease relates to the spending in the capital projects funds for the 800 Mhz system improvements (\$1.0 million), the information technology projects (\$1.2 million), and the capital improvement project (\$10.0 million) for the construction of the new Emergency Operations Center.

**County of Volusia, Florida
 Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for services	\$ 58,795,348	\$ 48,592,960	\$ 51,458,261	\$ 49,133,664	\$ 110,253,609	\$ 97,726,624
Operating grants and contributions	28,669,063	26,978,909	9,342,500	10,363,546	38,011,563	37,342,455
Capital grants and contributions	4,360,020	12,840,617	6,420,936	19,814,949	10,780,956	32,655,566
General Revenues:						
Property taxes	192,923,283	197,901,152	-	-	192,923,283	197,901,152
Other taxes	56,398,876	55,186,176	-	-	56,398,876	55,186,176
Other	15,511,777	13,454,840	485,735	364,042	15,997,512	13,818,882
Total revenues	356,658,367	354,954,654	67,707,432	79,676,201	424,365,799	434,630,855
Expenses:						
General government	58,564,506	59,471,178	-	-	58,564,506	59,471,178
Public safety	156,218,093	138,420,443	-	-	156,218,093	138,420,443
Physical environment	7,251,235	4,755,602	-	-	7,251,235	4,755,602
Transportation	32,463,478	34,966,084	-	-	32,463,478	34,966,084
Economic environment	18,893,276	17,121,483	-	-	18,893,276	17,121,483
Human services	22,776,251	22,262,198	-	-	22,776,251	22,262,198
Culture/recreation	51,169,466	46,672,687	-	-	51,169,466	46,672,687
Interest on long-term debt	8,353,382	9,293,008	-	-	8,353,382	9,293,008
Refuse disposal	-	-	12,566,636	14,301,386	12,566,636	14,301,386
Daytona Beach International Airport	-	-	15,458,041	14,870,531	15,458,041	14,870,531
Volusia Transportation Authority	-	-	23,359,216	27,520,764	23,359,216	27,520,764
Water and sewer utilities	-	-	12,222,990	12,324,243	12,222,990	12,324,243
Parking garage	-	-	2,155,379	2,112,649	2,155,379	2,112,649
Garbage collection	-	-	7,692,793	7,034,130	7,692,793	7,034,130
Total expenses	355,689,687	332,962,683	73,455,055	78,163,703	429,144,742	411,126,386
Increase (decrease) in net position before transfers	968,680	21,991,971	(5,747,623)	1,512,498	(4,778,943)	23,504,469
Transfers in (out)	(7,391,803)	(13,012,803)	7,391,803	13,012,803	-	-
Increase (decrease) in net position	(6,423,123)	8,979,168	1,644,180	14,525,301	(4,778,943)	23,504,469
Net position - beginning of year, restated	781,493,879	774,746,572	203,619,215	189,305,175	985,113,094	964,051,747
Net position - end of year	\$ 775,070,756	\$ 783,725,740	\$ 205,263,395	\$ 203,830,476	\$ 980,334,151	\$ 987,556,216

The combined revenues of both the County's governmental and business-type activities decreased by 2.4 percent (\$10,265,056). The total cost of all programs and services increased by approximately 4.4 percent (\$18,018,356) when compared to last year. The following analysis separately considers the operations of governmental and business-type activities.

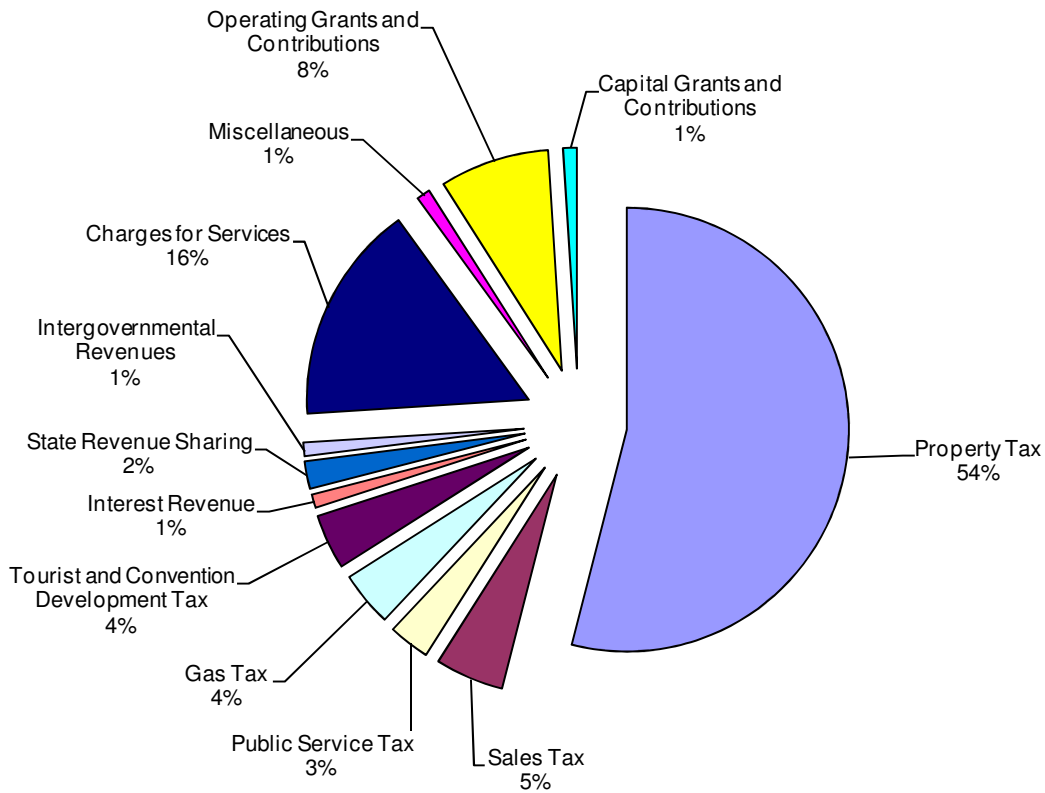
Governmental activities

Revenues and expenses for the governmental activities increased by \$1,703,713 (.5 percent) and \$22,727,004 (6.8 percent), respectively. Property tax revenues declined by nearly \$5.0 million, a significant improvement over last year's reduction of \$30.8 million. Again, the decline in revenues is largely due to the decrease in property values upon which they are based. Capital grants and contributions were lower by \$8.5 million primarily due to the completion of road improvements (\$3.7 million) and flood mitigation (\$1.3 million) projects that were funded by one-time grants. Charges for services increased by \$10.2 million primarily due to revenue generated by EVAC ambulance operations which became part of County government at the beginning of fiscal year 2012. Modest growth in the economy resulted in improvements in sales, resort, and gas tax receipts – an overall increase of nearly \$1.8 million when compared to the previous year.

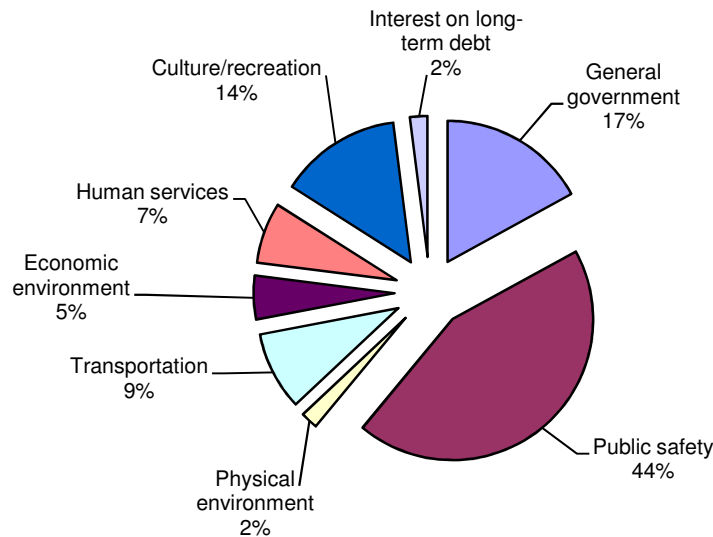
Investment earnings improved somewhat, increasing by about \$650,000, of which, over \$579,000 was due to a required year-end adjustment to revalue the County's portfolio to market value.

The cost of all governmental activities this year was \$355,689,687 compared to \$332,962,683 last year. As shown in the Statement of Activities on pages 28-29, \$91,824,431 was financed either through user fees by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions. The statement presents the cost of each of the County's seven largest programs – general government, public safety, physical environment, transportation, economic environment, human services, and culture/recreation – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the amount needed to be financed by taxes or other sources. As a result, the remaining amount of \$263,865,256 was covered by taxes and other general revenues such as interest.

Revenue By Source – Governmental Activities



Expenses By Function/Program – Governmental Activities



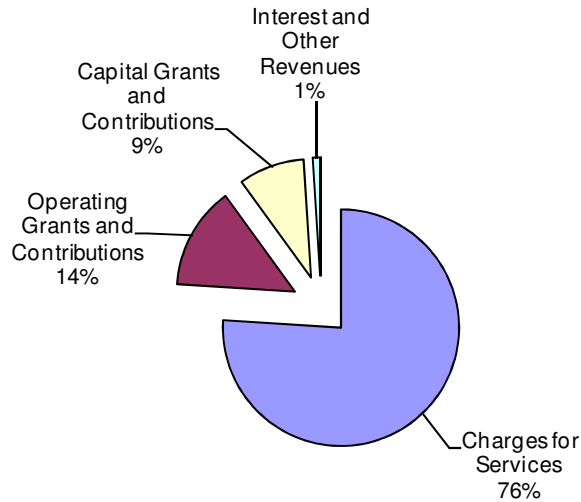
Business-type activities

Revenues for the County's business-type activities decreased by \$11,968,769, or 15.0 percent, when compared to last year. This overall decrease is comprised of the following: a \$2.3 million increase in charges for services; a \$14.4 million decrease in operating and capital grants, and a \$.1 million increase in other revenues.

In the refuse disposal fund, a modest improvement in refuse disposal service revenue collected at the County's landfill was realized resulting in an increase of \$255,000 compared to last year. At the Daytona Beach International Airport, higher passenger traffic generated an additional \$420,000 in revenues in comparison to last year. Capital grant revenue decreased at the airport by approximately \$11.6 million due to the completion of the runway rehabilitation project funded by one-time grants that were not repeated in 2012. Operating grants were also reduced by \$2.4 million. Volusia Transportation Authority (VOTRAN) charges for services revenues remained at approximately the same levels as the prior year. In addition, receipt of operating and capital grants, in total, remained about the same. However, the transfers to VOTRAN were lower because no additional funding from the general fund was required to fund the SunRail project in 2012. As a result of changes in the rate structures and rate increases, water and sewer utilities generated a revenue increase of \$1.5 million. The parking garage's revenues remained fairly consistent with last year's collections and modestly increased by approximately \$84,000. Similar to the parking garage, the garbage collection fund realized little growth in its revenues when compared to last year.

Operating expenses decreased by \$3,787,615 or 5.1 percent, when compared to last year. Most of the business-type activities lowered their operations spending based upon prior year's results and in anticipation of potential reductions in operating revenues and grants. Refuse disposal expenses were down by over \$1.7 million. This reduction is primarily due to an over \$650,000 adjustment resulting from a change in estimate of the landfill closure cost liability. At the Daytona Beach International Airport, expenses were up by over \$587,500 due to recognition of a full year's depreciation expense on an expanded runway which was completed last year. VOTRAN's expenses were reduced because no payments were made this year to the Florida Department of Transportation for the SunRail project, which last year, was over \$5.6 million. However, some of this decrease was offset by increases in fuel costs.

Revenues by Source – Business-type Activities



Financial Analysis of the County's Funds

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

Governmental funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements.

As of the end of fiscal year 2012, the County's governmental funds reported combined ending fund balances of \$255,757,891, a decrease of \$26,058,399 from the prior year. The general, municipal service district, federal and state grants, county transportation trust fund, and Volusia Forever funds are reported as major funds in the basic financial statements.

The general fund is the chief operating fund of the County. The general fund ended the year with a fund balance of \$60,011,576. Of this amount, \$11,445,009 is considered nonspendable because it cannot be easily converted to cash or is contractually required to remain intact. The remaining spendable portions are either restricted for school severance program (\$720,649), assigned to fund the fiscal year 2013 budget (\$46,412,074), or are unassigned (\$1,433,844).

The fund balance of the general fund is down \$4,420,700 from the prior fiscal year. As mentioned earlier, property values declined, resulting in a reduction of property tax revenues of \$734,699, as well as a reduction of the tax collector's fee of \$508,863. Fiscal year 2012 is the first year in which the County took over the critical service delivery functions of consolidated public safety dispatch and EVAC ambulance. Working with the cities and incorporating consolidated dispatch as a public safety activity decreased revenues for that specific service by \$3,217,065. Expenditures in the general fund increased due to these additional functions in public safety. Consolidated dispatch added \$4,034,421 in expenditures to the Sheriff's operation. Ambulance service increased expenditures \$15,482,628 while adding \$15,886,419 in revenues.

The municipal services district fund accounts for the fiscal activity of the resources generated by any municipal-type service rendered to the citizens and taxpayers of the County's unincorporated areas. The fund's expenditures of \$36,312,880 exceeded its revenues of \$36,220,271 by \$92,609. The municipal service district fund balance increased \$1,280,100. Though property tax revenues decreased approximately \$637,000 from the prior year, reductions in

expenditures more than offset the decrease. Expenditures were reduced by more than \$3,000,000 because certain internal administrative costs were cut. In addition, transfers to the transportation trust fund were reduced to \$2,291,025 from last year's amount of \$3,100,000. Also, additional sales tax revenues of \$4,219,039 were transferred into the fund in fiscal year 2012 compared to \$2,724,397 in 2011.

The federal and state grants fund balance of \$2,515,856 represents a decrease of \$109,710 (or 4.2 percent) from last fiscal year. Overall, revenues have decreased \$1,096,755 (or 5.7 percent) and expenditures decreased \$976,655 (or 4.9 percent). Transportation expenditures decreased \$4,856,275 primarily due to the completion of highway planning and construction grants. This decrease was offset by the increase in economic environment expenditures for community assistance grants in the amount of \$2,585,247.

The County transportation trust fund accounts for the fiscal activity relating to road and bridge maintenance and construction. The fund balance increased \$2,189,742 during the fiscal year. This increase is attributed to overall reduction in expenditures for road construction and maintenance projects as longer projects concluded last fiscal year, and newer projects are in the design phases.

The Volusia Forever fund was established to use voter-approved ad-valorem taxes to purchase, manage, and improve environmentally sensitive lands. For this fiscal year, Volusia Forever funds acquired an additional \$1,693,285 of endangered lands which accounted for 73.4 percent of its expenditures. The deficit fund balance of \$5,879,841 is the result of an interfund advance from the general fund in fiscal year 2011 which was used to purchase 4,800 acres of preservation lands and which will be repaid over ten years. The first installment of \$713,795 was paid in fiscal year 2012.

Proprietary funds

The County's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of proprietary funds at the end of the year amounted to:

County of Volusia, Florida		
Proprietary Funds		
Unrestricted Net Position (deficit)		
Proprietary Fund	2012	2011
Enterprise Funds		
Refuse disposal	\$ 2,894,823	\$ 135,626
Daytona Beach International Airport	8,410,881	7,588,993
Volusia Transportation Authority	2,407,369	3,325,695
Water and sewer utilities	11,132,944	8,149,482
Parking garage	202,988	(206)
Garbage collection	1,253,286	452,801
Total	\$ 26,302,291	\$ 19,652,391
Internal Service Funds	\$ 36,793,860	\$ 38,655,719

The increase in unrestricted net position of the enterprise funds is mainly due to the increases in revenues and the reduction in expenses as previously addressed in the discussion of business-type activities.

In comparison to last year, unrestricted net position of the internal service funds decreased by \$1,861,859. The majority of the decrease was due to increases in health care claims in the employee group insurance fund.

General Fund Budgetary Highlights

During the year, the County Council authorized amendments to the original general fund budget for supplemental appropriations whose values were unknown during the initial budget process. The original 2012 budget was increased \$10,863 by these amendments.

The variance between the final budget and actual expenditures for the general fund for the year was \$29,707,837. The largest portion of this variance pertains to the general government non-departmental expenditures which were \$15,491,220 less than budgeted. One of the main components of non-departmental expenditures are reserves which are either designated for specific expenditures that are anticipated in the future or for unanticipated expenditures that may arise during the year.

Central services actual expenditures were \$2,183,124 less than budgeted due to energy efficient projects in conjunction with the Office of Sustainability and Energy Management to retrofit six county buildings with new automated controls for the building's heating and air conditioning systems. Energy savings have also been achieved by replacing lighting fixtures and bulbs in addition to installing low-flow plumbing fixtures. Parks, recreation, and culture had a variance of \$1,292,854 due to a reduction in program offerings and a decline in participation in the summer recreation program resulting in a lesser need for staffing, supplies, and equipment. The Elections department actual expenditures were \$718,031 less than budgeted. This reduction is mainly due to the reduction in polling sites utilized for the primary elections as well as significant use of technology for voter identification verifications reducing the need for printed registers.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2012 amounts to \$933,504,676 (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings, improvements other than buildings, leasehold improvements, equipment, intangibles, infrastructure, and construction in progress. The net decrease in the County's investment in net capital assets for the current fiscal year was .31 percent (a .97 percent increase for governmental activities and a 4.19 percent decrease for business-type activities).

Major capital asset events during the current fiscal year included the following:

- The County purchased four dual purpose apparatus to be used by fire services as a combination fire truck/ambulance. These vehicles are used to facilitate emergency transports in remote, underserved areas of the County and operate on a contingency basis to improve response times.
- The County is converting to Voice over Internet Protocol (VOiP) telephone system. To date, the County has invested \$2.84 million in software, equipment, and peripherals for the system. The conversion from the traditional telephone system, originally purchased in 1985, began in 2011 and is planned to be completed by September 30, 2014.
- The County purchased land with Volusia Forever funds in the amount of \$1.69 million. The property purchased is part of the 440 acre "Stanaki" tract, located within the Doris Leeper Spruce Creek Preserve. The County partnered with the City of Port Orange and contributed 50 percent of the purchase price paid for the 225 acre tract, giving the County a 30 percent undivided interest in the property.
- Infrastructure assets increased by \$14,958,087 due to the completion of the following road projects: LPGA Boulevard from Jimmy Ann Drive to Nova Road in Holly Hill; Dunn Avenue extension from Tomoka Farms Road to Williamson Boulevard in Daytona Beach; Williamson Boulevard from north of Dunn Avenue to north of LPGA in Daytona Beach; Hazen Road widening from SR 44 to Minnesota Avenue in DeLand; and Doyle Road shoulder paving from Saxon Boulevard to Twisted Oak Trail in Deltona.
- During 2012, work continued on construction of a new consolidated dispatch/emergency operation center (EOC). This new 40,000 square foot facility combines the currently separate dispatch center and the EOC. In 2012, \$10.9 million was expended, bringing the total cost-to-date to approximately \$11.6 million. The new center will be operational in spring 2013.
- During 2012, work continued on the County Trail system that when complete, will traverse the 26 miles between Gemini Springs Park north to DeLeon Springs State Park. An additional segment of the trail, with a cost of \$1.1 million, was completed during the fiscal year. In addition, 5.7 miles of the proposed 50 plus mile East Central Regional Rail Trail in southern Volusia County was completed.

**County of Volusia, Florida
 Capital Assets
 (net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 155,366,434	\$ 152,737,304	\$ 53,184,335	\$ 53,184,334	\$ 208,550,769	\$ 205,921,638
Land - infrastructure	49,831,148	49,289,932	-	-	49,831,148	49,289,932
Easements	1,176,233	1,176,233	-	-	1,176,233	1,176,233
Intangibles	25,350,571	24,664,304	2,136,619	2,136,619	27,487,190	26,800,923
Buildings	201,703,206	209,241,310	17,736,723	18,915,949	219,439,929	228,157,259
Improvements other than buildings	18,615,681	18,043,690	124,911,893	132,130,213	143,527,574	150,173,903
Leasehold improvements	17,670	46,164	-	-	17,670	46,164
Equipment	52,862,913	47,549,121	16,446,329	19,503,406	69,309,242	67,052,527
Infrastructure	181,158,223	172,884,124	-	-	181,158,223	172,884,124
Construction in progress	20,550,685	10,723,204	8,996,949	7,306,371	29,547,634	18,029,575
Construction in progress - infrastructure	3,459,064	16,893,705	-	-	3,459,064	16,893,705
Total	\$ 710,091,828	\$ 703,249,091	\$ 223,412,848	\$ 233,176,892	\$ 933,504,676	\$ 936,425,983

Additional information on the County's capital assets can be found in Note 6 on pages 82-83 of this report.

Long-term bonded debt and note payable

At the end of fiscal year 2012, the County's total long-term debt outstanding, before deferred amounts, amounted to \$270,062,975. This amount represents bonds secured by specified revenue sources (i.e., revenue bonds) and bonds secured by a property tax levy of 0.20 mills on all taxable property in the County (general obligation bonds).

**County of Volusia, Florida
 Outstanding Debt
 Revenue and General Obligation Bonds and Notes Payable**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenue bonds	\$ 166,775,000	\$ 177,757,000	\$ 40,530,000	\$ 44,725,000	\$ 207,305,000	\$ 222,482,000
General obligation bonds	27,750,000	29,985,000	-	-	27,750,000	29,985,000
Notes payable	19,921,376	22,010,000	15,086,599	16,106,438	35,007,975	38,116,438
Total	\$ 214,446,376	\$ 229,752,000	\$ 55,616,599	\$ 60,831,438	\$ 270,062,975	\$ 290,583,438

The County refinanced subordinate lien sales tax revenue bonds, airport revenue bonds, and two series of water and sewer revenue bonds. These refundings took advantage of favorable interest rates. The expected result is a decrease in future debt service payments of \$1,516,939 and obtaining an economic gain of \$1,263,528. Overall, the County's outstanding bonded debt before deferred amounts, decreased by \$20,520,463, or 7.1 percent, during fiscal year 2012. The key factor in this decrease was scheduled principal retirements in the amount of \$19,319,454.

Additional information on the County's debt can be found in Note 7 on pages 84-89 of this report.

Economic Factors and Next Year's Budget and Rates

The County's elected and appointed officials considered many factors when establishing its 2012-13 budget and tax rates. One of these factors is the state of the economy. Key economic indicators have shown some improvement from 2011 to 2012. The unemployment rate at fiscal year-end fell from 10.3 percent a year ago to 8.4 percent. This is higher than the national average of 7.8 percent and slightly less than state average of 8.7 percent for the same time period. The

County's population grew slightly from the prior fiscal year of 496,042 to the current year of 498,634. Retail sales and building permit activity improved. In 2012, 5,188 permits were issued compared to 4,908 in 2011. Taxable sales for 2012 were up—from approximately \$5.7 billion for the prior year to \$5.9 billion.

As anticipated, the County's property tax base continues to experience declines while waiting for the housing market to recover. The County's tax base fell slightly from \$24.0 billion for fiscal year 2012 to \$23.6 billion for fiscal year 2013. The most significant reduction occurred in the net reassessment of real estate, falling by \$2.2 billion due to declining values. The fiscal year 2013 adopted countywide (general and library funds) millage rate of 6.4809 is lower than the rollback rate of 6.5032 and slightly higher than last year's millage of 6.3791. Property tax revenues are expected to decrease for all property tax supported funds in fiscal year 2013 by \$.8 million, a reduction of less than .5 percent over last year, largely due to the overall decrease in the County's tax base.

Though property values upon which the property tax is based have not yet recovered, the County expects slight growth or a leveling off of other tax revenues. Gas tax collections in 2013 (an estimated \$14.6 million) are expected to be slightly lower than fiscal year 2012 (\$14.9 million). The collection of utility, resort, and communication taxes are expected to increase by a modest \$300,000 over fiscal year 2012 amounts. However, in spite of modest improvements that have occurred in taxable sales last year, sales tax revenues for fiscal year 2013 are conservatively forecasted at \$16.3 million—an estimate that closely reflects actual collections in 2012.

The County continues to face budget challenges created by the slow recoveries of both the real estate market and the economy, as a whole. In response, the organization continues to reduce expenditures and avoid using fund balance to bridge funding gaps. County operations reduced their overall budgets by \$14.5 million for fiscal year 2013. To achieve these reductions, the County once again reduced its existing workforce. An additional 28 positions have been either eliminated, or are to remain unfunded, bringing the total amount reduced to 544 since fiscal year 2007.

Of the \$48,566,567 in spendable fund balance of the general fund, \$46,412,074 has been appropriated to fund specific projects and programs for fiscal year 2013. As a general rule, to ensure the County does not become reliant on spendable and unrestricted fund balance to fund on-going operating costs, these excess funds are used for one-time capital purchases or to increase reserves. Though it appears we are at the bottom of the economic cycle, the County will continue to closely monitor its revenue streams and adjust expenditures, as necessary.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the County's Chief Financial Officer, 123 West Indiana Avenue, Room 300, DeLand, FL 32720-4602. Additional financial information can be found on our web-site <http://www.volusia.org/finance>.

BASIC FINANCIAL STATEMENTS

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
September 30, 2012

	Primary Government		Total	Component Units
	Governmental Activities	Business-type Activities		
ASSETS				
Equity in pooled cash and investments	\$ 334,964,243	\$ 38,090,854	\$ 373,055,097	\$ 7,814,824
Restricted:				
Cash and cash equivalents	-	17,136,590	17,136,590	-
Receivable	-	189,698	189,698	-
Receivables:				
Accounts - net	4,015,857	2,980,062	6,995,919	654
Accrued interest	363,226	-	363,226	-
Employee - net	89,350	-	89,350	-
Taxes	1,534,840	-	1,534,840	-
Notes	4,224,114	-	4,224,114	-
Special assessments:				
Current receivable	195,482	11,384	206,866	-
Deferred receivable	945,636	21,694	967,330	-
Interest receivable	90,058	1,866	91,924	-
Due from component units	528,931	-	528,931	-
Due from primary government	-	-	-	2,740
Due from other governments	16,468,779	3,419,967	19,888,746	89,429
Internal balances	(4,020,957)	4,020,957	-	-
Inventories	2,862,710	832,069	3,694,779	-
Prepaid items	1,747,356	23,098	1,770,454	9,900
Deposits	73,457	-	73,457	-
Capital assets:				
Land	205,197,582	53,184,335	258,381,917	-
Easements	1,176,233	-	1,176,233	-
Buildings	327,531,235	35,454,992	362,986,227	-
Improvements other than buildings	34,648,485	257,003,851	291,652,336	-
Leasehold improvements	510,533	-	510,533	39,436
Equipment	147,145,807	47,415,856	194,561,663	7,188,864
Intangibles	25,350,571	2,136,619	27,487,190	-
Accumulated depreciation	(518,328,039)	(180,779,754)	(699,107,793)	(5,204,195)
Infrastructure	462,849,672	-	462,849,672	-
Construction in progress	20,550,685	8,996,949	29,547,634	-
Construction in progress - Infrastructure	3,459,064	-	3,459,064	-
Total assets	1,074,174,910	290,141,087	1,364,315,997	9,941,652
DEFERRED OUTFLOW OF RESOURCES				
Deferred charges on debt refundings	1,691,587	1,019,873	2,711,460	-
Total deferred outflow of resources	1,691,587	1,019,873	2,711,460	-
LIABILITIES				
Accounts and contracts payable	14,448,831	2,833,908	17,282,739	162,310
Accrued interest payable	3,650,044	-	3,650,044	-
Accrued liabilities	8,488,276	187,404	8,675,680	202,507
Due to component units	2,740	-	2,740	-
Due to primary government	-	-	-	528,931
Due to other governments	2,261,526	60,990	2,322,516	315,524
Current liabilities payable from restricted assets:				
Landfill closure costs payable	-	100,000	100,000	-
Accrued interest payable	-	1,061,127	1,061,127	-

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
September 30, 2012

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES - Continued				
Deposits	77,040	467,715	544,755	97,168
Unearned revenue	2,267,316	234,142	2,501,458	-
Non-current liabilities:				
Due within one year:				
Bonds payable	12,971,000	1,960,000	14,931,000	-
Advance rents	-	79,045	79,045	-
Notes payable	2,098,139	1,356,427	3,454,566	-
Compensated absences payable	7,072,935	547,248	7,620,183	357,918
Estimated claims payable	6,734,859	-	6,734,859	-
Pollution remediation payable	26,369	153,147	179,516	-
Due in more than one year:				
Bonds payable	179,438,817	38,509,398	217,948,215	-
Advance rents	-	2,529,440	2,529,440	-
Notes payable	17,823,237	13,730,172	31,553,409	-
Compensated absences payable	18,940,064	1,465,433	20,405,497	546,267
Estimated claims payable	8,637,886	-	8,637,886	-
Pollution remediation payable	184,056	1,307,942	1,491,998	-
Landfill closure costs payable	-	19,314,027	19,314,027	-
Net OPEB obligation	15,672,606	-	15,672,606	376,023
Total liabilities	300,795,741	85,897,565	386,693,306	2,586,648
NET POSITION				
Net investment in capital assets	529,475,957	168,500,750	697,976,707	2,024,105
Restricted for:				
Law enforcement and fire safety	14,083,389	-	14,083,389	-
Conservation programs	114,582	-	114,582	-
Transportation related construction and maintenance	60,474,657	-	60,474,657	-
Social services and community development programs	9,592,442	-	9,592,442	-
Library, parks, and tourism programs	39,094,459	-	39,094,459	-
Debt service principal and interest	15,439,436	2,263,500	17,702,936	-
Passenger facility charges program	-	1,589,698	1,589,698	-
Equipment replacement	-	850,000	850,000	5,762,202
Maintenance and operations	-	1,437,543	1,437,543	-
Other purposes	5,239,446	-	5,239,446	-
Unrestricted	101,556,388	30,621,904	132,178,292	(431,303)
Total net position	\$ 775,070,756	\$ 205,263,395	\$ 980,334,151	\$ 7,355,004

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
For the Year Ended September 30, 2012

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 58,564,506	\$ 11,597,655	\$ 1,456,229	\$ 21,659
Public safety	156,218,093	32,203,052	5,353,527	1,310,194
Physical environment	7,251,235	294,934	2,028,887	26,751
Transportation	32,463,478	5,667,905	7,646,617	2,324,144
Economic environment	18,893,276	1,822,252	5,862,533	155,784
Human services	22,776,251	340,338	5,582,761	-
Culture/recreation	51,169,466	6,869,212	738,509	521,488
Interest on long-term debt	8,353,382	-	-	-
Total governmental activities	355,689,687	58,795,348	28,669,063	4,360,020
Business-type activities:				
Refuse disposal	12,566,636	13,119,871	-	-
Daytona Beach International Airport	15,458,041	10,074,360	345,756	6,246,338
Volusia Transportation Authority	23,359,216	3,234,735	8,996,744	172,451
Water and sewer utilities	12,222,990	14,175,136	-	2,147
Parking garage	2,155,379	2,389,183	-	-
Garbage collection	7,692,793	8,464,976	-	-
Total business-type activities	73,455,055	51,458,261	9,342,500	6,420,936
Total primary government	\$ 429,144,742	\$ 110,253,609	\$ 38,011,563	\$ 10,780,956
Component Units:				
Clerk of the Circuit Court	\$ 18,765,438	\$ 16,411,683	\$ 486,489	\$ -
Volusia County Law Library	617,605	23,291	-	-
Total component units	\$ 19,383,043	\$ 16,434,974	\$ 486,489	\$ -

General Revenues:
Property tax
Sales tax
Public service tax
Gas tax
Tourist and convention development taxes
State revenue sharing not restricted to specific programs
Intergovernmental revenues not restricted to specific programs
Interest revenue
Miscellaneous
Grants and contributions not restricted to specific programs
Transfers
Total general revenues, contributions, and transfers
Change in net position
Net position - beginning, restated
Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (45,488,963)	\$ -	\$ (45,488,963)	
(117,351,320)	-	(117,351,320)	
(4,900,663)	-	(4,900,663)	
(16,824,812)	-	(16,824,812)	
(11,052,707)	-	(11,052,707)	
(16,853,152)	-	(16,853,152)	
(43,040,257)	-	(43,040,257)	
(8,353,382)	-	(8,353,382)	
<u>(263,865,256)</u>	<u>-</u>	<u>(263,865,256)</u>	
-	553,235	553,235	
-	1,208,413	1,208,413	
-	(10,955,286)	(10,955,286)	
-	1,954,293	1,954,293	
-	233,804	233,804	
-	772,183	772,183	
<u>-</u>	<u>(6,233,358)</u>	<u>(6,233,358)</u>	
<u>(263,865,256)</u>	<u>(6,233,358)</u>	<u>(270,098,614)</u>	
			\$ (1,867,266)
			<u>(594,314)</u>
			<u>(2,461,580)</u>
192,923,283	-	192,923,283	-
16,039,983	-	16,039,983	-
10,735,104	-	10,735,104	-
14,954,166	-	14,954,166	-
14,669,623	-	14,669,623	-
6,771,514	-	6,771,514	-
910,834	-	910,834	-
3,602,899	415,326	4,018,225	3,181
4,226,530	70,409	4,296,939	15,321
-	-	-	602,301
<u>(7,391,803)</u>	<u>7,391,803</u>	<u>-</u>	<u>-</u>
<u>257,442,133</u>	<u>7,877,538</u>	<u>265,319,671</u>	<u>620,803</u>
<u>(6,423,123)</u>	<u>1,644,180</u>	<u>(4,778,943)</u>	<u>(1,840,777)</u>
<u>781,493,879</u>	<u>203,619,215</u>	<u>985,113,094</u>	<u>9,195,781</u>
<u>\$ 775,070,756</u>	<u>\$ 205,263,395</u>	<u>\$ 980,334,151</u>	<u>\$ 7,355,004</u>

COUNTY OF VOLUSIA, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2012

	General	Municipal Service District
ASSETS		
Equity in pooled cash and investments	\$ 48,859,265	\$ 3,184,110
Receivables:		
Accounts - net	2,053,094	642,767
Accrued interest	363,226	-
Employee - net	89,350	-
Taxes	776,098	73,499
Notes	-	-
Special assessments:		
Current receivable	-	195,482
Deferred receivable	-	945,636
Interest receivable	-	90,058
Due from other funds	7,447,092	-
Due from component units	528,931	-
Due from other governments	3,171,134	622,073
Advances to other funds	10,952,299	-
Inventories	403,360	-
Prepaid items	-	-
Deposits	30,000	-
Total assets	\$ 74,673,849	\$ 5,753,625
LIABILITIES		
Accounts and contracts payable	\$ 4,026,307	\$ 118,541
Accrued liabilities	8,446,108	-
Due to other funds	-	65,571
Due to component units	852	563
Due to other governments	1,495,268	28,451
Bonds payable - current	-	-
Notes payable - current	-	-
Accrued interest payable	-	-
Deposits	-	-
Advances from other funds	-	406,278
Unearned revenue	-	-
Total liabilities	13,968,535	619,404
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	693,738	70,801
Unavailable revenues special assessments	-	945,636
Total deferred inflows of resources	693,738	1,016,437
FUND BALANCES		
Non-spendable:		
Inventories and prepaids	403,360	-
Advances	10,952,299	-
Deposits	-	-
Employee receivables	89,350	-
Long-term notes receivable	-	-
Restricted for:		
Law enforcement and fire safety	-	-
Conservation programs	-	-
Transportation related construction and maintenance	-	1,732,062
Social services and community development programs	720,649	-
Library, parks, and tourism programs	-	-
Debt service principal and interest	-	-
Other purposes	-	-
Assigned to:		
Fiscal year 2013 budget	46,412,074	2,385,722
Capital projects	-	-
Unassigned	1,433,844	-
Total fund balances	60,011,576	4,117,784
Total liabilities, deferred inflows of resources, and fund balances	\$ 74,673,849	\$ 5,753,625

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

Federal and State Grants	County Transportation Trust	Volusia Forever	Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,364,095	\$ 35,930,497	\$ 5,016,705	\$ 171,402,737	\$ 267,757,409
86,184	-	-	647,676	3,429,721
-	-	-	-	363,226
-	-	-	-	89,350
-	-	11,159	674,084	1,534,840
1,287,817	-	-	2,936,297	4,224,114
-	-	-	-	195,482
-	-	-	-	945,636
-	-	-	-	90,058
-	-	-	413,451	7,860,543
-	-	-	-	528,931
4,234,429	5,261,531	-	3,096,990	16,386,157
-	-	-	371,689	11,323,988
-	1,646,858	-	382,291	2,432,509
158,365	-	-	-	158,365
-	-	-	43,457	73,457
<u>\$ 9,130,890</u>	<u>\$ 42,838,886</u>	<u>\$ 5,027,864</u>	<u>\$ 179,968,672</u>	<u>\$ 317,393,786</u>
\$ 811,877	\$ 1,469,517	\$ 24,377	\$ 6,697,208	\$ 13,147,827
42,168	-	-	-	8,488,276
4,231,000	-	625,887	2,938,085	7,860,543
117	109	-	1,099	2,740
408,161	3,076	-	326,570	2,261,526
-	-	-	10,631,000	10,631,000
-	-	-	1,133,139	1,133,139
-	-	-	2,690,126	2,690,126
22,984	-	-	54,056	77,040
-	-	10,247,365	371,689	11,025,332
1,098,727	-	-	1,168,589	2,267,316
<u>6,615,034</u>	<u>1,472,702</u>	<u>10,897,629</u>	<u>26,011,561</u>	<u>59,584,865</u>
-	-	10,076	300,779	1,075,394
-	-	-	-	945,636
-	-	10,076	300,779	2,021,030
158,365	1,646,858	-	382,291	2,590,874
-	-	-	371,689	11,323,988
-	-	-	43,457	43,457
-	-	-	-	89,350
1,287,817	-	-	2,936,297	4,224,114
-	-	-	13,216,463	13,216,463
-	-	-	125,733	125,733
-	39,719,326	-	47,472,069	88,923,457
1,069,674	-	-	8,280,472	10,070,795
-	-	-	41,893,322	41,893,322
-	-	-	3,675,297	3,675,297
-	-	-	1,759,640	1,759,640
-	-	-	-	48,797,796
-	-	-	33,499,602	33,499,602
-	-	(5,879,841)	-	(4,445,997)
<u>2,515,856</u>	<u>41,366,184</u>	<u>(5,879,841)</u>	<u>153,656,332</u>	<u>255,787,891</u>
<u>\$ 9,130,890</u>	<u>\$ 42,838,886</u>	<u>\$ 5,027,864</u>	<u>\$ 179,968,672</u>	<u>\$ 317,393,786</u>

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
as of September 30, 2012

Total fund balances of governmental funds \$ 255,787,891

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,198,995,847 and the accumulated depreciation is \$502,635,170. 696,360,677

The cumulative effect of overfunding the actuarial required contributions to a pension fund does not represent a financial asset in the governmental funds. In the statement of net position, which is presented on the accrual basis, an asset is reported since the adjustment to expense is fully recognized in the statement of activities. 146,670

Internal service funds are used by management to charge the costs of computer replacement, vehicle maintenance, risk management, and health insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Total net position	50,525,012	
Less: Amount attributable to business-type activities	<u>(4,319,613)</u>	46,205,399

Because some property taxes (\$1,075,394) and special assessment revenues (\$945,636) will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenue in the governmental funds, and therefore, reported as a deferred inflow of resources. In the statement of net position, which is presented on the accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities. 2,021,030

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
as of September 30, 2012

Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:

Bonds payable	183,894,000	
Less: Deferred charge on refunding (to be amortized as interest expense)	(1,691,587)	
Less: Issuance discount (to be amortized as interest expense)	(6,382,385)	
Plus: Issuance premium (to be amortized as interest expense)	4,267,202	
Notes payable	18,788,237	
Accrued interest payable	959,918	
Compensated absences payable	25,405,101	
Pollution remediation payable	210,425	(225,450,911)
		<u>\$ 775,070,756</u>
Total net position of governmental activities		<u>\$ 775,070,756</u>

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2012

	<u>General</u>	<u>Municipal Service District</u>	<u>Federal and State Grants</u>
REVENUES			
Taxes	\$ 134,436,656	\$ 21,678,546	\$ -
Licenses and permits	51,973	878,239	-
Intergovernmental revenues	8,989,199	175,288	16,301,911
Charges for services	29,730,973	12,962,439	1,837,481
Fines and forfeitures	2,586,875	111,089	-
Interest revenues	888,012	77,475	6,365
Special assessments/impact fees	-	212,376	-
Miscellaneous revenues	3,891,975	124,819	32,890
Total revenues	<u>180,575,663</u>	<u>36,220,271</u>	<u>18,178,647</u>
EXPENDITURES			
Current:			
General government	47,109,315	4,089,344	387,667
Public safety	97,517,804	28,436,847	1,609,425
Physical environment	4,356,408	524,549	2,925,137
Transportation	-	197,748	698,234
Economic environment	2,700,052	-	8,916,485
Human services	12,919,613	1,356,679	3,976,688
Culture/recreation	16,132,939	1,707,713	311,024
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Payment to refunded bond escrow agent	-	-	-
Refunding bond issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>180,736,131</u>	<u>36,312,880</u>	<u>18,824,660</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(160,468)</u>	<u>(92,609)</u>	<u>(646,013)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	5,427,671	4,263,252	536,303
Transfers (out)	(9,687,903)	(2,890,543)	-
Refunding bonds issued	-	-	-
Total other financing sources and (uses)	<u>(4,260,232)</u>	<u>1,372,709</u>	<u>536,303</u>
Net change in fund balances	(4,420,700)	1,280,100	(109,710)
Fund balances - beginning, restated	<u>64,432,276</u>	<u>2,837,684</u>	<u>2,625,566</u>
Fund balances - ending	<u>\$ 60,011,576</u>	<u>\$ 4,117,784</u>	<u>\$ 2,515,856</u>

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

County Transportation Trust	Volusia Forever	Nonmajor Governmental Funds	Total Governmental Funds
\$ 14,954,166	\$ 1,228,232	\$ 61,761,511	\$ 234,059,111
-	-	50,000	980,212
7,644,883	602	19,846,880	52,958,763
607,357	128,773	2,183,706	47,450,729
-	-	820,930	3,518,894
287,999	19,729	1,646,166	2,925,746
-	-	6,669,192	6,881,568
357,094	31,506	2,054,481	6,492,765
<u>23,851,499</u>	<u>1,408,842</u>	<u>95,032,866</u>	<u>355,267,788</u>
-	-	97,800	51,684,126
-	-	29,345,309	156,909,385
-	2,308,203	5,545	10,119,842
20,842,049	-	5,290,983	27,029,014
-	-	7,219,284	18,835,821
-	-	4,156,537	22,409,517
-	-	28,432,744	46,584,420
-	-	14,954,139	14,954,139
-	-	8,318,461	8,318,461
-	-	5,237,340	5,237,340
-	-	36,129	36,129
-	-	16,723,190	16,723,190
<u>20,842,049</u>	<u>2,308,203</u>	<u>119,817,461</u>	<u>378,841,384</u>
<u>3,009,450</u>	<u>(899,361)</u>	<u>(24,784,595)</u>	<u>(23,573,596)</u>
2,291,025	-	28,878,740	41,396,991
(3,110,733)	-	(32,972,615)	(48,661,794)
-	-	4,780,000	4,780,000
<u>(819,708)</u>	<u>-</u>	<u>686,125</u>	<u>(2,484,803)</u>
2,189,742	(899,361)	(24,098,470)	(26,058,399)
<u>39,176,442</u>	<u>(4,980,480)</u>	<u>177,754,802</u>	<u>281,846,290</u>
<u>\$ 41,366,184</u>	<u>\$ (5,879,841)</u>	<u>\$ 153,656,332</u>	<u>\$ 255,787,891</u>

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For The Year Ended September 30, 2012

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

Net change in fund balances - total governmental funds	\$ (26,058,399)
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Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases (\$30,222,440) exceeds depreciation (\$26,453,947).	3,768,493
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In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed.	(340,685)
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Donations/contributions of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	1,471,854
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In the governmental funds, contributions made to a pension fund in excess of the actuarial required contribution amount are reported as an expenditure. In the statement of net position, this amount is reported as an asset. Thus, the change in net position differs from the change in fund balance by the amount contributed in excess of the actuary's requirement.	(12,343)
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Because some property taxes and special assessment revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenues in the governmental funds. In the statement of activities, presented on the accrual basis, these revenues are recognized.	(260,542)
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The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For The Year Ended September 30, 2012

Debt issued or incurred:			
Revenue bonds			(4,780,000)
Principal repayments:			
Revenue bonds	10,576,000		
General obligation bonds	2,320,000		
Notes payable	<u>2,058,139</u>		14,954,139
Payment to escrow agent for refunding			5,237,340

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment is as follows:

Accrued interest on debt	(58,537)	
Amortization of deferred charge on refunding	(179,129)	
Amortization of issuance discounts	(377,271)	
Amortization of bond premiums	580,016	
Other fiscal charges	(526)	
Compensated absences payable	(171,682)	
Pollution remediation payable	<u>(22,333)</u>	(229,462)

Internal service funds are used by management to charge the costs of computer replacement, vehicle maintenance, risk management, and health insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Change in net position of governmental activities		<u><u>\$ (6,423,123)</u></u>
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The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 135,022,469	\$ 135,022,469	\$ 134,436,656	\$ (585,813)
Licenses and permits	163,085	163,085	51,973	(111,112)
Intergovernmental revenues	8,842,120	8,842,120	8,989,199	147,079
Charges for services	32,567,018	32,567,018	29,730,973	(2,836,045)
Fines and forfeitures	2,605,965	2,605,965	2,586,875	(19,090)
Interest revenues	1,168,386	1,168,386	888,012	(280,374)
Miscellaneous revenues	2,039,976	2,050,839	3,891,975	1,841,136
Total revenues	<u>182,409,019</u>	<u>182,419,882</u>	<u>180,575,663</u>	<u>(1,844,219)</u>
EXPENDITURES				
Current:				
General government				
County council	431,600	463,100	378,970	84,130
County manager	1,059,026	1,212,042	1,152,211	59,831
County attorney	1,764,011	1,764,011	1,576,799	187,212
Elections	4,496,495	4,475,759	3,757,728	718,031
Property appraiser	6,482,363	6,615,697	6,356,462	259,235
Growth management commission	321,528	321,528	121,418	200,110
Judicial	7,917,035	7,932,819	7,787,068	145,751
Financial services	8,549,334	8,411,567	7,809,983	601,584
Central services	8,385,460	9,262,177	7,079,053	2,183,124
Planning and development	-	184,754	180,368	4,386
Construction engineering	277,796	277,796	261,343	16,453
Information technology	6,689,190	6,679,190	5,693,553	985,637
Nondepartmental	23,439,145	20,445,579	4,954,359	15,491,220
Total general government	<u>69,812,983</u>	<u>68,046,019</u>	<u>47,109,315</u>	<u>20,936,704</u>
Public safety				
Building, zoning, and code administration	186,328	191,490	185,615	5,875
Sheriff	38,348,601	37,846,850	37,336,693	510,157
Corrections	39,142,146	41,035,677	40,547,847	487,830
Ambulance services	15,339,105	15,495,885	15,482,628	13,257
Emergency management	742,103	687,703	622,968	64,735
Fire services	1,258,014	1,308,258	1,291,355	16,903
Medical examiner	2,103,539	2,103,539	1,707,688	395,851
Emergency medical administration	281,033	281,033	266,321	14,712
Nondepartmental	132,166	132,166	76,689	55,477
Total public safety	<u>97,533,035</u>	<u>99,082,601</u>	<u>97,517,804</u>	<u>1,564,797</u>
Physical environment				
Environmental management	2,550,197	3,286,864	3,134,428	152,436
Growth and resource management	286,614	387,373	315,059	72,314
Agriculture	916,568	881,076	744,002	137,074
Conservation and resource management	186,525	162,934	162,919	15
Land management and acquisition	950,080	-	-	-
Total physical environment	<u>4,889,984</u>	<u>4,718,247</u>	<u>4,356,408</u>	<u>361,839</u>

COUNTY OF VOLUSIA, FLORIDA

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES - continued				
Current - continued:				
Economic environment				
Veterans services	527,971	552,286	533,749	18,537
Economic development	6,625,557	6,623,759	2,166,303	4,457,456
Total economic environment	<u>7,153,528</u>	<u>7,176,045</u>	<u>2,700,052</u>	<u>4,475,993</u>
Human services				
Children's services	6,059,774	6,256,928	6,251,467	5,461
Community assistance	4,376,961	4,744,775	4,180,236	564,539
Public health	2,487,910	2,487,910	2,487,910	-
Total human services	<u>12,924,645</u>	<u>13,489,613</u>	<u>12,919,613</u>	<u>570,000</u>
Culture/recreation				
Parks, recreation, and culture	6,967,366	6,863,366	5,570,512	1,292,854
Coastal	3,523,383	3,546,974	3,347,575	199,399
Beach management	7,606,609	7,376,609	7,068,086	308,523
Growth and resource management	144,494	144,494	146,766	(2,272)
Total culture/recreation	<u>18,241,852</u>	<u>17,931,443</u>	<u>16,132,939</u>	<u>1,798,504</u>
Total expenditures	<u>210,556,027</u>	<u>210,443,968</u>	<u>180,736,131</u>	<u>29,707,837</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,147,008)</u>	<u>(28,024,086)</u>	<u>(160,468)</u>	<u>27,863,618</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,969,301	6,469,301	5,427,671	(1,041,630)
Transfers (out)	(9,598,595)	(9,721,517)	(9,687,903)	33,614
Total other financing sources and (uses)	<u>(2,629,294)</u>	<u>(3,252,216)</u>	<u>(4,260,232)</u>	<u>(1,008,016)</u>
Net change in fund balances	<u>(30,776,302)</u>	<u>(31,276,302)</u>	<u>(4,420,700)</u>	<u>26,855,602</u>
Fund balances - beginning	<u>46,392,325</u>	<u>46,892,325</u>	<u>64,432,276</u>	<u>17,539,951</u>
Fund balances - ending	<u>\$ 15,616,023</u>	<u>\$ 15,616,023</u>	<u>\$ 60,011,576</u>	<u>\$ 44,395,553</u>

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

COUNTY OF VOLUSIA, FLORIDA
Municipal Service District
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 23,075,835	\$ 23,075,835	\$ 21,678,546	\$ (1,397,289)
Licenses and permits	833,415	833,415	878,239	44,824
Intergovernmental revenues	188,684	188,684	175,288	(13,396)
Charges for services	12,884,096	13,188,308	12,962,439	(225,869)
Fines and forfeitures	127,878	127,878	111,089	(16,789)
Interest revenues	252,000	252,000	77,475	(174,525)
Miscellaneous revenues	150,870	150,870	124,819	(26,051)
Special assessments/impact fees	261,000	261,000	212,376	(48,624)
Total revenues	<u>37,773,778</u>	<u>38,077,990</u>	<u>36,220,271</u>	<u>(1,857,719)</u>
EXPENDITURES				
Current:				
General government				
Growth and resource management	466,213	464,320	431,384	32,936
Building, zoning, and code administration	866,580	883,180	838,133	45,047
Planning and development services	1,705,859	1,795,859	1,548,675	247,184
Financial services	41,341	41,341	41,341	-
Nondepartmental	4,150,539	4,541,047	1,229,811	3,311,236
Total general government	<u>7,230,532</u>	<u>7,725,747</u>	<u>4,089,344</u>	<u>3,636,403</u>
Public safety				
Building, zoning, and code administration	2,520,311	2,520,311	2,383,364	136,947
Sheriff	26,296,373	26,694,674	26,053,483	641,191
Total public safety	<u>28,816,684</u>	<u>29,214,985</u>	<u>28,436,847</u>	<u>778,138</u>
Physical environment				
Environmental management	923,642	941,178	524,549	416,629
Total physical environment	<u>923,642</u>	<u>941,178</u>	<u>524,549</u>	<u>416,629</u>
Transportation				
Maintenance	265,726	265,726	197,748	67,978
Total transportation	<u>265,726</u>	<u>265,726</u>	<u>197,748</u>	<u>67,978</u>
Human services				
Animal control services	1,455,943	1,455,943	1,356,679	99,264
Total human services	<u>1,455,943</u>	<u>1,455,943</u>	<u>1,356,679</u>	<u>99,264</u>

COUNTY OF VOLUSIA, FLORIDA
Municipal Service District
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES - continued				
Current - continued:				
Culture/recreation				
Parks, recreation, and culture	1,707,713	1,707,713	1,707,713	-
Total culture/recreation	<u>1,707,713</u>	<u>1,707,713</u>	<u>1,707,713</u>	<u>-</u>
Total expenditures	<u>40,400,240</u>	<u>41,311,292</u>	<u>36,312,880</u>	<u>4,998,412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,626,462)</u>	<u>(3,233,302)</u>	<u>(92,609)</u>	<u>3,140,693</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,093,265	4,204,362	4,263,252	58,890
Transfers (out)	<u>(3,697,263)</u>	<u>(3,701,520)</u>	<u>(2,890,543)</u>	<u>810,977</u>
Total other financing sources and (uses)	<u>(603,998)</u>	<u>502,842</u>	<u>1,372,709</u>	<u>869,867</u>
Net change in fund balances	<u>(3,230,460)</u>	<u>(2,730,460)</u>	<u>1,280,100</u>	<u>4,010,560</u>
Fund balances - beginning	<u>5,082,378</u>	<u>4,582,378</u>	<u>2,837,684</u>	<u>(1,744,694)</u>
Fund balances - ending	<u>\$ 1,851,918</u>	<u>\$ 1,851,918</u>	<u>\$ 4,117,784</u>	<u>\$ 2,265,866</u>

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

COUNTY OF VOLUSIA, FLORIDA
Federal and State Grants
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 33,479,086	\$ 53,360,790	\$ 16,301,911	\$ (37,058,879)
Charges for services	3,198,434	3,225,194	1,837,481	(1,387,713)
Interest revenues	41,317	42,865	6,365	(36,500)
Miscellaneous revenues	19,200	22,950	32,890	9,940
Total revenues	<u>36,738,037</u>	<u>56,651,799</u>	<u>18,178,647</u>	<u>(38,473,152)</u>
EXPENDITURES				
Current:				
General government	408,665	844,683	387,667	457,016
Public safety	1,143,677	2,808,063	1,609,425	1,198,638
Physical environment	2,214,543	4,838,802	2,925,137	1,913,665
Transportation	7,498,954	12,381,579	698,234	11,683,345
Economic environment	21,387,438	22,483,913	8,916,485	13,567,428
Human services	3,609,478	6,703,612	3,976,688	2,726,924
Culture/recreation	1,846,564	7,949,717	311,024	7,638,693
Total expenditures	<u>38,109,319</u>	<u>58,010,369</u>	<u>18,824,660</u>	<u>39,185,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,371,282)</u>	<u>(1,358,570)</u>	<u>(646,013)</u>	<u>712,557</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	227,462	895,369	536,303	(359,066)
Transfers (out)	-	(709,052)	-	709,052
Total other financing sources and (uses)	<u>227,462</u>	<u>186,317</u>	<u>536,303</u>	<u>349,986</u>
Net change in fund balances	<u>(1,143,820)</u>	<u>(1,172,253)</u>	<u>(109,710)</u>	<u>1,062,543</u>
Fund balances - beginning, restated	<u>1,143,820</u>	<u>1,172,253</u>	<u>2,625,566</u>	<u>1,453,313</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,515,856</u>	<u>\$ 2,515,856</u>

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

COUNTY OF VOLUSIA, FLORIDA
County Transportation Trust
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 14,543,100	\$ 14,543,100	\$ 14,954,166	\$ 411,066
Intergovernmental revenues	8,328,590	8,648,590	7,644,883	(1,003,707)
Charges for services	331,975	331,975	607,357	275,382
Interest revenues	300,000	300,000	287,999	(12,001)
Miscellaneous revenues	52,000	52,000	357,094	305,094
Total revenues	23,555,665	23,875,665	23,851,499	(24,166)
EXPENDITURES				
Current:				
Transportation				
Maintenance	51,650,611	62,569,883	20,842,049	41,727,834
Total transportation	51,650,611	62,569,883	20,842,049	41,727,834
Total expenditures	51,650,611	62,569,883	20,842,049	41,727,834
Excess (deficiency) of revenues over (under) expenditures	(28,094,946)	(38,694,218)	3,009,450	41,703,668
OTHER FINANCING SOURCES (USES)				
Transfers in	3,100,000	3,738,253	2,291,025	(1,447,228)
Transfers (out)	(2,360,598)	(3,168,805)	(3,110,733)	58,072
Refunding bonds issued	-	8,562,000	-	(8,562,000)
Total other financing sources and (uses)	739,402	9,131,448	(819,708)	(9,951,156)
Net change in fund balances	(27,355,544)	(29,562,770)	2,189,742	31,752,512
Fund balances - beginning, restated	27,355,544	29,562,770	39,176,442	9,613,672
Fund balances - ending	\$ -	\$ -	\$ 41,366,184	\$ 41,366,184

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

COUNTY OF VOLUSIA, FLORIDA
Volusia Forever
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,237,274	\$ 1,237,274	\$ 1,228,232	\$ (9,042)
Intergovernmental revenues	-	-	602	602
Charges for services	390,000	390,000	128,773	(261,227)
Interest revenues	61,500	61,500	19,729	(41,771)
Miscellaneous revenues	52,800	52,800	31,506	(21,294)
Total revenues	<u>1,741,574</u>	<u>1,741,574</u>	<u>1,408,842</u>	<u>(332,732)</u>
EXPENDITURES				
Current:				
Physical environment				
Environmental management	5,988,059	7,681,344	2,308,203	5,373,141
Total physical environment	<u>5,988,059</u>	<u>7,681,344</u>	<u>2,308,203</u>	<u>5,373,141</u>
Total expenditures	<u>5,988,059</u>	<u>7,681,344</u>	<u>2,308,203</u>	<u>5,373,141</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,246,485)</u>	<u>(5,939,770)</u>	<u>(899,361)</u>	<u>5,040,409</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(713,795)	(713,795)	-	713,795
Total other financing sources and (uses)	<u>(713,795)</u>	<u>(713,795)</u>	<u>-</u>	<u>713,795</u>
Net change in fund balances	(4,960,280)	(6,653,565)	(899,361)	5,754,204
Fund balances - beginning	<u>4,960,280</u>	<u>6,653,565</u>	<u>(4,980,480)</u>	<u>(11,634,045)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,879,841)</u>	<u>\$ (5,879,841)</u>

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



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2012

	Business-type Activities - Enterprise Funds		
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 13,906,832	\$ 10,730,966	\$ 744,415
Restricted:			
Cash and cash equivalents	100,000	5,453,525	-
Receivable	-	189,698	-
Receivables:			
Accounts - net	782,475	454,940	17,084
Special assessments:			
Current receivable	-	-	-
Interest receivable	-	-	-
Due from other governments	368,371	663,028	2,315,170
Inventories	-	3,449	828,620
Prepaid items	-	-	23,098
Total current assets	15,157,678	17,495,606	3,928,387
Noncurrent assets:			
Restricted:			
Cash and cash equivalents	9,345,698	-	-
Receivables:			
Special assessments:			
Deferred receivable	-	-	-
Capital assets:			
Land	10,016,369	34,818,862	1,047,524
Buildings	7,558,636	7,561,922	9,704,725
Improvements other than buildings	30,018,919	143,879,302	1,639,593
Equipment	12,097,663	5,369,827	27,670,684
Intangibles	-	-	1,917,990
Construction in progress	-	7,386,636	89,604
Less: accumulated depreciation	(31,771,966)	(89,004,556)	(24,001,958)
Total capital assets (net of accumulated depreciation)	37,265,319	110,011,993	18,068,162
Total noncurrent assets	37,265,319	110,011,993	18,068,162
Total assets	52,422,997	127,507,599	21,996,549
DEFERRED OUTFLOW OF RESOURCES			
Deferred charges on debt refundings	-	709,589	-
Total deferred outflow of resources	-	709,589	-

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Parking Garage	Nonmajor Proprietary Fund		Totals	Governmental Activities - Internal Service Funds
		Garbage Collection			
\$ 10,084,551	\$ 752,416	\$ 1,871,674		\$ 38,090,854	\$ 67,206,833
1,737,367	500,000	-		7,790,892	-
-	-	-		189,698	-
1,657,645	67,918	-		2,980,062	586,136
11,384	-	-		11,384	-
1,866	-	-		1,866	-
73,398	-	-		3,419,967	82,622
-	-	-		832,069	430,201
-	-	-		23,098	1,442,321
<u>13,566,211</u>	<u>1,320,334</u>	<u>1,871,674</u>		<u>53,339,890</u>	<u>69,748,113</u>
-	-	-		9,345,698	-
21,694	-	-		21,694	-
7,301,580	-	-		53,184,335	-
149,326	10,480,383	-		35,454,992	1,915,516
81,466,037	-	-		257,003,851	458,733
1,733,730	543,952	-		47,415,856	26,676,974
218,629	-	-		2,136,619	372,798
1,520,709	-	-		8,996,949	-
<u>(33,805,382)</u>	<u>(2,195,892)</u>	<u>-</u>		<u>(180,779,754)</u>	<u>(15,692,869)</u>
<u>58,584,629</u>	<u>8,828,443</u>	<u>-</u>		<u>232,780,240</u>	<u>13,731,152</u>
<u>58,606,323</u>	<u>8,828,443</u>	<u>-</u>		<u>232,801,934</u>	<u>13,731,152</u>
<u>72,172,534</u>	<u>10,148,777</u>	<u>1,871,674</u>		<u>286,120,130</u>	<u>83,479,265</u>
<u>310,284</u>	<u>-</u>	<u>-</u>		<u>1,019,873</u>	<u>-</u>
<u>310,284</u>	<u>-</u>	<u>-</u>		<u>1,019,873</u>	<u>-</u>

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2012

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	\$ 174,630	\$ 762,998	\$ 651,682
Accrued liabilities	-	-	187,404
Due to other governments	223	43,968	2,770
Unearned revenue	-	-	233,382
Advance rents	-	79,045	-
Notes payable	-	217,000	-
Compensated absences payable	157,037	134,467	121,208
Estimated claims payable	-	-	-
Pollution remediation payable	134,176	18,971	-
Payable from restricted assets:			
Notes payable	-	-	-
Revenue bonds payable	-	1,440,000	-
Landfill closure costs payable	100,000	-	-
Accrued interest payable	-	708,982	-
Total current liabilities	566,066	3,405,431	1,196,446
Noncurrent liabilities:			
Deposits	-	95,907	-
Advances from other funds	-	-	-
Advance rents	-	2,529,440	-
Notes payable	-	936,000	-
Compensated absences payable	420,518	360,080	324,572
Estimated claims payable	-	-	-
Revenue bonds payable	-	24,759,398	-
Pollution remediation payable	1,307,942	-	-
Landfill closure costs payable	19,314,027	-	-
Net OPEB obligation	-	-	-
Total noncurrent liabilities	21,042,487	28,680,825	324,572
Total liabilities	21,608,553	32,086,256	1,521,018
NET POSITION			
Net investment in capital assets	27,919,621	83,002,810	18,068,162
Restricted:			
Debt service	-	1,440,000	-
Passenger facility charges program	-	1,589,698	-
Equipment replacement	-	250,000	-
Maintenance and operations	-	1,437,543	-
Unrestricted	2,894,823	8,410,881	2,407,369
Total net position	\$ 30,814,444	\$ 96,130,932	\$ 20,475,531

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net position of business-type activities

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Parking Garage	Nonmajor Proprietary Fund		Totals	Governmental Activities - Internal Service Funds
		Garbage Collection			
\$ 556,097	\$ 70,113	\$ 618,388	\$	2,833,908	\$ 1,301,004
-	-	-		187,404	-
-	14,029	-		60,990	-
760	-	-		234,142	-
-	-	-		79,045	-
-	-	-		217,000	-
132,215	2,321	-		547,248	165,288
-	-	-		-	6,734,859
-	-	-		153,147	-
1,139,427	-	-		1,139,427	-
-	520,000	-		1,960,000	-
-	-	-		100,000	-
126,132	226,013	-		1,061,127	-
<u>1,954,631</u>	<u>832,476</u>	<u>618,388</u>		<u>8,573,438</u>	<u>8,201,151</u>
371,808	-	-		467,715	-
-	298,656	-		298,656	-
-	-	-		2,529,440	-
12,794,172	-	-		13,730,172	-
354,049	6,214	-		1,465,433	442,610
-	-	-		-	8,637,886
5,450,000	8,300,000	-		38,509,398	-
-	-	-		1,307,942	-
-	-	-		19,314,027	-
-	-	-		-	15,672,606
<u>18,970,029</u>	<u>8,604,870</u>	<u>-</u>		<u>77,622,783</u>	<u>24,753,102</u>
20,924,660	9,437,346	618,388		86,196,221	32,954,253
39,501,714	8,443	-		168,500,750	13,731,152
823,500	-	-		2,263,500	-
-	-	-		1,589,698	-
100,000	500,000	-		850,000	-
-	-	-		1,437,543	-
<u>11,132,944</u>	<u>202,988</u>	<u>1,253,286</u>		<u>26,302,291</u>	<u>36,793,860</u>
<u>\$ 51,558,158</u>	<u>\$ 711,431</u>	<u>\$ 1,253,286</u>		<u>200,943,782</u>	<u>\$ 50,525,012</u>
				<u>4,319,613</u>	
				<u>\$ 205,263,395</u>	

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For The Year Ended September 30, 2012

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
Operating Revenues:			
Charges for services	\$ 12,369,053	\$ 9,717,820	\$ 3,223,972
Miscellaneous revenues	750,818	356,540	10,763
Total operating revenues	13,119,871	10,074,360	3,234,735
Operating Expenses:			
Personal services	3,459,641	2,930,209	11,286,762
Contracted services	1,932,649	2,837,700	2,683,599
Supplies and materials	1,523,065	207,185	4,136,971
Repairs and maintenance	1,979,377	763,513	1,860,447
Utilities	156,718	871,964	160,110
Other services and charges	547,763	676,899	464,935
Depreciation	3,226,424	5,470,196	2,773,891
Claims and other accrued expenses	-	-	-
Total operating expenses	12,825,637	13,757,666	23,366,715
Operating income (loss)	294,234	(3,683,306)	(20,131,980)
Nonoperating Revenues (Expenses):			
Operating grants	-	345,756	8,996,744
Passenger facility charges	-	1,203,342	-
Interest revenues	128,551	145,497	9,509
Interest expense	-	(1,556,788)	-
Bond issuance and related administrative costs	-	(166,737)	-
Net gain (loss) on disposal of capital assets	43,825	(5,196)	7,499
Miscellaneous revenues	-	1,110	68,596
Total nonoperating revenues (expenses)	172,376	(33,016)	9,082,348
Income (loss) before contributions and transfers	466,610	(3,716,322)	(11,049,632)
Capital grants and contributions	-	5,042,996	172,451
Transfers in	-	-	7,391,803
Transfers (out)	-	-	-
Change in net position	466,610	1,326,674	(3,485,378)
Total net position - beginning, restated	30,347,834	94,804,258	23,960,909
Total net position - ending	\$ 30,814,444	\$ 96,130,932	\$ 20,475,531

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net position of business-type activities

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Parking Garage	Nonmajor Proprietary Fund		Totals	Governmental Activities - Internal Service Funds
		Garbage Collection			
\$ 13,813,650	\$ 2,389,043	\$ 8,464,976	\$	\$ 49,978,514	\$ 61,041,039
361,486	140	-		1,479,747	145,738
<u>14,175,136</u>	<u>2,389,183</u>	<u>8,464,976</u>		<u>51,458,261</u>	<u>61,186,777</u>
3,132,987	107,873	-		20,917,472	3,869,604
1,690,738	929,848	7,229,576		17,304,110	1,791,637
1,015,848	23,970	-		6,907,039	7,352,380
1,119,614	90,959	-		5,813,910	3,722,590
1,432,804	77,059	-		2,698,655	43,498
369,004	11,647	463,217		2,533,465	3,677,941
2,821,538	456,056	-		14,748,105	2,640,783
-	-	-		-	38,679,689
<u>11,582,533</u>	<u>1,697,412</u>	<u>7,692,793</u>		<u>70,922,756</u>	<u>61,778,122</u>
<u>2,592,603</u>	<u>691,771</u>	<u>772,183</u>		<u>(19,464,495)</u>	<u>(591,345)</u>
-	-	-		9,342,500	-
-	-	-		1,203,342	-
99,670	3,797	28,302		415,326	690,132
(618,908)	(458,431)	-		(2,634,127)	-
(32,298)	-	-		(199,035)	-
703	-	-		46,831	81,384
-	-	-		69,706	26,026
<u>(550,833)</u>	<u>(454,634)</u>	<u>28,302</u>		<u>8,244,543</u>	<u>797,542</u>
2,041,770	237,137	800,485		(11,219,952)	206,197
2,147	-	-		5,217,594	2,020
-	-	-		7,391,803	873,000
-	-	-		-	(1,000,000)
<u>2,043,917</u>	<u>237,137</u>	<u>800,485</u>		<u>1,389,445</u>	<u>81,217</u>
49,514,241	474,294	452,801			50,443,795
<u>\$ 51,558,158</u>	<u>\$ 711,431</u>	<u>\$ 1,253,286</u>			<u>\$ 50,525,012</u>
				<u>254,735</u>	
				<u>\$ 1,644,180</u>	

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows
Proprietary Funds
For The Year Ended September 30, 2012

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Refuse Disposal</u>	<u>Daytona Beach International Airport</u>	<u>Volusia Transportation Authority</u>
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 12,221,260	\$ 9,740,468	\$ 3,307,353
Payments to suppliers	(7,927,633)	(5,533,320)	(9,130,566)
Payments to employees	(3,509,241)	(2,931,832)	(11,281,386)
Other operating revenue	750,818	356,540	10,763
Net cash provided (used) by operating activities	<u>1,535,204</u>	<u>1,631,856</u>	<u>(17,093,836)</u>
Cash Flows from Noncapital Financing Activities			
Transfers to other funds	-	-	-
Transfers from other funds	-	-	7,391,803
Subsidy from federal/state grants	-	405,356	8,035,677
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>405,356</u>	<u>15,427,480</u>
Cash Flows from Capital and Related Financing Activities			
Capital contributions	-	-	(210,399)
Acquisition and construction of capital assets	(973,610)	(4,631,834)	-
Principal paid on capital debt	-	(2,653,742)	-
Interest and other costs paid on capital debt	-	(1,907,664)	-
Proceeds from issuance of notes to acquire capital assets	-	-	-
Proceeds from sale of capital assets	97,247	1,110	9,064
Proceeds from insurance	-	-	68,596
Receipts from capital grants	-	7,985,471	423,932
Net cash provided (used) by capital and related financing activities	<u>(876,363)</u>	<u>(1,206,659)</u>	<u>291,193</u>
Cash Flows from Investing Activities			
Interest revenues	128,551	145,497	9,509
Net cash provided (used) by investing activities	<u>128,551</u>	<u>145,497</u>	<u>9,509</u>
Net increase (decrease) in cash and cash equivalents	787,392	976,050	(1,365,654)
Cash and cash equivalents at beginning of year	<u>22,565,138</u>	<u>15,208,441</u>	<u>2,110,069</u>
Cash and cash equivalents at end of year	<u>\$ 23,352,530</u>	<u>\$ 16,184,491</u>	<u>\$ 744,415</u>
Cash and Cash Equivalents Classified As:			
Current assets	\$ 13,906,832	\$ 10,730,966	\$ 744,415
Restricted assets	9,445,698	5,453,525	-
Total cash and cash equivalents	<u>\$ 23,352,530</u>	<u>\$ 16,184,491</u>	<u>\$ 744,415</u>

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Parking Garage	Nonmajor Proprietary Fund		Totals	Governmental Activities - Internal Service Funds
		Garbage Collection			
\$ 13,526,393	\$ 2,393,166	\$ 8,464,976		\$ 49,653,616	\$ 61,216,361
(5,495,588)	(1,115,270)	(7,467,728)		(36,670,105)	(50,401,178)
(3,137,425)	(107,996)	-		(20,967,880)	(3,859,565)
361,486	140	-		1,479,747	145,738
<u>5,254,866</u>	<u>1,170,040</u>	<u>997,248</u>		<u>(6,504,622)</u>	<u>7,101,356</u>
-	(298,655)	-		(298,655)	(1,000,000)
-	-	-		7,391,803	873,000
-	-	-		8,441,033	-
-	(298,655)	-		15,534,181	(127,000)
11,549	-	-		(198,850)	-
(1,196,276)	-	-		(6,801,720)	(4,336,245)
(2,411,040)	(490,000)	-		(5,554,782)	-
(780,820)	(470,986)	-		(3,159,470)	-
298,991	-	-		298,991	-
4,003	-	-		111,424	99,921
-	-	-		68,596	-
-	-	-		8,409,403	-
<u>(4,073,593)</u>	<u>(960,986)</u>	<u>-</u>		<u>(6,826,408)</u>	<u>(4,236,324)</u>
99,670	3,797	28,302		415,326	690,132
<u>99,670</u>	<u>3,797</u>	<u>28,302</u>		<u>415,326</u>	<u>690,132</u>
1,280,943	(85,804)	1,025,550		2,618,477	3,428,164
<u>10,540,975</u>	<u>1,338,220</u>	<u>846,124</u>		<u>52,608,967</u>	<u>63,778,669</u>
<u>\$ 11,821,918</u>	<u>\$ 1,252,416</u>	<u>\$ 1,871,674</u>		<u>\$ 55,227,444</u>	<u>\$ 67,206,833</u>
\$ 10,084,551	\$ 752,416	\$ 1,871,674		\$ 38,090,854	\$ 67,206,833
1,737,367	500,000	-		17,136,590	-
<u>\$ 11,821,918</u>	<u>\$ 1,252,416</u>	<u>\$ 1,871,674</u>		<u>\$ 55,227,444</u>	<u>\$ 67,206,833</u>

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows
Proprietary Funds
For The Year Ended September 30, 2012

Business-type Activities - Enterprise Funds

	<u>Refuse Disposal</u>	<u>Daytona Beach International Airport</u>	<u>Volusia Transportation Authority</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ 294,234	\$ (3,683,306)	\$ (20,131,980)
Depreciation	3,226,424	5,470,196	2,773,891
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(163,474)	94,355	32,749
(Increase) decrease in due from other governments	15,681	7,338	-
(Increase) decrease in inventories	-	1,677	(82,350)
(Increase) in prepaid items	-	-	(23,098)
Increase in accounts and contracts payable	47,039	101,133	188,312
Increase (decrease) in due to other governments	223	3,377	430
Increase in accrued liabilities	-	-	61,434
Increase (decrease) in deposits payable	-	(86,266)	-
Increase (decrease) in unearned revenue	-	(79,045)	83,381
Increase in estimated claims payable	-	-	-
Increase (decrease) in compensated absences payable	(49,600)	(1,623)	5,376
(Decrease) in landfill closure costs	(1,696,340)	-	-
(Decrease) in pollution remediation payable	(138,983)	(195,980)	(1,981)
Increase in net OPEB obligation	-	-	-
Total adjustments	<u>1,240,970</u>	<u>5,315,162</u>	<u>3,038,144</u>
Net cash provided (used) by operating activities	<u>\$ 1,535,204</u>	<u>\$ 1,631,856</u>	<u>\$ (17,093,836)</u>
Noncash Investing, Capital, and Financing Activities:			
Contributions of capital assets from other sources	\$ -	\$ -	\$ -
Contributions of non-capital assets from other sources	-	-	-
Capital asset purchases on account	-	496,944	32,329

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Parking Garage	Nonmajor Proprietary Fund		Totals	Governmental Activities - Internal Service Funds
		Garbage Collection			
\$ 2,592,603	\$ 691,771	\$ 772,183		\$ (19,464,495)	\$ (591,345)
2,821,538	456,056	-		14,748,105	2,640,783
(266,572)	4,123	-		(298,819)	197,673
(57,799)	-	-		(34,780)	(22,351)
-	-	-		(80,673)	63,205
-	-	-		(23,098)	(141,946)
132,840	18,330	225,065		712,719	524,362
(420)	(117)	-		3,493	12,991
-	-	-		61,434	-
37,114	-	-		(49,152)	-
-	-	-		4,336	-
-	-	-		-	1,680,952
(4,438)	(123)	-		(50,408)	10,039
-	-	-		(1,696,340)	-
-	-	-		(336,944)	-
-	-	-		-	2,726,993
<u>2,662,263</u>	<u>478,269</u>	<u>225,065</u>		<u>12,959,873</u>	<u>7,692,701</u>
<u>\$ 5,254,866</u>	<u>\$ 1,170,040</u>	<u>\$ 997,248</u>		<u>\$ (6,504,622)</u>	<u>\$ 7,101,356</u>
\$ 2,147	\$ -	\$ -		\$ -	\$ 2,020
-	-	-		-	26,026
109,715	-	-		638,988	264,131

COUNTY OF VOLUSIA, FLORIDA
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2012

	Volunteer Firefighters Pension Trust Fund	Agency Funds
ASSETS		
Equity in pooled cash and investments	\$ 3,176,009	\$ 9,895,199
Pension investments:		
Common stock	1,147,427	-
Receivables:		
Accounts - net	-	168,221
Special assessments:		
Current receivable	-	12,013
Deferred receivable	-	43,168
Interest receivable	-	27,883
Due from other governments	-	25,023
Total assets	4,323,436	10,171,507
LIABILITIES		
Accounts and contracts payable	-	9,317
Due to other governments	-	9,489,822
Deposits	-	672,368
Total liabilities	-	10,171,507
NET POSITION		
Held in trust for:		
Pension benefits	4,323,436	-
Total net position	\$ 4,323,436	\$ -

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2012

	<u>Volunteer Firefighters Pension Trust Fund</u>
ADDITIONS	
Contributions:	
Employer	\$ -
Total contributions	<u>-</u>
Investment earnings:	
Net increase in fair value of investments	306,544
Interest	24,152
Dividends	<u>55,855</u>
Total investment earnings	<u>386,551</u>
Total additions	<u>386,551</u>
 DEDUCTIONS	
Benefits	118,158
Administrative expenses	<u>3,321</u>
Total deductions	<u>121,479</u>
Change in net position	265,072
Net position - beginning of year	<u>4,058,364</u>
Net position - end of year	<u>\$ 4,323,436</u>

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



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
Component Units
September 30, 2012

	Clerk of the Circuit Court	Volusia County Law Library	Total
ASSETS			
Equity in pooled cash and investments	\$ 7,323,272	\$ 491,552	\$ 7,814,824
Receivables:			
Accounts - net	654	-	654
Due from primary government	2,740	-	2,740
Due from other governments	89,429	-	89,429
Prepaid items	9,900	-	9,900
Leasehold improvements	-	39,436	39,436
Equipment	7,023,744	165,120	7,188,864
Accumulated depreciation	(5,020,447)	(183,748)	(5,204,195)
Total assets	9,429,292	512,360	9,941,652
LIABILITIES			
Accounts and contracts payable	161,745	565	162,310
Accrued liabilities	202,507	-	202,507
Due to primary government	528,931	-	528,931
Due to other governments	315,524	-	315,524
Deposits	97,168	-	97,168
Non-current liabilities:			
Due within one year:			
Compensated absences payable	357,918	-	357,918
Due in more than one year:			
Compensated absences payable	546,267	-	546,267
Net OPEB obligation	376,023	-	376,023
Total liabilities	2,586,083	565	2,586,648
NET POSITION			
Net investment in capital assets	2,003,297	20,808	2,024,105
Restricted:			
Public record modernization	5,762,202	-	5,762,202
Unrestricted (deficit)	(922,290)	490,987	(431,303)
Total net position	\$ 6,843,209	\$ 511,795	\$ 7,355,004

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
Component Units
For the Year Ended September 30, 2012

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Clerk of the Circuit Court				
Operations	\$ 18,765,438	\$ 16,411,683	\$ 486,489	\$ -
Total Clerk of the Circuit Court	<u>18,765,438</u>	<u>16,411,683</u>	<u>486,489</u>	<u>-</u>
Volusia County Law Library				
Operations	617,605	23,291	-	-
Total Volusia County Law Library	<u>617,605</u>	<u>23,291</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 19,383,043</u>	<u>\$ 16,434,974</u>	<u>\$ 486,489</u>	<u>\$ -</u>

General Revenues:

 Interest revenue

 Miscellaneous

 Payment from County of Volusia

 Total general revenues and payment from County of Volusia

 Change in net position

 Net position - beginning

 Net position - ending

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

Net (Expense) Revenue and Changes in Net Position

<u>Clerk of the Circuit Court</u>	<u>Volusia County Law Library</u>	<u>Totals</u>
\$ (1,867,266)	\$ -	\$ (1,867,266)
<u>(1,867,266)</u>	<u>-</u>	<u>(1,867,266)</u>
-	(594,314)	(594,314)
<u>-</u>	<u>(594,314)</u>	<u>(594,314)</u>
<u>\$ (1,867,266)</u>	<u>\$ (594,314)</u>	<u>\$ (2,461,580)</u>
2,435	746	3,181
12,875	2,446	15,321
<u>-</u>	<u>602,301</u>	<u>602,301</u>
15,310	605,493	620,803
<u>(1,851,956)</u>	<u>11,179</u>	<u>(1,840,777)</u>
<u>8,695,165</u>	<u>500,616</u>	<u>9,195,781</u>
<u>\$ 6,843,209</u>	<u>\$ 511,795</u>	<u>\$ 7,355,004</u>



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Volusia, Florida have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant County accounting policies are described below.

A. REPORTING ENTITY

The County of Volusia, Florida, is a Home Rule Charter County as provided for by Section 125.60 of the Florida Statutes. The County operates under a Council/Manager form of government and provides various services to its nearly 500,000 residents including public safety, transportation, health and social services, culture/recreation, planning, zoning, and other community enrichment and development services.

The legislative branch of the Charter government is composed of a seven-member, elected Council. The establishment and adoption of policy is the responsibility of the County Council, and the execution of such policy is the responsibility of the Council-appointed County Manager.

In addition to the elected County Council, the Charter provides for an elected Sheriff, Property Appraiser, and Supervisor of Elections to serve as department directors. The duties of the Tax Collector are included in the responsibilities of the Financial and Administrative Services Department. The elected Clerk of the Circuit Court is excluded from the activities of the County and maintains separate accounting records and budgets.

The accompanying financial statements present the primary government, and its component units, for which the primary government is considered to be financially accountable. Also included are other entities for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete.

1. Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the County's component units. They are included because, if excluded, the County's financial statements would be misleading. They are reported in a separate column in the government-wide financial statements to emphasize their legal separation from the County. The following component units are included in the statements:

- **Clerk of the Circuit Court** – The Volusia County Clerk of the Circuit Court is responsible for the operations of the Clerk's Office, which provides support to the justice system within the County. The Clerk of the Circuit Court is elected by the voters and is a separate legal entity under the Volusia County Home Rule Charter. The Clerk of the Circuit Court is included as a component unit because its exclusion from the financial reporting entity would render the County's financial statements misleading. (*Constitution of the State of Florida, Article VIII, Section 1(d).*; *Volusia County Home Rule Charter, Article V.*)
- **Volusia County Law Library** – The Volusia County Law Library is a public corporation responsible for providing two centralized and consolidated law libraries for the benefit of the general public of the County. A Board of Trustees manages the Law Library. Funding for the Law Library shall be taxed and collected by the Clerk of the Circuit Court as authorized by Florida statutes or other laws. However, the Board of Trustees may petition the County Council for supplemental funding, and the Council may, at its discretion, appropriate such additional support. As a result, the Law Library is included as a component unit because its exclusion would render the County's financial statements misleading. (*Special Acts, Chapter 69-1706; Volusia County Code of Ordinances, Section 214-61.*)

Each discretely presented component unit issues separate financial statements and has a September 30 fiscal year end. Complete financial statements of the individual component units can be obtained from their respective administrative offices:

Volusia County Clerk of the Circuit Court
101 North Alabama Avenue
DeLand, FL 32724

Volusia County Law Library
125 East Orange Avenue
Daytona Beach, FL 32114

2. Related Organizations

The County is responsible for appointing members of boards to other organizations, but is not accountable for these organizations. The following related organizations are not included in the reporting entity:

- Volusia County Health Facilities Authority
- Housing Finance Authority of Volusia County
- Volusia County Industrial Development Authority
- Volusia County Educational Facilities Authority

3. Dependent Special Districts

Included within the financial report are the East Volusia Transportation District, Ponce Inlet and Port Authority, Growth Management Commission, West Volusia Library District, and Volusia County Fire District. These dependent special districts are special-purpose-taxing units within a limited boundary, created and governed by the County Council, and thus, legally part of the County.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

While separate government-wide and fund financial statements are presented, they are interrelated.

1. Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. For the most part, the effect of interfund activity has been removed from the government-wide statements. *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 fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or activity. However, the direct expenses may contain elements of allocated, incidental indirect costs. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Special assessments are included as a capital contribution. Taxes, except the gas taxes imposed by the County in which case they are reported as program revenues, and other items not properly included among program revenues are reported instead as *general revenues*.

2. Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds which are reported as separate columns in the fund financial statements. The remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Municipal Service District Fund*, a special revenue fund, accounts for the fiscal activity relating to the municipal type services of zoning, development engineering, planning, sheriff's services, parks and recreation, and animal control for the unincorporated areas of the County.

- The *Federal and State Grants Fund*, a special revenue fund, accounts for the fiscal activity relating to funds received from various federal and state grant programs.
- The *County Transportation Trust Fund* accounts for the fiscal activity relating to County road and bridge maintenance and construction.
- The *Volusia Forever Fund* accounts for the fiscal activities primarily relating to the management and improvement of environmentally sensitive lands acquired through the Volusia Forever program.

The County reports the following major proprietary funds:

- The *Refuse Disposal Fund* accounts for the fiscal activity of all solid waste disposal within the County.
- The *Daytona Beach International Airport Fund* accounts for the fiscal activity of the Daytona Beach International Airport.
- The *Volusia Transportation Authority Fund* accounts for the fiscal activity of the Votran bus system.
- The *Water and Sewer Utilities Fund* accounts for the fiscal activities of County-owned water and sewer plants and distribution and collection systems located primarily in unincorporated areas.
- The *Parking Garage Fund* accounts for the fiscal activities of the County-owned parking facility located adjacent to the Ocean Center.

The County reports the following non-major proprietary fund:

- The *Garbage Collection Fund* accounts for the fiscal activities of garbage collection within the unincorporated areas of the County.

Additionally, the County reports the following fund types:

- *Special Revenue Funds* account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.
- *Debt Service Funds* account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- *Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
- *Internal Service Funds* account for computer replacement, vehicle maintenance, insurance, and employee group insurance services provided primarily to the departments or agencies of the County, or in some cases, to other governments, on a cost reimbursement basis.
- The *Pension Trust Fund* accounts for funds received from Fire Services to provide retirement benefits for volunteer firefighters.
- *Agency Funds* account for resources held by the County in a custodial capacity for other individuals, private organizations, or other governments. This includes ad valorem taxes collected and distributed to cities and other taxing agencies, funds held for inmates pending their release, impact fees collected and distributed to the local school board, as well as state sales tax and motor vehicle fees collected on behalf of and distributed to the state.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the

government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e. the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type column.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1. Government-wide Financial Statements

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

2. Fund Financial Statements

- Governmental funds:

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, sales tax, tourism-related taxes, gas tax, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, pollution remediation, and claims and judgements, are recorded only when payment is due. As a general rule, expenditures related to debt service principal and interest payments are recognized in the period they come due. Because the County must fund those expenditures in the current period, large surpluses result even though the payments are due the first day of the new fiscal year. To avoid possible misinterpretation of the financial statements, the County has elected to recognize the expenditure and related fund liabilities in the current period for bonds for which the principal and interest payments are due October 1.

- Proprietary and fiduciary funds:

The proprietary funds, including enterprise and internal service funds, and pension trust funds, are reported using the *economic resources measurements focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and of the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Based on the accounting and reporting standards set forth in GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County has opted to apply only the accounting and reporting pronouncements issued by the Financial Accounting Standards Board (FASB) on or before November 30, 1989 for business-type activities and enterprise funds.

D. BUDGETARY BASIS OF ACCOUNTING

Annual budgets are legally adopted by the County Council, on a basis consistent with generally accepted principles for the general, special revenue, and debt service funds. Capital project funds are appropriated on a project length basis. Formal budgetary integration is employed as a management control device during the year for all governmental funds. Formal budgetary integration is not employed for the enterprise or internal service funds.

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the budget director, who under the direction of the Chief Financial Officer (CFO), compiles the requests and submits to the County Manager. The County Manager submits his recommended budget to the County Council. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by County Council. During the year, should they be needed, transfers of appropriations between departments and divisions may occur without County Council approval if the transfers do not occur between funds. However, transfers between funds require County Council approval. If during the fiscal year, the County Manager certifies that there are additional available revenues for appropriation in excess of those estimated in the budget, the Council may make supplemental appropriations for the year, up to the amount of such excess revenues.

Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. An appropriation for a capital program within the general or special revenue funds shall be re-budgeted on an annual basis until the purpose for which it was made has been accomplished or abandoned. The purpose of any appropriation shall be deemed abandoned if, after three years, no disbursement or encumbrance has been made.

E. PROPERTY TAXES

On November 1, the levy date, the property assessment roll is certified, based upon values as of January 1 (valuation date), and all real and tangible personal property taxes are due and payable. Taxes are collected and considered current from November 1 to March 31. On April 1, all unpaid real and tangible personal property taxes are considered delinquent. On May 31, the lien date, tax certificates are sold on all real estate parcels with unpaid real property taxes. By no later than August 31, the County is given authorization through court order to seize, for eventual sale, personal property if the taxpayer fails to pay the delinquent personal property tax.

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are reported as Equity in Pooled Cash and Investments and includes all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased. In addition, investments in money market funds are sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, thus equity in these funds is also deemed to be a cash equivalent.

G. INVESTMENTS

Investments for the County are reported at fair value. The County invests in two government money market mutual funds which are regulated by Rule 2a-7 of the Investment Company Act of 1940 and are registered with the

Securities and Exchange Commission. Each fund seeks to maintain a stable net asset value (NAV) of \$1.00 per share. See Note 2 for further details on the County's investments.

H. RECEIVABLES AND PAYABLES

1. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a fund balance classification indicating that they are not available for appropriation and are not expendable available financial resources in the governmental type funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

2. Unbilled Service Receivables

Estimated unbilled revenues of the County's water and sewer system are recorded for services rendered, but not yet billed as of the end of the fiscal year. The receivable is estimated by prorating the number of days applicable to the cycle billing.

3. Employee Receivables

Employee receivables primarily include amounts owed to the County by its employees for: (1) repayment of pay resulting from a change in bi-weekly pay period ending dates that occurred in fiscal years 1977 and 1986; (2) repayment of amounts loaned to employees to purchase a computer offered through the County's computer purchase program. The financing period for these loans is two years and repayment is received through payroll deduction.

4. Unearned Revenue

Unearned revenues recorded on the governmental fund balance sheet represents amounts received before eligibility requirements are met.

5. Advance Rents

The County entered into a long-term lease agreement with the Volusia County School Board for property at the Daytona Beach International Airport. As a result of this agreement, advance rents are recorded on the proprietary funds statement of net position.

6. Allowance for Doubtful Accounts

Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 120 to 180 days are subject to being considered as uncollectible.

I. INVENTORIES AND PREPAID ITEMS

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded using the consumption method, that is, as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

J. CAPITAL ASSETS

Capital assets, which include: land, buildings, improvements, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Buildings, improvements, and equipment with initial, individual costs that equal or exceed \$1,000 and estimated useful lives of over one year are recorded as capital assets. Software, which is reported as an intangible asset, is capitalized when its initial cost equals or exceeds \$100,000 and possesses an estimated useful life of more than one year. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed \$125,000 and possess estimated useful lives of more than one year. Capital assets are

recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Buildings, improvements, equipment, intangibles, and infrastructure assets of the government are depreciated using the straight line method based upon the following estimated useful lives:

Estimated Use Lives	
<u>Assets</u>	<u>Years</u>
Buildings	15 - 40
Improvements other than buildings	5 - 30
Equipment	3 - 20
Intangibles	10 - 30
Infrastructure	15 - 35

K. COMPENSATED ABSENCES

County policy permits employees to accumulate a limited amount of earned, but unused personal, vacation, and sick leave. These benefits are payable to employees upon separation from service. All leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported.

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bond insurance costs are amortized over the life of bonds using the straight line method. Bonds payable are reported net of the applicable unamortized bond premium or discount and insurance cost. Bond issuance costs are reported as an expense in the period incurred.

For refundings of debt reported in the government-wide and proprietary type funds financial statements, the difference between the reacquisition price and the net carrying amount of the old debt will be deferred and amortized in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. On the statement of net position, the deferred amount is reported as deferred outflows/inflows of resources. Bond issuance costs are reported as an expense in the period incurred.

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

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The statement of net position will report, when applicable, separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources is a consumption of net position by the government that applies to a future reporting period and so, will not be recognized as an expense/expenditure until then. Deferred charges on debt refinancing, whereby the reacquisition price of the refunding debt instruments exceed their net carrying amount, are reported in the government-wide and proprietary type funds as deferred outflows in the County's statements. A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future period and so, will not be recognized as revenue until that time. Due to the modified accrual basis of accounting applied to governmental fund types, property taxes and special assessment revenues are reported when available, and as such, have portions that are reported in the governmental funds balance sheet. As a result, these portions are

reported as deferred inflows. In addition, a deferred charge resulting from a debt refinancing whereby the net carrying amount of the debt instrument exceeds its purchase price is reported in the government-wide and proprietary type funds as a deferred inflow.

N. FUND BALANCE

Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. As a result, the fund balance classifications make more transparent these constraints.

Fund balance is divided into two major types: nonspendable and spendable. Nonspendable fund balances include amounts that cannot be converted to cash or are legally or contractually required to be maintained intact. The County considers inventory, prepayments, advances, deposits, and long-term receivables as nonspendable items. Spendable fund balances of governmental funds are classified based upon a hierarchy that identifies the constraints or specific purposes for which amounts in those funds can be spent. The classifications of spendable fund balances include:

- **Restricted:** includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers. Restricted amounts are presented in the general, special revenue, debt service, and capital project funds.
- **Committed:** includes amounts that can be used only for the specific purposes determined by formal action of the highest level of decision making authority. The County Council is considered the highest level of decision making authority and formalizes their decision by ordinance or resolution in a public meeting. A commitment can only be modified or removed by the same formal action. The County Council, at this time, has not taken formal action to commit any fund balances. As such, no committed fund balances are reported.
- **Assigned:** includes amounts that either the County Council, by approval of the County's annual budget or other resolution, or through delegation to the County Manager, intends to be used for specific purposes and do not constitute either restricted or committed funds. Assigned amounts include carry forward of prior year's allocations relating to unspent capital funding and future capital outlay/improvements, all of which are reappropriated in the following year's budget.
- **Unassigned:** includes residual positive fund balance within the general fund or the fund balance for any special revenue, debt service, or capital projects fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County spends restricted amounts first when both restricted and assigned/unassigned fund balance is available unless there are legal documents/contracts that prohibit this action, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would use its assigned fund balance first, before unassigned, with the exception of the emergency reserve which can only be spent by approval of County Council. While the County has not adopted a formal fund balance policy that would allow the emergency reserve to be reported as a committed fund balance, specific procedures included in the County's adopted annual budget require that these funds are to be used only to the extent that other revenues or funds are not available.

O. RESTRICTED NET POSITION

Certain amounts are classified as restricted net position on the government-wide and business-type funds' statement of net position. Their use is limited by applicable bond covenants or laws/regulations imposed by other governmental agencies. The restricted net position is used to report resources set aside to:

- provide funding for law enforcement and fire safety; conservation programs; transportation related construction and maintenance programs; human services and community development programs; and library, parks, and tourism programs; and other legally restricted activities, based upon specific federal, state, and local legislative requirements.
- accumulate funds necessary to meet debt service obligations.
- fund allowable expenditures from passenger facility charges.

- accumulate the necessary funds, as required by bond covenants, to cover the cost of replacement of capital assets (land and equipment).
- accumulate the necessary funds, as required by bond covenants, necessary to cover cost of future maintenance and operating expenses.

P. INTERFUND TRANSACTIONS

Interfund services provided and used are recorded as revenues in the seller funds and expenditures or expenses in purchaser funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it, which are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund, and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except reimbursements, are reported as transfers.

Q. RECLASSIFICATIONS

Certain September 30, 2011 account balances have been reclassified in this report to conform with the financial statement presentation used in 2012.

NOTE 2. CASH AND INVESTMENTS

The County uses a pool fund to accumulate and account for its cash and investment activity. All funds, except certain and other restricted funds, are participants in the pool. As such, each participating funds' portion of the pool is reported as "Equity in Pooled Cash and Investments" in the governmental and proprietary funds' balance sheets. In addition, certain investments of the Refuse Disposal and Volunteer Firefighters Pension Trust funds are held separately from those of other County funds and are not included in the pool. Investments are reported at fair value.

A. DEPOSITS

All bank balance deposit amounts are covered by federal depository insurance or collateral with the State of Florida under the Florida Security for Public Deposits Act. The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under the Act, County deposits in qualified public depositories are totally insured. The qualified public depository must pledge at least 50 percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, or with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer.

B. INVESTMENTS

The County's investment policy, established by county ordinance, provides investment guidelines for the County. This policy applies to all financial assets held or controlled by the County, with the exception of certain pension, trust, or debt related funds which are controlled by other ordinances or policies. The primary objectives of investment activities, in priority order, are: safety, liquidity, and yield. Safety of principal is the foremost objective of the investment program. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The investment portfolio remains sufficiently liquid to meet all operating requirements that are reasonably anticipated. The portfolio is designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. As a result, the core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

Authorized investment instruments include: negotiable direct obligations which are unconditionally guaranteed by the United States Government; bonds, debentures, notes, or other indebtedness guaranteed by United States Government agencies; corporate obligations that are fully insured by the Federal Deposit Insurance Corporation (FDIC); money market mutual funds regulated by the Securities and Exchange Commission (SEC); bankers acceptances; commercial paper; non-negotiable interest-bearing time certificates of deposit or saving accounts; repurchase agreements; state and/or local government taxable and tax-exempt debt, and intergovernmental

investment pools that are authorized pursuant to the Florida Interlocal Cooperative Act, with the exception of the State Board of Administration's Local Government Surplus Fund, in which no investments were to be made after December, 2007. Additionally, the County may invest Volunteer Firefighters Pension funds in bonds, stocks or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States. The County may also invest pension funds in mutual funds regulated by the SEC, index mutual funds of a broad-based index, and the County's investment pool. Pension fund investments will be diversified with no more than 30 percent of its value invested in the securities of any single issuer or instrument. This limitation shall not apply to U.S. Government securities and its agencies or the County's investment pool account.

At the close of the fiscal year, the County held investments in United States Government notes and other federal instrumentalities, government money market mutual funds, and stocks. All are debt securities of the issuer, except for the stocks held by the Volunteer Firefighters Pension Trust Fund. Seventy-three percent of the Volunteer Firefighter's Pension Trust is invested in the County's pooled cash fund and 22 percent in common stock of Brown and Brown, Inc. The remaining five percent is invested in two other common stocks. The government money market mutual funds are not debt securities of the issuer, but hold debt securities of the U.S. government and repurchase agreements whose underlying securities are debt securities of the U.S. government. County investment policies permit the County to enter into reverse repurchase agreements; however, there were no such investments in fiscal year 2012.

As of September 30, 2012, the County's cash and investments are as follows:

<u>Investments Type</u>	<u>Maturities</u>	<u>Credit Quality</u>	<u>Fair Value</u>
U. S. Treasury notes and bills	September 2013 - February 2017	AAA/Aaa	\$ 14,145,201
Federal instrumentalities	March 2013 - February 2018	AAA/Aaa	206,625,305
Stocks	N/A	N/A	1,147,427
Subtotal			221,917,933
Money Market - Mutual Funds	N/A	AAAm/Aaa	112,445,698
Local Government Surplus Funds Trust			
Fund Pool B	N/A	N/A	7,175
Carrying value of cash and restricted cash	N/A	N/A	70,039,515
Total			\$ 404,410,321

Interest Rate Risk: The risk that the market value of securities in the portfolio will fall due to changes in general interest rates. In accordance with the County's investment policy, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity; and by investing operating funds primarily in shorter-term securities.

As of September 30, 2012, the County's investments in money market mutual funds and debt securities (U. S. Treasury notes and bills, federal agencies, and corporate notes) were structured to mature within the following time frames:

<u>Investment Type</u>	<u>Fair Value</u>
Money Market Mutual Funds:	
22 to 54 days	\$ 112,445,698
Debt Securities:	
7 days to 6 months	\$ 7,019,635
6 months to 1 year	51,226,405
1 to 2 years	16,250,171
2 to 3 years	14,083,377
3 to 4 years	33,168,115
4 to 5 years	84,486,870
5 to 6 years	14,535,933
Total Debt Securities	\$ 220,770,506

Credit Risk: The risk of losses due to the failure of the security issuer or backer. In accordance with the County's investment policy, credit risk is mitigated by limiting investments to the safest types of securities; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the County will do business; and by diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Custodial Credit Risk: The County's investment policy requires that all securities purchased and/or collateral obtained by the Chief Financial Officer shall be properly designated as an asset of the County and held in safekeeping by the trust department and no withdrawal of such securities, in whole or in part, shall be made from safekeeping except by an authorized County employee. Treasury and federal agency assets held by the County are held by the Federal Reserve in an account for our bank/custodian. Other securities not held at the Federal Reserve, such as Commercial Paper, are held by the bank/custodian segregated from all assets/investments of other bank/custodian clients as well as their own.

Concentration of Credit Risk: To the extent possible, the County shall attempt to match its investment maturities with anticipated cash flow requirements; and the County will not invest in securities maturing more than ten years from the date of purchase unless it is for a specific reserve or other identified special fund. The County's written investment policy places limits on the percentage of the portfolio that may be invested in each type of investment. The County is permitted to invest:

- 100 percent of its cash in the United States government securities.
- 75 percent of its cash in United States government agencies and instrumentalities, repurchase agreements, and money market mutual funds.
- 50 percent of its cash in interest-bearing time certificates of deposit, and intergovernmental investment pools with the exception of the State Board of Administration's Local Government Surplus Fund, which is specifically disallowed.
- 30 percent of its cash in state and local government debt, and banker's acceptances.
- 25 percent in commercial paper.

The County's investment policy also states that investments will be diversified to the extent possible, to control the risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold.

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**NOTE 3.
ACCOUNTS/EMPLOYEE RECEIVABLES**

Amounts are aggregated into a single account or employee receivables line (net of allowance for uncollectibles) for certain funds and aggregated columns. Below is the details of these receivables, as of September 30, 2012, including the applicable allowances for uncollectible amounts:

	<u>Accounts/ Employee Receivables</u>	<u>Allowance for Doubtful Accounts</u>	<u>Accounts/ Employee Receivables, Net</u>
Governmental Funds:			
Major Funds:			
General	\$ 10,082,083	\$ 7,939,639	\$ 2,142,444
Municipal services district	642,767	-	642,767
Federal and state grants	86,184	-	86,184
County transportation trust	2,296	2,296	-
Nonmajor Funds	<u>688,722</u>	<u>41,046</u>	<u>647,676</u>
Total Governmental Funds	<u><u>\$ 11,502,052</u></u>	<u><u>\$ 7,982,981</u></u>	<u><u>\$ 3,519,071</u></u>
Proprietary Funds:			
Major Funds:			
Refuse disposal	\$ 1,250,816	\$ 468,341	\$ 782,475
Daytona Beach International Airport	660,017	205,077	454,940
Volusia Transportation Authority	17,084	-	17,084
Water and sewer utilities	2,556,633	898,988	1,657,645
Parking garage	81,441	13,523	67,918
Internal Service Funds	<u>586,136</u>	<u>-</u>	<u>586,136</u>
Total Proprietary Funds	<u><u>\$ 5,152,127</u></u>	<u><u>\$ 1,585,929</u></u>	<u><u>\$ 3,566,198</u></u>

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**NOTE 4.
INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

A. INTERFUND RECEIVABLE AND PAYABLES

Loans between funds are used to cover temporary cash deficits because revenues, while accrued, are not received by fiscal year end. Typically, state and federal grant revenues fall into this category. In addition, interfund loans are used to fund specific projects or other activities.

The composition of interfund balances as of September 30, 2012 is as follows:

	<u>Due From Other Funds</u>	<u>Advances To Other Funds</u>	<u>Due To Other Funds</u>	<u>Advances From Other Funds</u>
Governmental funds:				
Major funds:				
General	\$ 7,447,092	\$ 10,952,299	\$ -	\$ -
Municipal service district	-	-	65,571	406,278
Federal and state grants	-	-	4,231,000	-
Volusia Forever	-	-	625,887	10,247,365
Nonmajor funds:				
Special revenue funds:				
East Volusia Mosquito Control District	62,801	371,689	-	-
Resort tax	-	-	350,650	-
Sales tax trust	-	-	2,524,634	-
Ocean Center	350,650	-	-	-
Stormwater utility	-	-	62,801	371,689
Proprietary funds:				
Major funds:				
Parking garage	-	-	-	298,656
Total	<u><u>\$ 7,860,543</u></u>	<u><u>\$ 11,323,988</u></u>	<u><u>\$ 7,860,543</u></u>	<u><u>\$ 11,323,988</u></u>

Interfund balances at September 30, 2012 are primarily related to:

- an interfund loan of \$601,205 made in fiscal year 2009 from the general fund to the municipal service district fund to cover a one-time revenue short fall due to adjustments in the communication services tax received from the State of Florida. The remaining amount owed is \$471,849.
- an interfund loan of \$11,587,047 made in fiscal year 2011 from the general fund to the Volusia Forever fund for the purchase of the Deep Creek preserve conservation land that was designated for potential alternative water supply and storage development. The remaining amount owed is \$10,873,252.
- an interfund loan of \$585,478 from the East Volusia Mosquito Control District to stormwater utility for equipment acquired for use by its drainage task team. The remaining amount owed is \$434,490.
- a \$597,311 advance from the general fund to the parking garage to settle disputed costs incurred by a contracted management group operating the parking garage prior to the facility's acquisition by the County. The remaining amount owed is \$298,656.
- interfund loans in the amount of \$4,231,000 to cover cash deficits due to timing of grant reimbursements.
- other interfund transactions distributing resort and sales tax collections to the appropriate receiving funds.

Due to/from primary government and component units consist of the following:

	<u>Due From Component Units</u>	<u>Due From Primary Government</u>	<u>Due To Component Units</u>	<u>Due To Primary Government</u>
Governmental funds:				
Major funds:				
General	\$ 528,931	\$ -	\$ 852	\$ -
Municipal service district	-	-	563	-
Federal and state grants	-	-	117	-
County transportation trust	-	-	109	-
Nonmajor funds:				
Special revenue funds:				
Law/beach enforcement trust	-	-	806	-
State Housing Incentive Program (S.H.I.P.)	-	-	77	-
Capital project funds:				
Bond funded road program	-	-	216	-
Component units:				
Clerk of the Circuit Court	-	2,740	-	528,931
Total	\$ 528,931	\$ 2,740	\$ 2,740	\$ 528,931

B. INTERFUND TRANSFERS

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) provide the local match requirements for individual grants, and 3) move moneys collected by one fund to be expended by another fund to meet legal and budgetary requirements.

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County of Volusia, Florida
Notes to the Financial Statements
September 30, 2012

Interfund transfers consist of the following:

**TRANSFERS IN
GOVERNMENTAL FUNDS**

Major funds:

General fund:

from Municipal service district	\$ 20,554
from Library	304,813
from Sales tax trust	3,333,799
from E-911 emergency telephone	731,781
from Manatee conservation	3,838
from Beach capital	32,886
from Insurance	<u>1,000,000</u>
Total General fund	<u>5,427,671</u>

Municipal Service District:

from Sales tax trust	4,219,039
from E-911 emergency telephone	44,213
Total Municipal Service District	<u>4,263,252</u>

Federal and State Grants:

from General fund	102,859
from Municipal service district	4,256
from Transportation trust	65,221
from Stormwater utility	226,126
from Law enforcement trust	25,000
from Parks capital	103,195
from Trails capital	<u>9,646</u>
Total Federal and State Grants	<u>536,303</u>

Transportation Trust:

from Municipal service district	2,291,025
Total Transportation Trust	<u>2,291,025</u>

Total major funds: 12,518,251

Nonmajor funds:

Special Revenue funds:

Library:

from Library endowment	6,189
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Resort tax :

Sales tax trust:

Ponce Inlet Port Authority:

E-911 emergency telephone:

Ocean Center:

from Resort tax	2,503,215
from Sales tax trust	1,279,979

TRANSFERS OUT

to Federal and state grants	\$ 102,859
to Silver Sands/Bethune Bch MSD	3,823
to Debt service	1,758,569
to Capital projects	430,849
to Volusia Transportation Authority	7,391,803
	<u>9,687,903</u>

to General fund	20,554
to Transportation trust	2,291,025
to Debt service	574,708
to Federal and state grants	<u>4,256</u>
	<u>2,890,543</u>

to Federal and state grants	65,221
to Debt service	<u>3,045,512</u>
	<u>3,110,733</u>

to General fund	304,813
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to Debt service	4,739,946
to Ocean Center	2,503,215

to General fund	3,333,799
to Municipal service district	4,219,039
to Ocean Center	1,279,979
to Debt service	7,198,510

to Capital projects	1,713,503
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to General fund	731,781
to Municipal service district	44,213

to Debt service	654,759
to Capital projects	700,000

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2012

TRANSFERS IN
GOVERNMENTAL FUNDS

Nonmajor funds - continued:

Manatee conservation:	
Library endowment:	
Road impact fees:	
Park impact fees:	
from Beach capital	200,000
Fire services:	
Fire impact fees:	
from fire services	225,000
Silver Sands/Bethune Beach MSD:	
from General fund	3,823
Stormwater utility:	
Volusia ECHO:	
Law/Beach enforcement trust:	
Total Special Revenue funds	<u>4,218,206</u>
Debt Service funds:	
Subordinate Lien Sales Tax Revenue Bonds:	
from Sales tax trust	6,260,545
Gas Tax Revenue Bonds:	
from Transportation trust	3,045,512
from Road impact fees	1,830,000
Tourist Development Tax Refunding Revenue Bonds:	
from Resort tax	4,739,946
Sales Tax Refunding Revenue Bond	
from Sales tax trust	22,843
Public Transportation Note Payable:	
from General fund	1,200,000
Installment Purchase Agreements:	
from Ocean Center	654,759
from Municipal service district	250,053
from Trail capital projects	501,168
Capital Improvement Revenue and Refunding Bonds:	
from General fund	558,569
from Municipal service district	324,655
from Sales tax trust	915,122
Total Debt Service funds	<u>20,303,172</u>

TRANSFERS OUT

to General fund	3,838
to Library	6,189
to Debt service	1,830,000
to Fire impact fees	225,000
to Vehicle maintenance	873,000
to Federal and state grants	226,126
to Capital projects	1,209,295
to Federal and state grants	<u>25,000</u>
	<u>31,822,005</u>

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2012

**TRANSFERS IN
GOVERNMENTAL FUNDS**

Nonmajor funds - continued:

Capital Projects funds:

Beach:

from Ponce Inlet Port Authority 1,713,503
from Volusia ECHO 209,295
from Parks capital 133,750

Parks:

TRANSFERS OUT

to General fund 32,886
to Park impact fees 200,000

to Capital projects 133,750
to Federal and state grants 103,195

Trails:

from Volusia ECHO 1,000,000

to Debt service 501,168
to Federal and state grants 9,646

Ocean Center expansion:

from Ocean Center 700,000

Information technology :

from 800 Mhz system improvements 169,711
from Other capital projects 254

800 Mhz System improvements:

from General fund 430,849

to Capital projects 169,711

Other capital projects:

Total Capital Project funds 4,357,362

to Capital projects 254
1,150,610

Total nonmajor funds 28,878,740

32,972,615

PROPRIETARY FUNDS:

Major funds:

Volusia Transportation Authority:

from General fund 7,391,803

Internal service funds

Vehicle maintenance:

from Fire services 873,000

Insurance:

Total proprietary funds 8,264,803

to General fund 1,000,000
1,000,000

Total Transfers \$ 49,661,794

\$ 49,661,794

**NOTE 5.
SPECIAL ASSESSMENTS RECEIVABLE**

Special assessments receivable at September 30, 2012 consist of the following:

	Interest Rate %	Principal		Interest Receivable
		Current Receivable	Deferred Receivable	
Governmental Activities				
Major funds:				
Municipal Service District:				
Corbin Park	10.0	\$ -	\$ 249	\$ 501
South Waterfront Park	10.0	-	862	933
Mobile Home Village	10.0	-	19,864	34,149
Corbin Park Unit 3 Napier Hull	8.0	-	24,133	20,410
Pine Island	8.0	-	3,057	1,345
Silverstone Court	8.0	3,132	5,956	364
Capri Drive	7.3	58,270	233,078	10,561
Shell Harbor Road	5.5	11,965	47,864	1,647
West Highlands/Highlands Park Subdivision	5.5	122,115	610,573	20,148
Total Municipal Service District		<u>195,482</u>	<u>945,636</u>	<u>90,058</u>
Business-type Activities				
Major funds:				
Water and Sewer Utilities:				
Waterfront Park	8.0	1,144	1,215	637
Stone Island Wastewater	8.0	8,690	17,380	1,043
DeBary Plantation Unit 7 Reclaimed Water	8.0	1,550	3,099	186
Total Water and Sewer Utilities		<u>11,384</u>	<u>21,694</u>	<u>1,866</u>
Agency Funds				
General Trust:				
Waterway Park	8.0	7,997	29,745	21,536
Hazelwood River Road	8.0	4,016	13,423	6,347
Total General Trust		<u>12,013</u>	<u>43,168</u>	<u>27,883</u>
Total		<u>\$ 218,879</u>	<u>\$ 1,010,498</u>	<u>\$ 119,807</u>

**NOTE 6.
CAPITAL ASSETS**

Capital asset activity for the fiscal year ended September 30, 2012 is as follows:

Governmental Activities	Ending Balance 09/30/11	Increases	Decreases	Ending Balance 09/30/12
Capital assets, not being depreciated:				
Land	\$ 152,737,304	\$ 2,629,130	\$ -	\$ 155,366,434
Land - infrastructure	49,289,932	541,216	-	49,831,148
Easements	1,176,233	-	-	1,176,233
Intangibles	24,664,304	715,670	(29,403)	25,350,571
Construction in progress	10,723,204	11,692,092	(1,864,611)	20,550,685
Construction in progress - infrastructure	16,893,705	711,973	(14,146,614)	3,459,064
Total capital assets, not being depreciated	255,484,682	16,290,081	(16,040,628)	255,734,135
Capital assets, being depreciated:				
Buildings	327,194,318	336,917	-	327,531,235
Improvements other than buildings	32,499,081	2,149,404	-	34,648,485
Leasehold improvements	510,533	-	-	510,533
Equipment	135,027,117	18,590,890	(6,472,200)	147,145,807
Infrastructure	447,891,585	14,958,087	-	462,849,672
Total capital assets being depreciated	943,122,634	36,035,298	(6,472,200)	972,685,732
Less accumulated depreciation for:				
Buildings	(117,953,008)	(7,875,021)	-	(125,828,029)
Improvements other than buildings	(14,455,391)	(1,577,413)	-	(16,032,804)
Leasehold improvements	(464,369)	(28,494)	-	(492,863)
Equipment	(87,477,996)	(12,971,384)	6,166,486	(94,282,894)
Infrastructure	(275,007,461)	(6,683,988)	-	(281,691,449)
Total accumulated depreciation	(495,358,225)	(29,136,300)	6,166,486	(518,328,039)
Total capital assets, being depreciated, net	447,764,409	6,898,998	(305,714)	454,357,693
Governmental activities capital assets, net	\$ 703,249,091	\$ 23,189,079	\$ (16,346,342)	\$ 710,091,828

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2012

Business-type Activities	Ending Balance 09/30/11	Increases	Decreases	Ending Balance 09/30/12
Capital assets, not being depreciated:				
Land	\$ 53,184,334	\$ 1	\$ -	\$ 53,184,335
Intangibles	2,136,619	-	-	2,136,619
Construction in progress	7,306,371	1,963,307	(272,729)	8,996,949
Total capital assets, not being depreciated	<u>62,627,324</u>	<u>1,963,308</u>	<u>(272,729)</u>	<u>64,317,903</u>
Capital assets, being depreciated:				
Buildings	35,379,086	75,906	-	35,454,992
Improvements other than buildings	254,938,500	2,065,351	-	257,003,851
Equipment	47,533,088	1,230,677	(1,347,909)	47,415,856
Total capital assets being depreciated	<u>337,850,674</u>	<u>3,371,934</u>	<u>(1,347,909)</u>	<u>339,874,699</u>
Less accumulated depreciation for:				
Buildings	(16,463,137)	(1,255,132)	-	(17,718,269)
Improvements other than buildings	(122,808,287)	(9,283,671)	-	(132,091,958)
Equipment	(28,029,682)	(4,213,422)	1,273,577	(30,969,527)
Total accumulated depreciation	<u>(167,301,106)</u>	<u>(14,752,225)</u>	<u>1,273,577</u>	<u>(180,779,754)</u>
Total capital assets, being depreciated, net	<u>170,549,568</u>	<u>(11,380,291)</u>	<u>(74,332)</u>	<u>159,094,945</u>
Business-type activities capital assets, net	<u>\$ 233,176,892</u>	<u>\$ (9,416,983)</u>	<u>\$ (347,061)</u>	<u>\$ 223,412,848</u>

Depreciation expense charged to functions/programs are as follows:

Governmental Activities	Depreciation Expense
General government	\$ 4,317,207
Public safety	7,264,441
Physical environment	489,641
Transportation	8,140,387
Economic environment	126,303
Human services	756,403
Culture/recreation	5,359,565
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	2,640,783
Total	<u>\$ 29,094,730</u>

Business-type Activities	Depreciation Expense
Refuse disposal	\$ 3,226,424
Daytona Beach International Airport	5,470,196
Volusia Transportation Authority	2,773,891
Water and sewer utilities	2,821,538
Parking garage	456,056
Garbage collection	-
Total	<u>\$ 14,748,105</u>

**NOTE 7.
LONG-TERM DEBT**

A. SUMMARY OF BOND RESOLUTIONS

The following is a summary of revenue bond resolutions pertaining to debt activity during the year reflected on the September 30, 2012 financial statements:

<u>Governmental Activities</u>					
	<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Revenue Pledged</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Revenue Bonds:					
\$22,565,000 Tourist Development Tax Refunding Revenue Bonds, Series 2002	Refund the Tourist Development Tax Refunding Revenue Bonds, Series 1993	2.00 to 3.50	Tourist development tax operating revenues, and investment earnings thereof	\$ 4,765,000	12/1/2013
\$64,710,000 Tourist Development Tax Revenue Bonds, Series 2004	Expand and renovate the Ocean Center	3.00 to 5.00	Tourist development tax operating revenues, and investment earnings thereof	64,615,000	12/1/2034
\$64,215,000 Gas Tax Revenue Bonds, Series 2004	Acquisition, construction and reconstruction of roads and bridges within the County	2.75 to 5.00	SixCent Local Option Fuel Tax and investment earnings thereof	47,015,000	10/1/2024
\$42,605,000 Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008	To advance refund a portion of the Subordinate Lien Sales Tax Revenue Bonds Series 1998	3.00 to 5.25	Local Government Half-cent Sales Tax and investment earnings thereof	38,815,000	10/1/2018
\$3,718,000 Capital Improvement Revenue Bonds, Series 2009A	Acquire vehicles, communication equipment, and a helicopter	2.63	Local Government Half-cent Sales Tax and investment earnings thereof, non-ad valorem revenues budgeted and appropriated	2,518,000	10/1/2014
\$5,812,000 Capital Improvement Revenue Bonds, Series 2009B	Refund remaining portion of the Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998	2.63	Local Government Half-cent Sales Tax and investment earnings thereof, non-ad valorem revenues budgeted and appropriated	4,267,000	10/1/2016
\$4,780,000 Capital Improvement Refunding Revenue Bonds, Series 2012	Refund the Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003	1.955	Local Government Half-cent Sales Tax and investment earnings thereof	4,780,000	10/1/2021
Total Revenue Bonds				\$ 166,775,000	

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2012

Governmental Activities

	<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Revenue Pledged</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
General Obligation Bonds:					
\$39,875,000	Acquire and improve	3.50	Limited property tax	\$ 27,750,000	10/1/2021
Limited Tax General	environmentally sensitive,	to	assessed and levied,		
Obligation Bonds,	water resource protection,	4.25	not to exceed 0.20 mil		
Series 2005	and outdoor recreation		on taxable property		
	lands		and investment earnings		
			thereof		
Total General Obligation Bonds				\$ 27,750,000	
Total Governmental Activities				<u>\$ 194,525,000</u>	

Business-type Activities

	<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Revenue Pledged</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Revenue Bonds:					
\$5,450,000	Refund remaining portion	1.61	Net revenues from	\$ 5,450,000	10/1/2019
Water & Sewer Refunding	of the Water & Sewer		water & sewer system,		
Revenue Bonds,	Refunding Revenue Bonds,		connection fees and		
Series 2012	Series 1998 and 2003		investment earnings		
			thereof		
\$30,795,000	Provide funds to advance	6.35	Net revenues of	19,925,000	10/1/2021
Airport System Revenue	refund remaining portion	to	Daytona Beach		
Refunding Bonds,	of the Airport System	7.00	International Airport		
Series 2000	Revenue Bonds,		operations and		
	Series 1991		investment earnings		
			thereof		
\$6,335,000	Refund remaining portion	1.75	Net revenues of	6,335,000	10/1/2021
Airport System Refunding	of the Airport System		Daytona Beach		
Revenue Bonds,	Refunding Revenue Bonds,		International Airport		
Series 2012	Series 2003		operations and		
			investment earnings		
			thereof		
\$10,815,000	To acquire the Ocean Center	5.13	Net revenues from	8,820,000	4/1/2024
Parking Facility	parking garage adjacent to		parking facility		
Revenue Bonds	the Ocean Center		operation and		
Series 2007			investment earnings		
			thereof		
Total Revenue Bonds				<u>\$ 40,530,000</u>	

B. NOTES PAYABLE

Notes payable outstanding as of September 30, 2012, are comprised of the following:

<u>Governmental Activities</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Annual Principal Payment (thousands)</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Installment purchase agreement	Construct pedestrian and bike trails	3.02	\$364-497	\$ 4,360,000	12/1/2021
Installment purchase agreement	Construct road and drainage drainage improvements	3.02	\$127-158	1,015,000	12/1/2018
Installment purchase agreement	Renovate the Ocean Center improvements	3.02	\$362-646	9,513,000	12/1/2030
Installment purchase agreement	Fund road and utility improvements	3.02	\$72-90	576,000	12/1/2018
Installment purchase agreement	Fund the rail project "SunRail"	1.50	\$1,164	4,457,376	10/1/2019
Total Government Activities				<u>\$ 19,921,376</u>	
 <u>Business-type Activities</u>					
Installment purchase agreement	Acquire land for the Daytona Beach International Airport	3.02	\$208-245	\$ 1,153,000	12/1/2016
State of Florida revolving loan	Construct and improve the Deltona North Water Reclamation Facility	2.99	\$88-115	543,724	6/15/2017
State of Florida revolving loan	Construct and improve the Southwest Regional Water Reclamation Facility	3.05	\$135-194	1,402,625	5/15/2020
State of Florida revolving loan	Expand the Southwest Reclamation Facility	3.05	\$418-657	8,230,140	12/15/2027
State of Florida revolving loan	Construct and improve the Southeast Wastewater Facility	3.24	\$278-543	3,757,110	2/15/2020
Total Business-type Activities				<u>\$ 15,086,599</u>	

C. DEBT SERVICE TO MATURITY

The annual requirements to amortize all government-wide debt outstanding as of September 30, 2012, including interest payments of \$88,699,662, are as follows:

Governmental Activities:

Fiscal Year	Revenue Bonds		General Obligation Bonds		Notes Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2013	\$ 11,136,000	\$ 6,426,245	\$ 2,320,000	\$ 1,113,369	\$ 2,098,139	\$ 547,841	\$ 23,641,594
2014	11,479,000	6,080,291	2,405,000	1,026,369	2,144,136	502,305	23,637,101
2015	11,825,000	5,719,761	2,500,000	933,175	2,192,389	455,472	23,625,797
2016	12,776,000	5,298,256	2,600,000	833,175	2,061,712	407,474	23,976,617
2017	13,219,000	4,808,227	2,700,000	729,175	1,088,000	360,966	22,905,368
2018-2022	47,905,000	17,447,632	15,225,000	1,931,725	5,162,000	1,314,863	88,986,220
2023-2027	27,415,000	10,477,974	-	-	2,703,000	670,153	41,266,127
2028-2032	17,915,000	5,604,875	-	-	2,472,000	235,394	26,227,269
2033-2035	13,105,000	1,004,875	-	-	-	-	14,109,875
Total	166,775,000	62,868,136	27,750,000	6,566,988	19,921,376	4,494,468	288,375,968
Less:							
Unamortized deferred amounts	3,867,667	-	(60,897)	-	-	-	3,806,770
Total	\$ 162,907,333	\$ 62,868,136	\$ 27,810,897	\$ 6,566,988	\$ 19,921,376	\$ 4,494,468	\$ 284,569,198

Business-type Activities:

Fiscal Year	Revenue Bonds		Notes Payable		Total Principal and Interest	Total Government-wide Principal and Interest
	Principal	Interest	Principal	Interest		
2013	\$ 1,960,000	\$ 1,255,410	\$ 1,356,427	\$ 448,773	\$ 5,020,610	\$ 28,662,204
2014	3,485,000	1,899,369	1,398,396	406,145	7,188,910	30,826,011
2015	3,655,000	1,738,975	1,440,441	363,235	7,197,651	30,823,448
2016	3,830,000	1,569,101	1,484,596	319,038	7,202,735	31,179,352
2017	4,020,000	1,388,839	1,530,894	273,461	7,213,194	30,118,562
2018-2022	21,645,000	3,850,508	4,554,130	826,033	30,875,671	119,861,891
2023-2027	1,935,000	125,691	3,070,893	301,667	5,433,251	46,699,378
2028-2032	-	-	250,822	3,825	254,647	26,481,916
2033-2035	-	-	-	-	-	14,109,875
Total	40,530,000	11,827,893	15,086,599	2,942,177	70,386,669	358,762,637
Less:						
Unamortized deferred amounts	1,080,475	-	-	-	1,080,475	4,887,245
Total	\$ 39,449,525	\$ 11,827,893	\$ 15,086,599	\$ 2,942,177	\$ 69,306,194	\$ 353,875,392

D. ARBITRAGE

Arbitrage refers to the profit earned by investing tax-exempt bond funds in higher yielding investments. Under federal arbitrage regulations, an issuer of tax-exempt bonds is allowed to earn this profit for a certain period of time during the construction period of the related project. Once this time period has expired, the profit realized on any recurring bond proceeds is subject to rebate to the federal government. These federal arbitrage regulations apply to all of the County's governmental and business-type arbitrage tax-exempt bonds. As of fiscal year 2012, no amounts are subject to rebate.

E. CURRENT REFUNDINGS

From time to time, governments may take advantage of lower interest rates, revise payment schedules, or modify restrictive language in old debt agreements by issuing new debt to refinance existing debt. On July 3, 2012, the County issued \$4,780,000 in capital improvement refunding revenue bonds with a 1.955 percent interest rate. The proceeds were used to redeem \$5,145,000 of outstanding 2003 Series subordinate lien sales tax revenue bonds which had interest rates ranging from 2.00 to 4.00 percent. The County refunded the 2003 Series bonds to reduce its total debt service payments over the next ten years by \$406,511 realizing an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$363,326.

On September 7, 2012, the County issued \$6,335,000 in airport refunding revenue bonds with a 1.75 percent interest rate. The proceeds were used to redeem \$6,865,000 of outstanding 2003 Series airport refunding revenue bonds with interest rates ranging from 2.00 to 4.10 percent. The County refunded the 2003 Series bonds to reduce its total debt service payments over the next ten years by \$663,122. The economic gain or present value savings over the life of the Series 2003 bonds is \$538,093.

On September 7, 2012, the County issued \$5,450,000 in water and sewer refunding revenue bonds with a 1.61 percent interest rate. The proceeds were used to redeem \$880,000 of outstanding 1998 Series and \$5,175,000 of outstanding 2003 Series water and sewer refunding revenue bonds with interest rates ranging from 2.00 to 4.88 percent. The County refunded the 1998 and 2003 Series bonds to reduce its total debt service payments over the next seven years by \$447,306 realizing an economic gain of \$362,109.

F. CHANGES IN LONG-TERM LIABILITIES

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

Governmental Activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 177,757,000	\$ 4,780,000	\$ (15,762,000)	\$ 166,775,000	\$ 10,651,000
General obligation bonds	29,985,000	-	(2,235,000)	27,750,000	2,320,000
Deferred amounts:					
Plus: for issuance premiums	4,847,218	-	(580,016)	4,267,202	-
Less: for issuance discounts on refunding	(6,759,656)	-	377,271	(6,382,385)	-
	(1,870,716)	(165,439)	344,568	(1,691,587)	-
Total bonds payable	203,958,846	4,614,561	(17,855,177)	190,718,230	12,971,000
Notes payable	22,010,000	-	(2,088,624)	19,921,376	2,098,139
Compensated absences payable	25,831,278	9,397,033	(9,215,312)	26,012,999	7,072,935
Pollution remediation payable	188,092	241,952	(219,619)	210,425	26,369
Estimated claims payable	13,691,793	38,679,689	(36,998,737)	15,372,745	6,734,859
Net OPEB obligation	12,945,613	2,726,993	-	15,672,606	-
Total	\$ 278,625,622	\$ 55,660,228	\$ (66,377,469)	\$ 267,908,381	\$ 28,903,302

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, these liabilities for the internal service funds include \$15,372,745 in estimated claims payable, \$607,898 in compensated absences payable, and \$15,672,606 in net OPEB obligations.

The liability for compensated absences, are primarily liquidated by the resources of the general and municipal service district funds, which account for 73 percent of the amount owed. The pollution remediation liability will be liquidated by impact fees and federal and state grants. Estimated claims payable and net OPEB obligations are reported in the insurance and employee group insurance internal service funds and will be liquidated by these funds.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities:					
Bonds payable:					
Revenue bonds	\$ 44,725,000	\$ 11,785,000	\$ (15,980,000)	\$ 40,530,000	\$ 1,960,000
Less deferred amounts:					
for insurance costs	(67,335)	-	6,733	(60,602)	-
on refunding	(972,188)	(871,243)	823,558	(1,019,873)	-
Total bonds payable	<u>43,685,477</u>	<u>10,913,757</u>	<u>(15,149,709)</u>	<u>39,449,525</u>	<u>1,960,000</u>
Notes payable	16,106,438	298,991	(1,318,830)	15,086,599	1,356,427
Compensated absences payable	2,063,089	739,975	(790,383)	2,012,681	547,248
Pollution remediation payable	1,798,033	33,300	(370,244)	1,461,089	153,147
Landfill closure costs	21,110,367	-	(1,696,340)	19,414,027	100,000
Total	<u>\$ 84,763,404</u>	<u>\$ 11,986,023</u>	<u>\$ (19,325,506)</u>	<u>\$ 77,423,921</u>	<u>\$ 4,116,822</u>

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**NOTE 8.
CONDUIT DEBT OBLIGATIONS**

Four entities have been established for the sole purpose of providing financial assistance to private-sector entities to acquire or construct equipment and facilities deemed to be in the public interest. The four entities and their purposes are:

- **Volusia County Health Facilities Authority** – provide financing for health care facilities and services available to the citizens of Volusia County.
- **Housing Finance Authority of Volusia County** – provide financing to alleviate the shortage of affordable rental housing and residential housing facilities for low and moderate-income families and individuals, and to provide capital for investment in such housing facilities.
- **Volusia County Industrial Development Authority** – provide financing for the purpose of fostering economic development in Volusia County.
- **Volusia County Educational Facilities Authority** – provide financing for higher education projects required or useful for the instruction of students or the operation of an institution of higher education in Volusia County.

Bonds issued on behalf of the entities are not deemed to constitute a debt of the County of Volusia, the State of Florida, or any political subdivision thereof. Bonds or other debt obligations are payable solely from the revenues or other resources pledged under the terms of the debt agreements.

A summary of outstanding issues at September 30, 2012 is comprised of the following:

<u>Entity</u>	<u>Number of Series Outstanding</u>	<u>Original Issued</u>	<u>Aggregate Principal Outstanding</u>
Volusia County Health Facilities Authority	1	\$ 33,275,000	\$ 19,475,000
Housing Finance Authority of Volusia County	12	83,880,000	69,475,000
Volusia County Industrial Development Authority	6	55,005,000	52,600,548
Volusia County Educational Facilities Authority	6	244,670,000	214,240,956

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**NOTE 9.
PENSION PLANS**

A. FLORIDA RETIREMENT SYSTEM

1. Plan Description

The County's employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit public employee retirement system, administered by the State of Florida Department of Administration. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Florida Statutes Chapter 121, as may be amended from time to time by the state legislature, provides the methodology for determining contribution rates for the various membership classes of the FRS. The FRS issues a publicly available financial report that includes financial statements, ten-year historical trend information, and other required supplementary information. That report may be obtained by writing to the:

State of Florida Department of Administration
Division of Retirement
1317 Winewood Boulevard, Building 8
Tallahassee, FL 32399-1560

2. Funding Policy

The County participates in certain classes of FRS membership. Each class has descriptions and contribution rates in effect at September 30, 2012 as follows (contribution rates are in agreement with the actuarially determined rates):

FRS Membership Plan & Class	Employee Contribution Rate	Employer Contribution Rate	Total Contribution Rate
Regular Class – Members who are eligible to participate in the plan, but do not qualify for membership in other classes.	3.00%	5.18%	8.18%
Senior Management Service Class – Members of senior management.	3.00%	6.30%	9.30%
Special Risk Class – Members employed as law enforcement officers, firefighters, or correctional officers.	3.00%	14.90%	17.90%
Special Risk Administrative Support Class – Special risk members who are transferred or reassigned to non-special risk law enforcement, firefighting, or correctional administrative support positions.	3.00%	5.91%	8.91%
Elected Officer's Class – Elected county officials.	3.00%	10.23%	13.23%
Deferred Retirement Option Program (DROP) – Members who have reached eligible retirement age and have elected to defer the receipt of benefits, allowing them to accumulate benefits within the FRS Trust Fund while continuing their employment.	N/A	5.44%	5.44%

The contribution rate of current year covered payroll is 11.56 percent. For the years ending September 30, 2012, 2011, and 2010, total contributions were \$16,102,383, \$18,780,224, and \$19,434,814, respectively. The County made 100 percent of its required contributions for each year.

B. VOLUNTEER FIREFIGHTERS PENSION PLAN

1. Plan Description

The Volunteer Firefighters Pension Plan is a single-employer defined benefit pension plan administered by the County of Volusia. The Volunteer Firefighters Pension Plan does not issue a stand-alone financial report.

Volunteer firefighters who meet minimum County-established standards are eligible to participate in the plan. Minimum standards are based on a system that awards points used to certify years of credited service for completing training courses, attending drills, responding to emergency and non-emergency calls, and participating in other fire emergency related activities. The minimum number of years of active service after the October 1, 1989 implementation date for this program shall be ten years to qualify for retirement. Credit for past service will be given on a year for year basis up to a maximum of ten years. The minimum age for receiving retirement benefits shall be 55 and after the tenth anniversary of plan participation, but not later than the fifth anniversary of plan participation for volunteers 65 or over on October 1, 1989. Vesting occurs after ten years of continuous credited service (five years if volunteer is age 65 or over on October 1, 1989).

2. Summary of Benefits

Eligible participants will receive pension benefits equal to \$20 per month multiplied by each year of credited service, not to exceed 35 years. In addition, the participant will receive a benefit equal to his or her accrued benefit payable at the time he or she becomes disabled. Upon death of the participant, his or her beneficiary will receive an equivalent benefit equal to the actuarial value of the participant's accrued benefit. The Volunteer Firefighters Pension Plan provides for no post-retirement pension adjustments or healthcare benefits; any benefit changes such as cost of living adjustments, require a Plan amendment and is subject to Council approval. Since the participants are volunteers and the plan has no provision for cost-of-living adjustments after retirement, there is no assumption regarding inflation rate or cost-of-living adjustments.

3. Plan Membership

Membership in the plan consisted of the following at September 30, 2012, the date of the latest actuarial valuation update:

Retirees and beneficiaries receiving benefits	29
Terminated plan members entitled to, but not yet receiving benefits	12
Active plan members:	
Vested	4
Non-vested	32
Total plan members	77
Number of participating employers	1

4. Basis of Accounting

The Volunteer Firefighter Pension Plan financial statements are prepared using the accrual basis of accounting. County contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

5. Method Used to Value

Pension funds are invested in the County's investment pool and selected equities. These investments are reported at fair value.

6. Funding Policy

Authority to establish and amend benefits rests with the County Council. The contribution requirements to the plan are established during the adoption of the County's annual budget. They are predicated on maintaining a level contribution to the plan as long as the annual pension cost obligation is met or exceeded. Volunteers do not contribute to the plan.

7. Annual Pension Cost and Net Pension Obligation

The County's actuarial valuation, performed on October 1, 2012, determined the annual required contribution (ARC) for the fiscal year ended September 30, 2012. The ARC represents a level of funding that if paid on an ongoing

basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The County's annual pension cost and net pension obligation to the pension plan for the current year is as follows:

Pension Obligation	
Annual required contribution (ARC)	\$ -
Interest accrued on net pension obligation	(8,746)
ARC adjustment	21,089
Annual pension cost	12,343
Contributions made	-
Increase in net pension obligation	12,343
Net pension obligation 09/30/11	(159,013)
Net pension obligation 09/30/12	\$ (146,670)

The County's pension cost, percentage of pension costs contributed, and the net pension obligation for the current and last two fiscal years is as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/10	\$ 11,093	0	\$ (170,726)
09/30/11	11,713	0	(159,013)
09/30/12	12,343	0	(146,670)

8. Funded Status and Funding Progress

As of October 1, 2012, the most recent actuarial valuation update, the plan was 107 percent funded. The actuarial accrued liability for benefits was \$4,043,946, and the actuarial value of assets was \$4,323,436 resulting in an unfunded actuarial accrued liability (UAAL) of (\$279,490). For the past 10 years this fund has been funded over 100 percent, and no governmental funds have been needed or used in prior years to liquidate the net pension obligation.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

9. Actuarial Methods and Assumptions

Contribution for the current year was determined as part of the October 1, 2012 actuarial valuation using the frozen entry age actuarial cost method. The actuarial assumption included a 5.5 percent investment rate of return. Assets are valued at market value. Since the membership of the plan is comprised of volunteers, no estimates for wage adjustments or inflation is included. The unfunded actuarial accrued liability is to be amortized by a series of level payments over a 29-year period using the level dollar closed method. The remaining amortization period at September 30, 2012 is 10 years.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**NOTE 10.
OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

The cost of post-employment healthcare benefits generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The County recognizes the cost of post-employment healthcare benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the County's future cash flows.

A. PLAN DESCRIPTION

The County provides certain healthcare benefits to active and retired employees and their dependents. The health plan is a single employer plan administered by the County. The benefit, benefit levels, employee contributions, and employer contributions are governed by the County and can be amended by the County through management recommendations to, and approval by, County Council as part of the annual budget adoption process. The plan is not reported as a trust fund nor has an irrevocable trust or equivalent arrangement been established to account for the plan. As a result, the plan does not issue a separate financial report. The activity of the plan is reported in the County's Employee Group Insurance fund, an internal service fund.

B. BENEFITS PROVIDED

The County provides post-employment health care benefits to its retired employees and their dependents. To be eligible for benefits, an employee must be vested in the Florida Retirement System (FRS) and receiving pension benefits at termination.

All health care benefits are provided through the County's self-insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, and substance abuse care; dental care; and prescriptions. Upon a retired employee reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan will not pay benefits already paid by Medicare.

C. MEMBERSHIP

At October 1, 2011, membership consisted of:

Active Employees	2,769
Inactive Employees	<u>360</u>
Total members	3,129

D. FUNDING POLICY

The County establishes the individual premium to be paid by the retired employees. Under a plan provision change approved by County Council in fiscal year 2011, employees who retire with 20 or more years of service are eligible to convert their excess personal leave time to offset one-half of their annual health care premium cost, for up to five years.

The State of Florida prohibits the County from separately rating retired employees and active employees. As a result, the County's premium charges to retired employees can be no more than the premium cost applicable to active employees. Generally accepted accounting principles, however, require that the actuarial information presented below be calculated using age adjusted premiums approximating claims costs for retirees separate from the active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability. For the fiscal year ending September 30, 2012, retired employees contributed \$2,220,339 to the plan. For those employees, through its self-insured Employee Group Insurance fund, the County paid \$4,379,989 in claims and administrative costs resulting in a net contribution of \$2,159,650. Active employees do not contribute to the plan until retirement.

E. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

The County's actuarial valuation was performed for the plan to determine the employer's annual required contribution (ARC) for the fiscal year ended September 30, 2012. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the net OPEB obligation.

Annual required contribution	\$ 4,766,893
Interest on net OPEB obligation	647,281
Adjustment to annual required contribution	<u>(527,531)</u>
Annual OPEB cost	4,886,643
Contributions made	<u>(2,159,650)</u>
Increase in net OPEB obligation	2,726,993
Net OPEB obligation beginning of year	<u>12,945,613</u>
Net OPEB obligation end of year	<u>\$ 15,672,606</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and last two fiscal years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
09/30/10	\$ 4,457,799	\$ 1,027,314	23.05	\$ 10,312,899
09/30/11	4,596,114	1,963,400	42.72	12,945,613
09/30/12	4,886,643	2,159,650	44.20	15,672,606

F. FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plan as of September 30, 2012, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 53,721,466
Actuarial value of plan assets	N/A
Unfunded actuarial accrued liability (UAAL)	\$ 53,721,466
Funded ratio (actuarial value of plan assets/AAL)	N/A
Covered payroll (active plan members)	\$ 135,182,912
UAAL as a percentage of covered payroll	39.74

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. 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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

While the County has not established an irrevocable trust fund or equivalent arrangement to accumulate assets to cover the unfunded actuarial accrued liability, it is depositing an amount equal to its annual net OPEB obligation into the Employee Group Insurance internal service fund. While generally accepted accounting principles consider these deposits as a pay-as-you-go funding methodology and cannot be considered as meeting the County's net OPEB obligation nor as assets that can be used to offset the unfunded actuarial accrued liability, the County believes it is prudent to accumulate funds in the Employee Group Insurance fund to ensure that future OPEB obligations are met.

G. ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projections do not explicitly incorporate the potential effects of legal or contractual funding limitations. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The entry age actuarial cost method was used to project the fiscal year 2012 projections. The actuarial assumptions included 5 percent investment rate of return (net of administrative expenses); a payroll growth rate of 3.5 percent; a general inflation rate of 2.5 percent; and an annual healthcare cost trend rate of 9.0 percent decreasing to an ultimate rate of 5.0 percent by September 30, 2018 for pre-Medicare costs and 7.0 percent decreasing to an ultimate rate of 5.0 percent for post-Medicare costs by September 30, 2016. No post-retirement benefit increases are planned and, therefore, are not included. Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll.

Life expectancies were based upon data found in the RP-2000 mortality and disability tables. Depending upon whether or not the retiree is eligible to use leave time to offset premium cost, 35 to 50 percent of new retirees under age 65 and 10 to 40 percent of new retirees over age 65 are assumed to elect medical coverage. Thirty to 80 percent of the under-65 age group are assumed to continue coverage when they become Medicare-eligible. Eighty-five percent of the male participants and 65 percent of the female participants were assumed married. Of that group, 70 percent of married male participants and 30 percent of married female participants are assumed to elect spousal coverage. The actuarial value of assets was not determined as the County has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll, over a 30-year period on a closed basis. The remaining amortization period at September 30, 2012 was 24 years.

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**NOTE 11.
AIRPORT LEASING ARRANGEMENTS WITH TENANTS AND PROPERTY HELD
FOR LEASE**

A. LEASING ARRANGEMENTS

The Airport's leasing operations consist of the leasing of land, buildings, and terminal space to airlines and other tenants. The leases consist of:

- Yearly lease agreements with major (non-airline) tenants of the terminal.
- Operating leases, whose original terms range from one to forty-eight years, for the land and buildings leased at the Airport.

B. FUTURE RENTALS

The following is a schedule by years of minimum future rentals to be received on noncancellable operating leases:

Minimum Future Rentals as of September 30, 2012	
2013	\$ 8,070,947
2014	7,480,637
2015	5,704,124
2016	3,881,923
2017	3,908,949
2018-2055	57,429,940
Total	<u>\$ 86,476,520</u>

Minimum future rentals do not include contingent rentals, which may be received under certain leases of land and buildings on the basis of revenue or fuel flow.

C. PROPERTY HELD FOR LEASE

Certain administrative offices and common use areas are included in property held for lease. The following is an analysis, as of September 30, 2012, of the Airport's investment in lease property and property held for lease by major classes.

Investment in Property on Operating Leases and Property Held for Lease as of September 30, 2012	
Land	\$ 4,292,469
Buildings	4,022,491
Improvements other than buildings	29,973,649
Subtotal	<u>38,288,609</u>
Less: Accumulated depreciation	(15,203,852)
Total	<u>\$ 23,084,757</u>

NOTE 12.
CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on its landfill sites (Plymouth Avenue and Tomoka Road) when it stops accepting waste and perform certain maintenance and monitoring functions at these sites for 30 years after closure. Currently, the County is operating a combined North and East Class I Cell and a Class III Cell at the Tomoka Road site which have an estimated useful life remaining of 5.2 and 25.3 years, respectively. The Plymouth Avenue site and the South Cell of the Tomoka Road site are closed.

Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The total estimated cost for closure and post closure care is \$31.0 million, of which \$20.4 million is recognized as a liability based upon the use of 100 percent of the estimated capacity at the Plymouth Avenue site and the South Cell, 74.6 percent of the estimated capacity of the combined Tomoka North and East Cell, and 38.1 percent of the cost of closure and post-closure care of the estimated capacity of the Tomoka Class III Cell. In future years, the County will recognize the remaining portion of \$10.6 million as the estimated cell capacities are filled. Actual closure costs may change due to inflation, deflation, changes in technology, or changes in regulation. The \$19.4 million reported as landfill closure and post closure care liability in the refuse disposal fund at September 30, 2012, represents the net result of the \$20.4 million estimated cost for closure and post closure care, less \$1.0 million paid towards the North Cell Class I Landfill closure construction.

The County is required by the State of Florida to make an annual contribution, if necessary, to a trust fund to finance closure costs. The County is in compliance with these requirements, and, as of September 30, 2012, cash and investments of \$9.4 million are held for these purposes. These amounts are reported as restricted assets on the statement of net position. The County expects that future inflation costs will be paid from interest earnings of the trust fund or included as part of the annual contribution. However, if interest earnings and contributions are inadequate or additional post-closure care requirements are determined, these costs may need to be covered by increased landfill user charges.

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**NOTE 13.
RESTATEMENT OF NET POSITION AND FUND BALANCE**

A. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION

The beginning net position of the governmental activities have been restated to recognize a change in the accounting treatment of debt issuance costs in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. In addition, beginning net position for governmental activities is being restated to include certain grant revenues and related expenses that should have been accrued in prior years.

	<u>Balance 09/30/11</u>	<u>Change</u>	<u>Restated Balance 09/30/11</u>
Governmental Activities:			
<u>Assets</u>			
Due from other governments	\$ 17,423,495	\$ 709,052	\$ 18,132,547
<u>Liabilities</u>			
Bonds payable	\$201,017,933	\$ 2,940,913	\$203,958,846
<u>Net Position</u>			
Invested in capital assets, net of related debt Restricted for transportation related construction and maintenance	\$509,847,280	\$(2,940,913)	\$506,906,367
	\$ 55,280,943	\$ 709,052	\$ 55,989,995
Business-type Activities:			
<u>Liabilities</u>			
Bonds payable	\$ 43,474,216	\$ 211,261	\$ 43,685,477
<u>Net Position</u>			
Invested in capital assets, net of related debt	\$172,389,706	\$ (211,261)	\$172,178,445

B. PROPRIETARY NET POSITION

The net position of the proprietary funds have been restated to recognize a change in the accounting treatment of debt issuance costs in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

	<u>Balance 09/30/11</u>	<u>Change</u>	<u>Restated Balance 09/30/11</u>
<u>Liabilities</u>			
Enterprise funds:			
Daytona Beach International Airport - bonds payable	\$ 27,804,259	\$ 131,292	\$ 27,935,551
Water and sewer utilities - bonds payable	6,382,789	57,137	6,439,926
Parking garage - bonds payable	<u>9,287,168</u>	<u>22,832</u>	<u>9,310,000</u>
Total	\$ 43,474,216	\$ 211,261	\$ 43,685,477
<u>Net Position</u>			
Enterprise funds: Invested in capital assets, net of related debt	\$172,389,706	\$ (211,261)	\$172,178,445

C. GOVERNMENTAL FUND BALANCE

The beginning fund balance of the County transportation trust, Federal and state grants, and the Road impact fees funds have been restated to recognize certain grant revenues and related expenditures that should have been accrued in prior years.

	<u>Balance 09/30/11</u>	<u>Change</u>	<u>Restated Balance 09/30/11</u>
<u>Assets</u>			
Major funds:			
Federal and state grants			
Due from other governments	\$ 5,903,067	\$ 709,052	\$ 6,612,119
County transportation trust			
Due from other funds	-	638,253	638,253
Nonmajor funds:			
Road impact fees			
Due from other funds	<u>-</u>	<u>70,799</u>	<u>70,799</u>
Total	\$ 5,903,067	\$1,418,104	\$ 7,321,171
<u>Liabilities</u>			
Major fund:			
Federal and state grants			
Due to other funds	\$ 4,788,500	\$ 709,052	\$ 5,497,552
<u>Fund Balance</u>			
Major funds:			
Federal and state grants	\$ 2,625,566	\$ -	\$ 2,625,566
County transportation trust	38,538,189	638,253	39,176,442
Nonmajor funds:			
Road impact fees	<u>9,503,459</u>	<u>70,799</u>	<u>9,574,258</u>
Total	\$50,667,214	\$ 709,052	\$51,376,266

**NOTE 14.
FUND BALANCE DEFICIT**

The \$5,879,841 deficit fund balance in the Volusia Forever fund resulted from an advance of \$11,587,047 made from the general fund in fiscal year 2011 to the Forever fund to finance the 4,806 acre Deep Creek Reserve purchase. This advance, with a remaining balance of \$10,873,252, will be paid back over the next several years from the Volusia Forever property tax.

**NOTE 15.
COMMITMENTS AND CONTINGENCIES**

A. SELF-INSURANCE PROGRAMS

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; business interruptions; errors and omissions; natural disaster; injuries to employees; and employee health. As a result, it established two self insurance funds (internal service funds) to manage these risks internally and set aside assets for claims settlements and associated costs. The details of these funds are explained below.

1. Insurance Fund

In this fund, the County services all claims for risk of loss to which it is exposed, including workers' compensation, automobile and public liability, and property damage. All funds of the County participate in the program. Each fund is charged a "premium" which it pays to the insurance fund to cover the cost of prior and current year claims, claims reserves, and allocated claims adjustments. This charge considers past and recent trends in actual claims experience and makes provisions for catastrophic losses. Under this program, the insurance fund provides coverage for up to a maximum of \$400,000 for each workers' compensation and \$250,000 for each automobile and public liability claim, unless it meets the State of Florida sovereign immunity requirements, in which case, the limit is \$200,000 per claimant and \$300,000 per occurrence. The County has secured commercial insurance to cover specific claims for worker's compensation and general and automobile liability claims for incidents that exceed the self-insured limits. For worker's compensation claims, this coverage pays for all eligible claims costs that exceed the fund's \$400,000 self insured limit. For general and automobile liability claims, the limits of commercial coverage are \$5,000,000 per occurrence/\$15,000,000 aggregate. Commercial insurance has also been secured for physical damage claims for incidents that exceed its self-insured limits of \$25,000. The limit of this coverage is \$150,000,000 with a deductible of \$100,000 per occurrence for wind/hail events other than named storms and \$25,000 for all other perils. For wind/hail named storms, a three percent deductible is applied to the value of the damaged property subject to a minimum \$100,000. Commercial insurance is also purchased for any other risks not covered by the fund, such as, aviation coverage for Daytona Beach International Airport, the Sheriff's Office, and Mosquito Control with limits of coverage of \$100,000,000, \$10,000,000, and \$5,000,000, respectively. Settled claims have not exceeded the excess insurance limits or commercial coverage in the past three fiscal years. No significant reduction in the County's insurance coverage has occurred.

A liability for a claim is reported if it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment yield assumptions. The present value of the liabilities for workers' compensation, general liability, and property damage claims, based upon expected losses of \$13,724,006 discounted at four percent, is \$11,669,745. Changes in the fund's claims liability amount in fiscal years 2011 and 2012 were:

Changes in Claims Liability		
	2011	2012
Beginning fiscal year liability	\$ 8,883,615	\$ 10,824,793
Incurred claims and changes in estimates	5,123,801	3,827,344
Claim payments	(3,182,623)	(2,982,392)
Balance at fiscal year end	<u>\$ 10,824,793</u>	<u>\$ 11,669,745</u>

2. Employee Group Insurance

In this fund, the County accounts for health, dental, and other medical-related claims of County employees and their covered dependents. All funds of the County participate in the program. The County allocates the cost of providing claims payment and associated administrative service to its employees by charging a “premium” to each fund based upon the number of employees in each organization. This charge considers recent and expected trends in healthcare claims costs. Employees pay a premium to cover their dependants. In addition, they are assessed a bi-weekly amount of \$5.00 to help offset program costs. As of January 1, 2011, the \$1,000,000 life time maximum benefit limitation requirement on employees under the County’s group insurance program has been removed, as federally mandated by the Patient Protection and Affordable Care Act (H.R. 3590). At this time, the County does not maintain specific loss commercial insurance because the cost of this coverage exceeds its benefit. The County maintains adequate reserves in the group insurance fund to mitigate this additional risk. The County has contracted with various agencies to perform certain administrative functions, such as monitoring, reviewing, and paying claims. Settled claims have not exceeded the excess insurance limits in any of the past three fiscal years.

A liability is reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an estimated amount for healthcare related claims that have been incurred, but not paid. The nature of these claims is short-term in length. As a result, a liability of \$3,703,000 has been reported as a current liability. Changes in the fund’s claims liability amount in fiscal years 2011 and 2012 were:

Changes in Claims Liability		
	2011	2012
Beginning fiscal year liability	\$ 2,670,968	\$ 2,867,000
Incurred claims and changes in estimates	30,241,610	34,852,345
Claim payments	(30,045,578)	(34,016,345)
Balance at fiscal year end	\$ 2,867,000	\$ 3,703,000

B. POLLUTION REMEDIATION

The County has identified specific locations requiring site remediation related to fuel tank storage contamination and other soil and groundwater pollutants. An assessment was made of each site to determine the extent of the County’s responsibility to clean up the contaminated areas and the cost of these efforts. As of September 30, 2012, the sites that pose a probable liability include:

Site 1: The County has commenced pollution remediation activities at two abandoned fuel storage tanks dating back to the World War II era. These tanks were a source of probable soil and groundwater contamination. In addition, pursuant to operating under a consent order of the Florida Department of Environmental Protection (FDEP), trichloroethylene and related chlorinated solvent compounds were also found impacting surrounding soil and groundwater areas. The cost elements associated with these events include pre-cleanup and supplemental site assessments, contingency assessments, remedial action planning/pilot testing, remedial action implementation, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. In fiscal year 2012, the majority of the clean up activity was completed. The total expected cash flow is \$465,899, which is shared equally between the FDEP (50 percent) and the County (50 percent). To date, \$446,246 has been expended for clean-up activities, of which \$224,103 has been recovered. As a result, the remaining net liability is \$18,971, and is expected to be extinguished in fiscal year 2013.

Site 2: The County has commenced pollution remediation activities due to petroleum contamination which occurred at a central fueling terminal. No action regarding this event has taken place other than identifying the polluted activity. The cost elements associated with these events include remedial action plan development, bid specifications, solicitation and contract award review, remedial system construction, system operations and management, post-active remediation monitoring, and well abandonment and closure activities. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. In fiscal year 2012, there were no changes to total adjusted expected cash flow, expected

recoveries, costs incurred, or liability. The costs for cleanup will be shared between the FDEP and the County. The County is responsible for 49 percent of these costs. The liability is estimated to be \$184,056.

Site 3: The County commenced pollution remediation activities to correct petroleum contamination from two fuel spills at a transportation facility. The cost elements associated with these events include confirmatory sampling, well abandonment, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. The remediation costs for the first spill were \$70,463. Clean-up efforts were completed in fiscal year 2011, pending final completion of all documents. In fiscal year 2012, the site rehabilitation completion order (SRCO) was finalized and final costs incurred were \$1,981. The County was reimbursed for all costs it has incurred by the vendor who caused the contamination event. Therefore, no additional liability exists for this site.

The second spill was cleaned up in fiscal year 2010 and, therefore, the liability was extinguished.

Site 4: In accordance with Florida Administrative Code, the County is required to conduct an evaluation monitoring program and prepare a contamination evaluation plan to address potential release of contaminants to the groundwater at its landfill sites. The monitoring activities indicated there may be potential releases of contaminants into the groundwater at these sites, and therefore the County has voluntarily commenced pollution remediation activities at these locations. The cost elements associated with these events include chemical oxidation groundwater remediation, remedial action plan development, groundwater monitoring and evaluation plan, site assessment reporting, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. In fiscal year 2012, the expected cash flow increased by \$10,000 bringing the total adjusted expected cash flow to \$2,191,188 with no expected recoveries at this time. The amount expended as of September 30, 2012 is \$749,070. As a result, the remaining estimated liability for the three sites is \$1,442,118.

Site 5: Pesticide contamination occurred at a pest control facility. The cost elements associated with this event include soil removal, well installation, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. Clean-up efforts were completed in fiscal year 2012, with a site rehabilitation completion order issued (SRCO) without conditions. The final costs incurred for fiscal year 2012 were \$4,036. The total amount expended is \$126,234. Therefore, no additional liability exists for this site.

Site 6: The County has commenced pollution remediation activities at a property designated to be the future home of a multi-use park operated by parks, recreation and culture division, formerly owned and operated as a private cattle ranch. Subsurface investigations discovered contaminated soil resulting from a dipping vat used for many years on this property. Pursuant to operating under a consent order of the Florida Department of Environmental Protection (FDEP), contaminated soils must be remediated before the park improvements can be implemented. The cost elements associated with these events include soil and material testing for site assessment, excavation remediation activities, and post remediation ground water assessment monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. In fiscal year 2012, the total expected cash flow is \$241,962. The amount expended as of September 30, 2012 is \$215,593. As a result, the remaining estimated liability is \$26,369.

Site 7: Petroleum contamination occurred at a fire station. No assessment has been performed. However, upon completion of an assessment and approval from FDEP, the County will be liable for 25 percent of the cost with remainder being borne by the FDEP. The cost associated with the clean-up is not yet reasonably measurable and, as such, no liability is reported.

All estimates of liability are subject to change over time due to changes in the cost of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts.

C. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

1. Construction Commitments

As of September 30, 2012, significant construction and operating contracts that are expected to be carried forward into the next fiscal year are as follows:

<u>Projects</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Road construction	\$ 8,757,178	\$ 248,090
GPS simulcast upgrade	7,062,261	84,323
Voice over IP telephone system	1,361,277	435,602
Consolidated dispatch/EOC	7,592,300	6,190,674
Water/sewer utility improvements	187,527	147,614
Airport-related construction:		
Phase I hangar construction	1,788,365	147,307
Integrated security system	4,469,243	3,519,325
Runway project	16,257,781	228,397
Total	<u>\$ 47,475,932</u>	<u>\$11,001,332</u>

2. Encumbrance Commitments

Encumbrances are commitments related to unperformed contracts for goods and services (i.e., purchase orders). Encumbrance accounting is used to assure effective budgetary control and accountability and to promote effective cash management. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year for the governmental funds include the following:

Major funds:	
General	\$ 2,565,647
Municipal service district	2,609
Federal and state grants	1,815,085
County transportation trust	3,390,903
Volusia Forever	47,157
Non-major funds	<u>22,549,897</u>
Total	<u>\$30,371,298</u>

D. LITIGATION

Various suits and claims involving disputed ad valorem real and personal property taxes are pending against the County. Portions of these taxes have been voluntarily paid; portions have been paid under protest; and in certain instances, there are unpaid balances.

Various suits and claims are currently pending against the County. At this time, it is impossible for the County to accurately quantify the exposure involved given the jury's latitude in assessing compensatory and punitive damages, and the court's latitude in awarding attorney's fees. The County intends to vigorously defend against these lawsuits and believes it has a good chance of prevailing on their merits.

E. COMMUTER RAIL

On July 31, 2007, the County joined Orange, Osceola, and Seminole counties, and the City of Orlando to create the Central Florida Commuter Rail Commission. The purpose of this commission is to provide for the operation and

creation of a funding plan for a light rail system that will serve the central Florida area. The four counties and city are the local governing partners that each contributes one member to form the governing board of the commission.

The commission entered into two agreements with the Florida Department of Transportation who will provide the funds for a 50 percent match of federal funds for the acquisition and construction of a commuter rail system. As a commission partner, the County is responsible for providing a portion of the capital costs, including debt service payments. Volusia County has pledged \$26.5 million, which will pay for two west side train stations, train sets, and track improvements. The County Council approved to have State Infrastructure Bank (SIB) loans in place to cover the county's share of the local capital costs. Currently, the County Council has two loans totaling \$12.5 million approved by the SIB.

In fiscal year 2011, County Council approved to appropriate funds from the first SIB loan of \$10.2 million to pay for the Phase I construction costs. During that year, the County received draws totaling \$5.6 million of the \$10.2 million note. The County intends to apply for an additional \$12.4 million in SIB loans to complete Phase II construction. No additional draws or loans were made in 2012.

NOTE 16. SUBSEQUENT EVENTS

BONDS PAYABLE

On January 9, 2013, the County issued \$41,505,000 in gas tax refunding revenue bonds. The proceeds were used to refund the gas tax revenue bonds, Series 2004. This refinancing allowed the County to take advantage of favorable interest rates.



Volusia County
FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**COUNTY OF VOLUSIA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
VOLUNTEER FIREFIGHTERS PENSION PLAN
SEPTEMBER 30, 2012**

SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a)/c)
10/1/2003	\$3,440,359	\$3,033,448	(406,911)	113%	N/A	N/A
10/1/2004	4,008,215	3,608,488	(399,727)	111	N/A	N/A
10/1/2005	4,424,040	4,039,662	(384,378)	110	N/A	N/A
10/1/2006	4,884,302	4,512,387	(371,915)	108	N/A	N/A
10/1/2007	5,033,476	4,667,026	(366,450)	108	N/A	N/A
10/1/2008	4,352,905	4,000,173	(352,732)	109	N/A	N/A
10/1/2009	4,038,251	3,700,197	(338,054)	109	N/A	N/A
10/1/2010	4,185,859	3,866,291	(319,568)	108	N/A	N/A
10/1/2011	4,058,364	3,758,299	(300,065)	108	N/A	N/A
10/1/2012	4,323,436	4,043,946	(279,490)	107	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS		
Year Ended September 30	Annual Required Contribution	Percentage Contributed
2003	\$77,318	132
2004	58,758	174
2005	58,758	174
2006	0	0
2007	0	0
2008	0	0
2009	0	0
2010	0	0
2011	0	0
2012	0	0

**COUNTY OF VOLUSIA, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 OTHER POST-EMPLOYMENT BENEFIT PLAN
 SEPTEMBER 30, 2012**

SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a)/c)
10/1/2006	N/A	\$32,077,395	\$32,077,395	0.0%	\$118,521,498	27.1
10/1/2007	N/A	33,317,366	33,317,366	0.0	125,421,715	26.6
10/1/2008	N/A	46,032,792	46,032,792	0.0	125,466,110	36.7
10/1/2009	N/A	48,324,760	48,324,760	0.0	128,493,540	37.6
10/1/2010	N/A	51,582,362	51,582,362	0.0	124,087,086	41.6
10/1/2011	N/A	53,721,466	53,721,466	0.0	135,182,912	39.7

The County implemented GASB Statement No. 45 for the fiscal year ended September 30, 2007. Information for prior years is not available.



Volusia County
FLORIDA

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds account for revenues from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government.

Library

The Library Fund accounts for the fiscal activity relating to the County library system.

East Volusia Mosquito Control District

The East Volusia Mosquito Control District Fund accounts for the fiscal activity relating to a program in the eastern section of the County for the control of pestiferous mosquitoes and other arthropods which can affect public health.

Resort Tax

The Resort Tax Fund accounts for the fiscal activity relating to the collection and distribution of the tax on short-term room rentals.

Sales Tax Trust

The Sales Tax Trust Fund accounts for the fiscal activity related to the County's portion of the half cent state sales tax collected within the County.

Convention Development Tax

The Convention Development Tax Fund accounts for the fiscal activity relating to the tax on short-term room rentals used to promote and advertise specific geographic areas of the County.

Ponce Inlet Port Authority

The Ponce Inlet Port Authority Fund accounts for the fiscal activity relating to the operations of the recreational waterfront properties on the eastside of the County.

E-911 Emergency Telephone System

The E-911 Emergency Telephone System Fund accounts for the fiscal activity relating to the collection and use of the E-911 emergency telephone system fees.

Special Lighting Districts

The Special Lighting Districts Fund accounts for the fiscal activity relating to providing street lighting services.

Ocean Center

The Ocean Center Fund accounts for the fiscal activity relating to the administration and operation of the County's convention center.

Manatee Conservation

The Manatee Conservation Fund accounts for the fiscal activity relating to the protection of manatees in the County's waterways.

Road Impact Fees

The Road Impact Fees Fund accounts for the fiscal activity relating to the County's road impact fees that support growth-related road needs.

Park Impact Fees

The Park Impact Fees Fund accounts for the fiscal activity relating to the County's park impact fees that support growth-related parks and improvements.

Fire Services

The Fire Services Fund accounts for the fiscal activity relating to providing fire and rescue services in the unincorporated areas of the County and the municipalities of Lake Helen, Oak Hill, and Pierson.

Fire Impact Fees

The Fire Impact Fees Fund accounts for the fiscal activity relating to the County's fire impact fees that support growth-related fire protection and rescue equipment.

Silver Sands/Bethune Beach Municipal Service District

The Silver Sands/Bethune Beach Municipal Service District Fund accounts for the fiscal activity relating to providing arterial lighting services.

Gemini Springs

The Gemini Springs Fund accounts for funds received to provide security and maintenance assistance for the Gemini Springs/Lake Monroe Park trail.

Stormwater Utility

The Stormwater Utility Fund accounts for the fiscal activity relating to fees collected that support storm water control, conservation, and aquifer recharge for all developed property in the unincorporated areas of the County.

Volusia ECHO

The Volusia ECHO Fund accounts for the fiscal activity relating to Environmental, Cultural, Historic, and Outdoor recreation projects.

Law/Beach Enforcement Trust

The Law/Beach Enforcement Trust Fund accounts for proceeds from the sale of confiscated and unclaimed property awarded to the County by court order to be used solely for crime fighting purposes.

Federal Forfeiture Sharing

The Federal Forfeiture Sharing Funds account for revenues received as a result of County participation with the U.S. Treasury and Justice Departments in the elimination of illegal activities.

State Housing Incentive Program (S.H.I.P.)

The State Housing Incentive Program Fund accounts for the fiscal activity relating to a program for the development and rehabilitation of affordable housing.

Library Endowment

The Library Endowment Fund accounts for donations to purchase publications and other library materials.

Corrections – Welfare Trust

The Corrections – Welfare Trust Fund accounts for sales of personal care and discretionary items to the jail and correctional inmates. Profits from these sales are used to purchase recreational equipment for the inmates.

DEBT SERVICE FUNDS

The Limited Tax General Obligation Bonds, Subordinate Lien Sales Tax Revenue Bonds, Sales Tax Refunding Revenue Bonds, Gas Tax Revenue Bonds, Tourist Development Tax Refunding Revenue Bonds, Capital Improvement Revenue and Refunding Bonds, Public Transportation Notes Payable, and the Installment Purchase Agreements debt service funds account for the fiscal activities for the accumulation of resources for the payment of principal, interest, and related costs of governmental long-term debt.

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the financial resources used to acquire or construct major capital facilities other than those financed by proprietary funds.

Ocean Center Expansion

The Ocean Center Expansion Fund accounts for the fiscal activity relating to the construction of additional exhibition space and meeting rooms in the Ocean Center.

Bond Funded Road Program

The Bond Funded Road Program Fund accounts for the fiscal activity relating to the construction of roads and transportation improvements with an emphasis on projects that support economic development.

Beach

The Beach Capital Projects Fund accounts for the financial resources used to construct beach related capital improvements.

Trails

The Trails Capital Projects Fund accounts for the financial resources used to construct a county-wide network of bicycle, walking, and hiking trails.

Information Technology

The Information Technology Capital Projects Fund accounts for the financial resources used to acquire, install, upgrade, and equip improvements to the County's electronic information systems.

Library Construction

The Library Construction Fund accounts for the financial resources used to expand the Deltona Library including the development and construction of the environmental learning center, and the amphitheater, Lyonia Preserve, and other Library facilities.

Capital Improvement Projects

The Capital Improvement Projects Fund accounts for the financial resources used to acquire, install, and equip additional office and parking spaces necessary to retain centralized County services in downtown DeLand.

Branch Jail Expansion

The Branch Jail Expansion Capital Projects Fund accounts for the financial resources used to design, construct, and equip additional square footage to the existing branch jail to alleviate the general overcrowded conditions.

Parks

The Parks Capital Projects Fund accounts for the financial resources used to acquire, construct, install, and equip various County park projects.

800 Mhz System Improvements

The 800 Mhz System Improvements Fund accounts for the financial resources used to upgrade and improve the 800 Mhz communication system.

Other

The Other Capital Projects Fund accounts for the financial resources used to acquire, construct, and furnish a variety of capital improvement projects.

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2012

	<u>Library</u>	<u>East Volusia Mosquito Control District</u>	<u>Resort Tax</u>
ASSETS			
Equity in pooled cash and investments	\$ 10,062,479	\$ 8,133,670	\$ -
Receivables:			
Accounts - net	-	94,054	426,299
Taxes	84,284	20,612	-
Notes	-	-	-
Due from other funds	-	62,801	-
Due from other governments	-	-	-
Advances to other funds	-	371,689	-
Inventories	-	382,291	-
Deposits	-	-	-
Total assets	<u>\$ 10,146,763</u>	<u>\$ 9,065,117</u>	<u>\$ 426,299</u>
LIABILITIES			
Accounts and contracts payable	\$ 261,987	\$ 11,213	\$ 28
Due to other funds	-	-	350,650
Due to component units	-	-	-
Due to other governments	478	-	-
Deposits	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	75,621
Total liabilities	<u>262,465</u>	<u>11,213</u>	<u>426,299</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	75,288	19,452	-
Total deferred inflows of resources	<u>75,288</u>	<u>19,452</u>	<u>-</u>
FUND BALANCES			
Non-spendable:			
Inventories	-	382,291	-
Advances	-	371,689	-
Deposits	-	-	-
Long-term notes receivable	-	-	-
Restricted for:			
Law enforcement and fire safety	-	-	-
Conservation programs	-	-	-
Transportation related construction and maintenance	-	-	-
Social services and community development programs	-	8,280,472	-
Library, parks, and tourism programs	9,809,010	-	-
Other purposes	-	-	-
Total fund balances	<u>9,809,010</u>	<u>9,034,452</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,146,763</u>	<u>\$ 9,065,117</u>	<u>\$ 426,299</u>

Sales Tax Trust	Convention Development Tax	Ponce Inlet Port Authority	E-911 Emergency Telephone System	Special Lighting Districts	Ocean Center
\$ -	\$ 2,821,063	\$ 6,118,473	\$ 3,505,495	\$ 115,305	\$ 1,557,513
-	27,554	31,707	-	-	68,062
-	350,678	8,624	-	-	-
-	-	-	-	-	-
-	-	-	-	-	350,650
2,543,996	-	-	542,581	-	-
-	-	-	-	-	-
-	40,447	-	-	-	-
<u>\$ 2,543,996</u>	<u>\$ 3,239,742</u>	<u>\$ 6,158,804</u>	<u>\$ 4,048,076</u>	<u>\$ 115,305</u>	<u>\$ 1,976,225</u>
\$ -	\$ 207,245	\$ 61,923	\$ 130,892	\$ 28,213	\$ 444,560
2,524,634	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,375
-	-	-	-	-	-
-	-	-	-	-	-
-	23,566	-	-	-	383,362
<u>2,524,634</u>	<u>230,811</u>	<u>61,923</u>	<u>130,892</u>	<u>28,213</u>	<u>834,297</u>
-	-	8,171	-	-	-
-	-	8,171	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	40,447	-	-	-	-
-	-	-	-	-	-
-	-	-	3,917,184	-	-
-	-	-	-	-	-
-	-	6,088,710	-	87,092	-
-	-	-	-	-	-
-	2,968,484	-	-	-	1,141,928
19,362	-	-	-	-	-
<u>19,362</u>	<u>3,008,931</u>	<u>6,088,710</u>	<u>3,917,184</u>	<u>87,092</u>	<u>1,141,928</u>
<u>\$ 2,543,996</u>	<u>\$ 3,239,742</u>	<u>\$ 6,158,804</u>	<u>\$ 4,048,076</u>	<u>\$ 115,305</u>	<u>\$ 1,976,225</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2012

	<u>Manatee Conservation</u>	<u>Road Impact Fees</u>	<u>Park Impact Fees</u>
ASSETS			
Equity in pooled cash and investments	\$ 125,733	\$ 9,609,686	\$ 3,594,089
Receivables:			
Accounts - net	-	-	-
Taxes	-	-	-
Notes	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Inventories	-	-	-
Deposits	-	-	-
Total assets	<u>\$ 125,733</u>	<u>\$ 9,609,686</u>	<u>\$ 3,594,089</u>
LIABILITIES			
Accounts and contracts payable	\$ -	\$ -	\$ 16,046
Due to other funds	-	-	-
Due to component units	-	-	-
Due to other governments	-	-	-
Deposits	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>16,046</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Non-spendable:			
Inventories	-	-	-
Advances	-	-	-
Deposits	-	-	-
Long-term notes receivable	-	-	-
Restricted for:			
Law enforcement and fire safety	-	-	-
Conservation programs	125,733	-	-
Transportation related construction and maintenance	-	9,609,686	-
Social services and community development programs	-	-	-
Library, parks, and tourism programs	-	-	3,578,043
Other purposes	-	-	-
Total fund balances	<u>125,733</u>	<u>9,609,686</u>	<u>3,578,043</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 125,733</u>	<u>\$ 9,609,686</u>	<u>\$ 3,594,089</u>

<u>Fire Services</u>	<u>Fire Impact Fees</u>	<u>Silver Sands / Bethune Beach Municipal Service District</u>	<u>Gemini Springs</u>	<u>Stormwater Utility</u>	<u>Volusia ECHO</u>
\$ 8,143,960	\$ 626,239	\$ 2,389	\$ 95,166	\$ 6,039,121	\$ 13,027,510
-	-	-	-	-	-
161,463	-	8	-	-	29,767
-	-	-	-	-	-
9,712	-	-	-	679	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,315,135</u>	<u>\$ 626,239</u>	<u>\$ 2,397</u>	<u>\$ 95,166</u>	<u>\$ 6,039,800</u>	<u>\$ 13,057,277</u>
\$ 203,897	\$ -	\$ 37	\$ -	\$ 58,100	\$ 93,147
-	-	-	-	62,801	-
-	-	-	-	-	-
113,903	-	-	-	-	205,814
-	-	-	-	-	-
-	-	-	-	371,689	-
-	-	-	-	-	-
<u>317,800</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>492,590</u>	<u>298,961</u>
153,676	-	8	-	-	27,114
<u>153,676</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>27,114</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,843,659	626,239	-	-	-	-
-	-	-	-	-	-
-	-	2,352	-	5,547,210	-
-	-	-	-	-	-
-	-	-	95,166	-	12,731,202
-	-	-	-	-	-
<u>7,843,659</u>	<u>626,239</u>	<u>2,352</u>	<u>95,166</u>	<u>5,547,210</u>	<u>12,731,202</u>
<u>\$ 8,315,135</u>	<u>\$ 626,239</u>	<u>\$ 2,397</u>	<u>\$ 95,166</u>	<u>\$ 6,039,800</u>	<u>\$ 13,057,277</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2012

	Law/Beach Enforcement Trust	Federal Forfeiture Sharing	State Housing Incentive Program (S.H.I.P.)
ASSETS			
Equity in pooled cash and investments	\$ 372,436	\$ 861,331	\$ 464,834
Receivables:			
Accounts - net	-	-	-
Taxes	-	-	-
Notes	-	-	2,936,297
Due from other funds	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Inventories	-	-	-
Deposits	-	-	-
Total assets	<u>\$ 372,436</u>	<u>\$ 861,331</u>	<u>\$ 3,401,131</u>
LIABILITIES			
Accounts and contracts payable	\$ 10,346	\$ 117,462	\$ 433
Due to other funds	-	-	-
Due to component units	806	-	77
Due to other governments	-	-	-
Deposits	54,056	-	-
Advances from other funds	-	-	-
Unearned revenue	221,716	-	464,324
Total liabilities	<u>286,924</u>	<u>117,462</u>	<u>464,834</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Non-spendable:			
Inventories	-	-	-
Advances	-	-	-
Deposits	-	-	-
Long-term notes receivable	-	-	2,936,297
Restricted for:			
Law enforcement and fire safety	85,512	743,869	-
Conservation programs	-	-	-
Transportation related construction and maintenance	-	-	-
Social services and community development programs	-	-	-
Library, parks, and tourism programs	-	-	-
Other purposes	-	-	-
Total fund balances	<u>85,512</u>	<u>743,869</u>	<u>2,936,297</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 372,436</u>	<u>\$ 861,331</u>	<u>\$ 3,401,131</u>

Library Endowment	Corrections - Welfare Trust	Total Nonmajor Special Revenue Funds
\$ 750,189	\$ 1,770,813	\$ 77,797,494
-	-	647,676
-	-	655,436
-	-	2,936,297
-	-	413,451
-	-	3,096,968
-	-	371,689
-	-	382,291
-	3,010	43,457
<u>\$ 750,189</u>	<u>\$ 1,773,823</u>	<u>\$ 86,344,759</u>
\$ -	\$ 30,535	\$ 1,676,064
-	-	2,938,085
-	-	883
-	-	326,570
-	-	54,056
-	-	371,689
-	-	1,168,589
<u>-</u>	<u>30,535</u>	<u>6,535,936</u>
-	-	283,709
<u>-</u>	<u>-</u>	<u>283,709</u>
-	-	382,291
-	-	371,689
-	3,010	43,457
-	-	2,936,297
-	-	13,216,463
-	-	125,733
-	-	21,335,050
-	-	8,280,472
750,189	-	31,074,022
-	1,740,278	1,759,640
<u>750,189</u>	<u>1,743,288</u>	<u>79,525,114</u>
<u>\$ 750,189</u>	<u>\$ 1,773,823</u>	<u>\$ 86,344,759</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Debt Service Funds
September 30, 2012

	<u>Limited Tax General Obligation Bonds</u>	<u>Subordinate Lien Sales Tax Revenue Bonds</u>	<u>Sales Tax Refunding Revenue Bonds</u>
ASSETS			
Equity in pooled cash and investments	\$ 3,161,803	\$ 5,449,703	\$ 22,843
Receivables:			
Taxes	18,648	-	-
Total assets	<u>\$ 3,180,451</u>	<u>\$ 5,449,703</u>	<u>\$ 22,843</u>
LIABILITIES			
Bonds payable - current	\$ 2,320,000	\$ 3,900,000	\$ -
Notes payable - current	-	-	-
Accrued interest payable	556,684	902,716	22,843
Accounts and contracts payable	-	12,587	-
Total liabilities	<u>2,876,684</u>	<u>4,815,303</u>	<u>22,843</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	17,070	-	-
Total deferred inflows of resources	<u>17,070</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted for:			
Debt service principal and interest	286,697	634,400	-
Total fund balances	<u>286,697</u>	<u>634,400</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,180,451</u>	<u>\$ 5,449,703</u>	<u>\$ 22,843</u>

<u>Gas Tax Revenue Bonds</u>	<u>Tourist Development Tax Refunding Revenue Bonds</u>	<u>Capital Improvement Revenue and Refunding Bonds</u>	<u>Public Transportation Notes Payable</u>	<u>Total Nonmajor Debt Service Funds</u>
\$ 3,836,799	\$ 2,754,200	\$ 1,715,223	\$ 1,200,000	\$ 18,140,571
-	-	-	-	18,648
<u>\$ 3,836,799</u>	<u>\$ 2,754,200</u>	<u>\$ 1,715,223</u>	<u>\$ 1,200,000</u>	<u>\$ 18,159,219</u>
\$ 2,785,000	\$ -	\$ 1,626,000	\$ -	\$ 10,631,000
-	-	-	1,133,139	1,133,139
1,051,799	-	89,223	66,861	2,690,126
-	-	-	-	12,587
<u>3,836,799</u>	<u>-</u>	<u>1,715,223</u>	<u>1,200,000</u>	<u>14,466,852</u>
-	-	-	-	17,070
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,070</u>
-	2,754,200	-	-	3,675,297
<u>-</u>	<u>2,754,200</u>	<u>-</u>	<u>-</u>	<u>3,675,297</u>
<u>\$ 3,836,799</u>	<u>\$ 2,754,200</u>	<u>\$ 1,715,223</u>	<u>\$ 1,200,000</u>	<u>\$ 18,159,219</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2012

	<u>Ocean Center Expansion</u>	<u>Bond Funded Road Program</u>	<u>Beach</u>
ASSETS			
Equity in pooled cash and investments	\$ 803,871	\$ 26,137,871	\$ 5,439,017
Due from other governments	-	-	-
Total assets	<u>\$ 803,871</u>	<u>\$ 26,137,871</u>	<u>\$ 5,439,017</u>
LIABILITIES			
Accounts and contracts payable	\$ 203	\$ 636	\$ 38,697
Due to component units	-	216	-
Total liabilities	<u>203</u>	<u>852</u>	<u>38,697</u>
FUND BALANCES			
Restricted for:			
Transportation related construction and maintenance	-	26,137,019	-
Library, parks, and tourism programs	796,045	-	1,858,331
Assigned to:			
Capital projects	7,623	-	3,541,989
Total fund balances	<u>803,668</u>	<u>26,137,019</u>	<u>5,400,320</u>
Total liabilities and fund balances	<u>\$ 803,871</u>	<u>\$ 26,137,871</u>	<u>\$ 5,439,017</u>

<u>Trails</u>	<u>Information Technology</u>	<u>Library Construction</u>	<u>Capital Improvement Projects</u>	<u>Branch Jail Expansion</u>	<u>Parks</u>
\$ 7,292,859	\$ 3,757,775	\$ 2,268,891	\$ 14,146,406	\$ 10,442,849	\$ 1,937,610
-	-	-	-	-	22
<u>\$ 7,292,859</u>	<u>\$ 3,757,775</u>	<u>\$ 2,268,891</u>	<u>\$ 14,146,406</u>	<u>\$ 10,442,849</u>	<u>\$ 1,937,632</u>
\$ 49,545	\$ 88,455	\$ 209,811	\$ 4,599,152	\$ 22,058	\$ -
-	-	-	-	-	-
<u>49,545</u>	<u>88,455</u>	<u>209,811</u>	<u>4,599,152</u>	<u>22,058</u>	<u>-</u>
-	-	-	-	-	-
6,314,010	-	1,293,015	-	-	557,899
929,304	3,669,320	766,065	9,547,254	10,420,791	1,379,733
<u>7,243,314</u>	<u>3,669,320</u>	<u>2,059,080</u>	<u>9,547,254</u>	<u>10,420,791</u>	<u>1,937,632</u>
<u>\$ 7,292,859</u>	<u>\$ 3,757,775</u>	<u>\$ 2,268,891</u>	<u>\$ 14,146,406</u>	<u>\$ 10,442,849</u>	<u>\$ 1,937,632</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects
September 30, 2012

	<u>800 Mhz System Improvements</u>	<u>Other</u>	<u>Total Nonmajor Capital Projects Funds</u>
ASSETS			
Equity in pooled cash and investments	\$ 3,112,577	\$ 124,946	\$ 75,464,672
Due from other governments	-	-	22
Total assets	<u>\$ 3,112,577</u>	<u>\$ 124,946</u>	<u>\$ 75,464,694</u>
LIABILITIES			
Accounts and contracts payable	\$ -	\$ -	\$ 5,008,557
Due to component units	-	-	216
Total liabilities	<u>-</u>	<u>-</u>	<u>5,008,773</u>
FUND BALANCES			
Restricted for:			
Transportation related construction and maintenance	-	-	26,137,019
Library, parks, and tourism programs	-	-	10,819,300
Assigned to:			
Capital projects	3,112,577	124,946	33,499,602
Total fund balances	<u>3,112,577</u>	<u>124,946</u>	<u>70,455,921</u>
Total liabilities and fund balances	<u>\$ 3,112,577</u>	<u>\$ 124,946</u>	<u>\$ 75,464,694</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
All Nonmajor Governmental Funds
September 30, 2012

	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Equity in pooled cash and investments	\$ 77,797,494	\$ 18,140,571	\$ 75,464,672	\$ 171,402,737
Receivables:				
Accounts - net	647,676	-	-	647,676
Taxes	655,436	18,648	-	674,084
Notes	2,936,297	-	-	2,936,297
Due from other funds	413,451	-	-	413,451
Due from other governments	3,096,968	-	22	3,096,990
Advances to other funds	371,689	-	-	371,689
Inventories	382,291	-	-	382,291
Deposits	43,457	-	-	43,457
Total assets	<u>\$ 86,344,759</u>	<u>\$ 18,159,219</u>	<u>\$ 75,464,694</u>	<u>\$ 179,968,672</u>
LIABILITIES				
Accounts and contracts payable	\$ 1,676,064	\$ 12,587	\$ 5,008,557	\$ 6,697,208
Due to other funds	2,938,085	-	-	2,938,085
Due to component units	883	-	216	1,099
Due to other governments	326,570	-	-	326,570
Bonds payable - current	-	10,631,000	-	10,631,000
Notes payable - current	-	1,133,139	-	1,133,139
Accrued interest payable	-	2,690,126	-	2,690,126
Deposits	54,056	-	-	54,056
Advances from other funds	371,689	-	-	371,689
Unearned revenue	1,168,589	-	-	1,168,589
Total liabilities	<u>6,535,936</u>	<u>14,466,852</u>	<u>5,008,773</u>	<u>26,011,561</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	283,709	17,070	-	300,779
Total deferred inflows of resources	<u>283,709</u>	<u>17,070</u>	<u>-</u>	<u>300,779</u>
FUND BALANCES				
Non-spendable:				
Inventories	382,291	-	-	382,291
Advances	371,689	-	-	371,689
Deposits	43,457	-	-	43,457
Long-term notes receivable	2,936,297	-	-	2,936,297
Restricted for:				
Law enforcement and fire safety	13,216,463	-	-	13,216,463
Conservation programs	125,733	-	-	125,733
Transportation related construction and maintenance	21,335,050	-	26,137,019	47,472,069
Social services and community development programs	8,280,472	-	-	8,280,472
Library, parks, and tourism programs	31,074,022	-	10,819,300	41,893,322
Debt service principal and interest	-	3,675,297	-	3,675,297
Other purposes	1,759,640	-	-	1,759,640
Assigned to:				
Capital projects	-	-	33,499,602	33,499,602
Total fund balances	<u>79,525,114</u>	<u>3,675,297</u>	<u>70,455,921</u>	<u>153,656,332</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 86,344,759</u>	<u>\$ 18,159,219</u>	<u>\$ 75,464,694</u>	<u>\$ 179,968,672</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2012

	<u>Library</u>	<u>East Volusia Mosquito Control District</u>	<u>Resort Tax</u>
REVENUES			
Taxes	\$ 13,951,577	\$ 3,447,927	\$ 7,335,535
Licenses and permits	-	-	-
Intergovernmental revenues	400,441	373,250	-
Charges for services	177,432	37,778	-
Fines and forfeitures	431,892	-	-
Interest revenues	119,762	94,661	5,426
Special assessments/impact fees	-	-	-
Miscellaneous revenues	485,271	64,711	-
Total revenues	<u>15,566,375</u>	<u>4,018,327</u>	<u>7,340,961</u>
EXPENDITURES			
Current:			
General government	-	-	97,800
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	4,072,868	-
Culture/recreation	15,873,011	-	-
Total expenditures	<u>15,873,011</u>	<u>4,072,868</u>	<u>97,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(306,636)</u>	<u>(54,541)</u>	<u>7,243,161</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,189	-	-
Transfers (out)	(304,813)	-	(7,243,161)
Total other financing sources and (uses)	<u>(298,624)</u>	<u>-</u>	<u>(7,243,161)</u>
Net change in fund balances	(605,260)	(54,541)	-
Fund balances - beginning, restated	<u>10,414,270</u>	<u>9,088,993</u>	<u>-</u>
Fund balances - ending	<u>\$ 9,809,010</u>	<u>\$ 9,034,452</u>	<u>\$ -</u>

<u>Sales Tax Trust</u>	<u>Convention Development Tax</u>	<u>Ponce Inlet Port Authority</u>	<u>E-911 Emergency Telephone System</u>	<u>Special Lighting Districts</u>	<u>Ocean Center</u>
\$ -	\$ 7,334,088	\$ 1,540,799	\$ -	\$ -	\$ -
-	-	-	-	-	-
16,039,983	-	148	2,387,542	-	-
-	-	387,810	-	-	1,268,572
-	-	-	-	-	-
10,706	4,741	68,289	29,565	-	2,660
-	-	-	-	288,404	-
-	168,244	-	-	-	413,731
<u>16,050,689</u>	<u>7,507,073</u>	<u>1,997,046</u>	<u>2,417,107</u>	<u>288,404</u>	<u>1,684,963</u>
-	-	-	-	-	-
-	-	-	2,260,992	-	-
-	-	-	-	-	-
-	-	1,440,228	-	270,541	-
-	6,726,080	-	-	-	-
-	-	-	-	-	-
-	-	799,400	-	-	4,921,639
<u>-</u>	<u>6,726,080</u>	<u>2,239,628</u>	<u>2,260,992</u>	<u>270,541</u>	<u>4,921,639</u>
<u>16,050,689</u>	<u>780,993</u>	<u>(242,582)</u>	<u>156,115</u>	<u>17,863</u>	<u>(3,236,676)</u>
-	-	-	-	-	3,783,194
<u>(16,031,327)</u>	<u>-</u>	<u>(1,713,503)</u>	<u>(775,994)</u>	<u>-</u>	<u>(1,354,759)</u>
<u>(16,031,327)</u>	<u>-</u>	<u>(1,713,503)</u>	<u>(775,994)</u>	<u>-</u>	<u>2,428,435</u>
19,362	780,993	(1,956,085)	(619,879)	17,863	(808,241)
-	2,227,938	8,044,795	4,537,063	69,229	1,950,169
<u>\$ 19,362</u>	<u>\$ 3,008,931</u>	<u>\$ 6,088,710</u>	<u>\$ 3,917,184</u>	<u>\$ 87,092</u>	<u>\$ 1,141,928</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2012

	<u>Manatee Conservation</u>	<u>Road Impact Fees</u>	<u>Park Impact Fees</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	50,000	-	-
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest revenues	884	91,158	33,907
Special assessments/impact fees	-	1,788,292	17,746
Miscellaneous revenues	-	1,500	-
Total revenues	<u>50,884</u>	<u>1,880,950</u>	<u>51,653</u>
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	5,545	-	-
Transportation	-	15,522	-
Economic environment	-	-	-
Human services	-	-	-
Culture/recreation	-	-	254,787
Total expenditures	<u>5,545</u>	<u>15,522</u>	<u>254,787</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,339</u>	<u>1,865,428</u>	<u>(203,134)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	200,000
Transfers (out)	(3,838)	(1,830,000)	-
Total other financing sources and (uses)	<u>(3,838)</u>	<u>(1,830,000)</u>	<u>200,000</u>
Net change in fund balances	41,501	35,428	(3,134)
Fund balances - beginning, restated	<u>84,232</u>	<u>9,574,258</u>	<u>3,581,177</u>
Fund balances - ending	<u>\$ 125,733</u>	<u>\$ 9,609,686</u>	<u>\$ 3,578,043</u>

<u>Fire Services</u>	<u>Fire Impact Fees</u>	<u>Silver Sands / Bethune Beach Municipal Service District</u>	<u>Gemini Springs</u>	<u>Stormwater Utility</u>	<u>Volusia ECHO</u>
\$ 20,113,517	\$ -	\$ 9,925	\$ -	\$ -	\$ 4,628,399
-	-	-	-	-	-
59,360	-	-	-	-	1,178
226,949	-	-	-	-	-
-	-	-	-	-	-
114,462	4,053	56	901	67,125	148,837
-	17,139	-	-	4,557,611	-
93,682	-	-	-	5,214	-
<u>20,607,970</u>	<u>21,192</u>	<u>9,981</u>	<u>901</u>	<u>4,629,950</u>	<u>4,778,414</u>
-	-	-	-	-	-
24,231,617	541,329	-	-	-	-
-	-	-	-	-	-
-	-	14,896	-	3,549,796	-
-	-	-	-	-	-
-	-	-	4,289	-	6,579,618
<u>24,231,617</u>	<u>541,329</u>	<u>14,896</u>	<u>4,289</u>	<u>3,549,796</u>	<u>6,579,618</u>
<u>(3,623,647)</u>	<u>(520,137)</u>	<u>(4,915)</u>	<u>(3,388)</u>	<u>1,080,154</u>	<u>(1,801,204)</u>
-	225,000	3,823	-	-	-
<u>(1,098,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(226,126)</u>	<u>(1,209,295)</u>
<u>(1,098,000)</u>	<u>225,000</u>	<u>3,823</u>	<u>-</u>	<u>(226,126)</u>	<u>(1,209,295)</u>
(4,721,647)	(295,137)	(1,092)	(3,388)	854,028	(3,010,499)
<u>12,565,306</u>	<u>921,376</u>	<u>3,444</u>	<u>98,554</u>	<u>4,693,182</u>	<u>15,741,701</u>
<u>\$ 7,843,659</u>	<u>\$ 626,239</u>	<u>\$ 2,352</u>	<u>\$ 95,166</u>	<u>\$ 5,547,210</u>	<u>\$ 12,731,202</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2012

	Law/Beach Enforcement Trust	Federal Forfeiture Sharing	State Housing Incentive Program (S.H.I.P.)
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenues	-	-	439,856
Charges for services	-	-	85,165
Fines and forfeitures	200,795	188,243	-
Interest revenues	2,936	8,566	4,991
Special assessments/impact fees	-	-	-
Miscellaneous revenues	41,985	-	40
Total revenues	<u>245,716</u>	<u>196,809</u>	<u>530,052</u>
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	540,308	1,500,792	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	493,204
Human services	-	-	83,669
Culture/recreation	-	-	-
Total expenditures	<u>540,308</u>	<u>1,500,792</u>	<u>576,873</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(294,592)</u>	<u>(1,303,983)</u>	<u>(46,821)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(25,000)	-	-
Total other financing sources and (uses)	<u>(25,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(319,592)	(1,303,983)	(46,821)
Fund balances - beginning, restated	<u>405,104</u>	<u>2,047,852</u>	<u>2,983,118</u>
Fund balances - ending	<u>\$ 85,512</u>	<u>\$ 743,869</u>	<u>\$ 2,936,297</u>

<u>Library Endowment</u>	<u>Corrections - Welfare Trust</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 58,361,767
-	-	50,000
-	-	19,701,758
-	-	2,183,706
-	-	820,930
7,045	14,965	835,696
-	-	6,669,192
-	522,503	1,796,881
<u>7,045</u>	<u>537,468</u>	<u>90,419,930</u>
-	-	97,800
-	270,271	29,345,309
-	-	5,545
-	-	5,290,983
-	-	7,219,284
-	-	4,156,537
-	-	28,432,744
<u>-</u>	<u>270,271</u>	<u>74,548,202</u>
<u>7,045</u>	<u>267,197</u>	<u>15,871,728</u>
-	-	4,218,206
<u>(6,189)</u>	<u>-</u>	<u>(31,822,005)</u>
<u>(6,189)</u>	<u>-</u>	<u>(27,603,799)</u>
856	267,197	(11,732,071)
<u>749,333</u>	<u>1,476,091</u>	<u>91,257,185</u>
<u>\$ 750,189</u>	<u>\$ 1,743,288</u>	<u>\$ 79,525,114</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Debt Service Funds
For the Year Ended September 30, 2012

	Limited Tax General Obligation Bonds	Subordinate Lien Sales Tax Revenue Bonds	Sales Tax Refunding Revenue Bonds
REVENUES			
Taxes	\$ 3,399,744	\$ -	\$ -
Intergovernmental revenues	576	-	-
Interest revenues	20,282	33,267	-
Total revenues	<u>3,420,602</u>	<u>33,267</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,320,000	3,900,000	-
Interest and fiscal charges	1,113,908	1,900,343	22,843
Payment to refunded bond escrow agent	-	5,237,340	-
Refunding bond issuance costs	-	36,129	-
Total expenditures	<u>3,433,908</u>	<u>11,073,812</u>	<u>22,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,306)</u>	<u>(11,040,545)</u>	<u>(22,843)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	6,260,545	22,843
Refunding bonds issued	-	4,780,000	-
Total other financing sources and (uses)	<u>-</u>	<u>11,040,545</u>	<u>22,843</u>
Net change in fund balances	(13,306)	-	-
Fund balances - beginning	<u>300,003</u>	<u>634,400</u>	<u>-</u>
Fund balances - ending	<u>\$ 286,697</u>	<u>\$ 634,400</u>	<u>\$ -</u>

Gas Tax Revenue Bonds	Tourist Development Tax Refunding Revenue Bonds	Capital Improvement Revenue and Refunding Bonds	Public Transportation Notes Payable	Installment Purchase Agreements	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,399,744
-	-	-	-	-	576
13,836	13,748	6,100	-	-	87,233
<u>13,836</u>	<u>13,748</u>	<u>6,100</u>	<u>-</u>	<u>-</u>	<u>3,487,553</u>
2,785,000	2,265,000	1,626,000	1,133,139	925,000	14,954,139
2,104,348	2,450,732	178,446	66,861	480,980	8,318,461
-	-	-	-	-	5,237,340
-	-	-	-	-	36,129
<u>4,889,348</u>	<u>4,715,732</u>	<u>1,804,446</u>	<u>1,200,000</u>	<u>1,405,980</u>	<u>28,546,069</u>
<u>(4,875,512)</u>	<u>(4,701,984)</u>	<u>(1,798,346)</u>	<u>(1,200,000)</u>	<u>(1,405,980)</u>	<u>(25,058,516)</u>
4,875,512	4,739,946	1,798,346	1,200,000	1,405,980	20,303,172
-	-	-	-	-	4,780,000
<u>4,875,512</u>	<u>4,739,946</u>	<u>1,798,346</u>	<u>1,200,000</u>	<u>1,405,980</u>	<u>25,083,172</u>
-	37,962	-	-	-	24,656
-	2,716,238	-	-	-	3,650,641
<u>\$ -</u>	<u>\$ 2,754,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,675,297</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
For the Year Ended September 30, 2012

	Ocean Center Expansion	Bond Funded Road Program	Beach
REVENUES			
Intergovernmental revenues	\$ -	\$ -	\$ -
Interest revenues	9,103	250,262	44,929
Miscellaneous revenues	-	-	-
Total revenues	<u>9,103</u>	<u>250,262</u>	<u>44,929</u>
EXPENDITURES			
Capital outlay	41,478	678,839	213,039
Total expenditures	<u>41,478</u>	<u>678,839</u>	<u>213,039</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,375)</u>	<u>(428,577)</u>	<u>(168,110)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	700,000	-	2,056,548
Transfers (out)	-	-	(232,886)
Total other financing sources and (uses)	<u>700,000</u>	<u>-</u>	<u>1,823,662</u>
Net change in fund balances	667,625	(428,577)	1,655,552
Fund balances - beginning	<u>136,043</u>	<u>26,565,596</u>	<u>3,744,768</u>
Fund balances - ending	<u>\$ 803,668</u>	<u>\$ 26,137,019</u>	<u>\$ 5,400,320</u>

<u>Trails</u>	<u>Information Technology</u>	<u>Library Construction</u>	<u>Capital Improvement Projects</u>	<u>Branch Jail Expansion</u>	<u>Parks</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,546
66,106	37,781	24,046	156,400	85,838	19,028
-	-	256,000	1,600	-	-
<u>66,106</u>	<u>37,781</u>	<u>280,046</u>	<u>158,000</u>	<u>85,838</u>	<u>163,574</u>
1,121,982	2,028,809	384,885	10,897,528	205,242	-
<u>1,121,982</u>	<u>2,028,809</u>	<u>384,885</u>	<u>10,897,528</u>	<u>205,242</u>	<u>-</u>
<u>(1,055,876)</u>	<u>(1,991,028)</u>	<u>(104,839)</u>	<u>(10,739,528)</u>	<u>(119,404)</u>	<u>163,574</u>
1,000,000	169,965	-	-	-	-
<u>(510,814)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(236,945)</u>
<u>489,186</u>	<u>169,965</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(236,945)</u>
(566,690)	(1,821,063)	(104,839)	(10,739,528)	(119,404)	(73,371)
<u>7,810,004</u>	<u>5,490,383</u>	<u>2,163,919</u>	<u>20,286,782</u>	<u>10,540,195</u>	<u>2,011,003</u>
<u>\$ 7,243,314</u>	<u>\$ 3,669,320</u>	<u>\$ 2,059,080</u>	<u>\$ 9,547,254</u>	<u>\$ 10,420,791</u>	<u>\$ 1,937,632</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
For the Year Ended September 30, 2012

	<u>800 Mhz System Improvements</u>	<u>Other</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ -	\$ 144,546
Interest revenues	23,653	6,091	723,237
Miscellaneous revenues	-	-	257,600
Total revenues	<u>23,653</u>	<u>6,091</u>	<u>1,125,383</u>
EXPENDITURES			
Capital outlay	1,073,561	77,827	16,723,190
Total expenditures	<u>1,073,561</u>	<u>77,827</u>	<u>16,723,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,049,908)</u>	<u>(71,736)</u>	<u>(15,597,807)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	430,849	-	4,357,362
Transfers (out)	(169,711)	(254)	(1,150,610)
Total other financing sources and (uses)	<u>261,138</u>	<u>(254)</u>	<u>3,206,752</u>
Net change in fund balances	(788,770)	(71,990)	(12,391,055)
Fund balances - beginning	<u>3,901,347</u>	<u>196,936</u>	<u>82,846,976</u>
Fund balances - ending	<u>\$ 3,112,577</u>	<u>\$ 124,946</u>	<u>\$ 70,455,921</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the Year Ended September 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 58,361,767	\$ 3,399,744	\$ -	\$ 61,761,511
Licenses and permits	50,000	-	-	50,000
Intergovernmental revenues	19,701,758	576	144,546	19,846,880
Charges for services	2,183,706	-	-	2,183,706
Fines and forfeitures	820,930	-	-	820,930
Interest revenues	835,696	87,233	723,237	1,646,166
Special assessments/impact fees	6,669,192	-	-	6,669,192
Miscellaneous revenues	1,796,881	-	257,600	2,054,481
Total revenues	90,419,930	3,487,553	1,125,383	95,032,866
EXPENDITURES				
Current:				
General government	97,800	-	-	97,800
Public safety	29,345,309	-	-	29,345,309
Physical environment	5,545	-	-	5,545
Transportation	5,290,983	-	-	5,290,983
Economic environment	7,219,284	-	-	7,219,284
Human services	4,156,537	-	-	4,156,537
Culture/recreation	28,432,744	-	-	28,432,744
Debt service:				
Principal retirement	-	14,954,139	-	14,954,139
Interest and fiscal charges	-	8,318,461	-	8,318,461
Payment to refunded bond escrow agent	-	5,237,340	-	5,237,340
Refunding bond issuance costs	-	36,129	-	36,129
Capital outlay	-	-	16,723,190	16,723,190
Total expenditures	74,548,202	28,546,069	16,723,190	119,817,461
Excess (deficiency) of revenues over (under) expenditures	15,871,728	(25,058,516)	(15,597,807)	(24,784,595)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,218,206	20,303,172	4,357,362	28,878,740
Transfers (out)	(31,822,005)	-	(1,150,610)	(32,972,615)
Refunding bonds issued	-	4,780,000	-	4,780,000
Total other financing sources and (uses)	(27,603,799)	25,083,172	3,206,752	686,125
Net change in fund balances	(11,732,071)	24,656	(12,391,055)	(24,098,470)
Fund balances - beginning, restated	91,257,185	3,650,641	82,846,976	177,754,802
Fund balances - ending	\$ 79,525,114	\$ 3,675,297	\$ 70,455,921	\$ 153,656,332

COUNTY OF VOLUSIA, FLORIDA
Library Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 13,952,220	\$ 13,951,577	\$ (643)
Intergovernmental revenues	354,426	400,441	46,015
Charges for services	165,240	177,432	12,192
Fines and forfeitures	505,000	431,892	(73,108)
Interest revenues	150,000	119,762	(30,238)
Miscellaneous revenues	480,963	485,271	4,308
Total revenues	<u>15,607,849</u>	<u>15,566,375</u>	<u>(41,474)</u>
EXPENDITURES			
Current:			
Culture/recreation	23,901,395	15,873,011	8,028,384
Total expenditures	<u>23,901,395</u>	<u>15,873,011</u>	<u>8,028,384</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,293,546)</u>	<u>(306,636)</u>	<u>7,986,910</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	6,189	(3,811)
Transfers (out)	(304,813)	(304,813)	-
Total other financing sources and (uses)	<u>(294,813)</u>	<u>(298,624)</u>	<u>(3,811)</u>
Net change in fund balances	(8,588,359)	(605,260)	7,983,099
Fund balances - beginning	<u>9,822,424</u>	<u>10,414,270</u>	<u>591,846</u>
Fund balances - ending	<u>\$ 1,234,065</u>	<u>\$ 9,809,010</u>	<u>\$ 8,574,945</u>

COUNTY OF VOLUSIA, FLORIDA
East Volusia Mosquito Control District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 3,472,521	\$ 3,447,927	\$ (24,594)
Intergovernmental revenues	239,896	373,250	133,354
Charges for services	105,000	37,778	(67,222)
Interest revenues	105,817	94,661	(11,156)
Miscellaneous revenues	55,000	64,711	9,711
Total revenues	<u>3,978,234</u>	<u>4,018,327</u>	<u>40,093</u>
EXPENDITURES			
Current:			
Human services	12,168,361	4,072,868	8,095,493
Total expenditures	<u>12,168,361</u>	<u>4,072,868</u>	<u>8,095,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,190,127)</u>	<u>(54,541)</u>	<u>8,135,586</u>
Net change in fund balances	(8,190,127)	(54,541)	8,135,586
Fund balances - beginning	8,562,625	9,088,993	526,368
Fund balances - ending	<u>\$ 372,498</u>	<u>\$ 9,034,452</u>	<u>\$ 8,661,954</u>

COUNTY OF VOLUSIA, FLORIDA
Resort Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 7,347,831	\$ 7,335,535	\$ (12,296)
Interest revenues	2,000	5,426	3,426
Total revenues	<u>7,349,831</u>	<u>7,340,961</u>	<u>(8,870)</u>
EXPENDITURES			
Current:			
General government	97,800	97,800	-
Total expenditures	<u>97,800</u>	<u>97,800</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,252,031</u>	<u>7,243,161</u>	<u>(8,870)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(7,252,031)	(7,243,161)	8,870
Total other financing sources and (uses)	<u>(7,252,031)</u>	<u>(7,243,161)</u>	<u>8,870</u>
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Sales Tax Trust Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 16,011,327	\$ 16,039,983	\$ 28,656
Interest revenues	20,000	10,706	(9,294)
Total revenues	<u>16,031,327</u>	<u>16,050,689</u>	<u>19,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,031,327</u>	<u>16,050,689</u>	<u>19,362</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(16,031,327)</u>	<u>(16,031,327)</u>	<u>-</u>
Total other financing sources and (uses)	<u>(16,031,327)</u>	<u>(16,031,327)</u>	<u>-</u>
Net change in fund balances	-	19,362	19,362
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 19,362</u>	<u>\$ 19,362</u>

COUNTY OF VOLUSIA, FLORIDA
Convention Development Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 7,332,783	\$ 7,334,088	\$ 1,305
Interest revenues	3,284	4,741	1,457
Miscellaneous revenues	185,600	168,244	(17,356)
Total revenues	<u>7,521,667</u>	<u>7,507,073</u>	<u>(14,594)</u>
EXPENDITURES			
Current:			
Economic environment	8,561,486	6,726,080	1,835,406
Total expenditures	<u>8,561,486</u>	<u>6,726,080</u>	<u>1,835,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,039,819)</u>	<u>780,993</u>	<u>1,820,812</u>
Net change in fund balances	(1,039,819)	780,993	1,820,812
Fund balances - beginning	<u>2,227,938</u>	<u>2,227,938</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,188,119</u>	<u>\$ 3,008,931</u>	<u>\$ 1,820,812</u>

COUNTY OF VOLUSIA, FLORIDA
Ponce Inlet Port Authority Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 1,550,068	\$ 1,540,799	\$ (9,269)
Intergovernmental revenues	-	148	148
Charges for services	333,558	387,810	54,252
Interest revenues	106,000	68,289	(37,711)
Total revenues	<u>1,989,626</u>	<u>1,997,046</u>	<u>7,420</u>
EXPENDITURES			
Current:			
Transportation	4,916,590	1,440,228	3,476,362
Culture/recreation	1,912,867	799,400	1,113,467
Total expenditures	<u>6,829,457</u>	<u>2,239,628</u>	<u>4,589,829</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,839,831)</u>	<u>(242,582)</u>	<u>4,597,249</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,713,503)	(1,713,503)	-
Total other financing sources and (uses)	<u>(1,713,503)</u>	<u>(1,713,503)</u>	<u>-</u>
Net change in fund balances	(6,553,334)	(1,956,085)	4,597,249
Fund balances - beginning	<u>6,757,884</u>	<u>8,044,795</u>	<u>1,286,911</u>
Fund balances - ending	<u>\$ 204,550</u>	<u>\$ 6,088,710</u>	<u>\$ 5,884,160</u>

COUNTY OF VOLUSIA, FLORIDA
E-911 Emergency Telephone System Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 2,500,000	\$ 2,387,542	\$ (112,458)
Interest revenues	50,000	29,565	(20,435)
Total revenues	<u>2,550,000</u>	<u>2,417,107</u>	<u>(132,893)</u>
EXPENDITURES			
Current:			
Public safety	5,814,855	2,260,992	3,553,863
Total expenditures	<u>5,814,855</u>	<u>2,260,992</u>	<u>3,553,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,264,855)</u>	<u>156,115</u>	<u>3,420,970</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(775,994)	(775,994)	-
Total other financing sources and (uses)	<u>(775,994)</u>	<u>(775,994)</u>	<u>-</u>
Net change in fund balances	(4,040,849)	(619,879)	3,420,970
Fund balances - beginning	<u>4,040,849</u>	<u>4,537,063</u>	<u>496,214</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 3,917,184</u>	<u>\$ 3,917,184</u>

COUNTY OF VOLUSIA, FLORIDA
Special Lighting Districts Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Special assessments/impact fees	\$ 296,210	\$ 288,404	\$ (7,806)
Total revenues	<u>296,210</u>	<u>288,404</u>	<u>(7,806)</u>
EXPENDITURES			
Current:			
Transportation	303,980	270,541	33,439
Total expenditures	<u>303,980</u>	<u>270,541</u>	<u>33,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,770)</u>	<u>17,863</u>	<u>25,633</u>
Net change in fund balances	(7,770)	17,863	25,633
Fund balances - beginning	<u>7,770</u>	<u>69,229</u>	<u>61,459</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 87,092</u>	<u>\$ 87,092</u>

COUNTY OF VOLUSIA, FLORIDA
Ocean Center Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 1,247,850	\$ 1,268,572	\$ 20,722
Interest revenues	10,000	2,660	(7,340)
Miscellaneous revenues	289,846	413,731	123,885
Total revenues	<u>1,547,696</u>	<u>1,684,963</u>	<u>137,267</u>
EXPENDITURES			
Current:			
Culture/recreation	5,720,121	4,921,639	798,482
Total expenditures	<u>5,720,121</u>	<u>4,921,639</u>	<u>798,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,172,425)</u>	<u>(3,236,676)</u>	<u>935,749</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,871,203	3,783,194	(88,009)
Transfers (out)	<u>(1,355,759)</u>	<u>(1,354,759)</u>	<u>1,000</u>
Total other financing sources and (uses)	<u>2,515,444</u>	<u>2,428,435</u>	<u>(87,009)</u>
Net change in fund balances	<u>(1,656,981)</u>	<u>(808,241)</u>	<u>848,740</u>
Fund balances - beginning	<u>1,656,981</u>	<u>1,950,169</u>	<u>293,188</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,141,928</u>	<u>\$ 1,141,928</u>

COUNTY OF VOLUSIA, FLORIDA
Manatee Conservation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Licenses and permits	\$ 5,000	\$ 50,000	\$ 45,000
Interest revenues	1,200	884	(316)
Total revenues	<u>6,200</u>	<u>50,884</u>	<u>44,684</u>
EXPENDITURES			
Current:			
Physical environment	60,897	5,545	55,352
Total expenditures	<u>60,897</u>	<u>5,545</u>	<u>55,352</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,697)</u>	<u>45,339</u>	<u>100,036</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(33,018)	(3,838)	29,180
Total other financing sources and (uses)	<u>(33,018)</u>	<u>(3,838)</u>	<u>29,180</u>
Net change in fund balances	(87,715)	41,501	129,216
Fund balances - beginning	<u>87,715</u>	<u>84,232</u>	<u>(3,483)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 125,733</u>	<u>\$ 125,733</u>

COUNTY OF VOLUSIA, FLORIDA
Road Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 96,000	\$ 91,158	\$ (4,842)
Special assessments/impact fees	2,623,000	1,788,292	(834,708)
Miscellaneous revenues	-	1,500	1,500
Total revenues	<u>2,719,000</u>	<u>1,880,950</u>	<u>(838,050)</u>
EXPENDITURES			
Current:			
Transportation	10,317,732	15,522	10,302,210
Total expenditures	<u>10,317,732</u>	<u>15,522</u>	<u>10,302,210</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,598,732)</u>	<u>1,865,428</u>	<u>9,464,160</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	70,799	-	(70,799)
Transfers (out)	(1,830,000)	(1,830,000)	-
Total other financing sources and (uses)	<u>(1,759,201)</u>	<u>(1,830,000)</u>	<u>(70,799)</u>
Net change in fund balances	(9,357,933)	35,428	9,393,361
Fund balances - beginning, restated	<u>9,357,933</u>	<u>9,574,258</u>	<u>216,325</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 9,609,686</u>	<u>\$ 9,609,686</u>

COUNTY OF VOLUSIA, FLORIDA
Park Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 40,385	\$ 33,907	\$ (6,478)
Special assessments/impact fees	72,000	17,746	(54,254)
Total revenues	<u>112,385</u>	<u>51,653</u>	<u>(60,732)</u>
EXPENDITURES			
Current:			
Culture/recreation	3,793,416	254,787	3,538,629
Total expenditures	<u>3,793,416</u>	<u>254,787</u>	<u>3,538,629</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,681,031)</u>	<u>(203,134)</u>	<u>3,477,897</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,000	-
Total other financing sources and (uses)	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net change in fund balances	(3,481,031)	(3,134)	3,477,897
Fund balances - beginning	<u>3,481,031</u>	<u>3,581,177</u>	<u>100,146</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 3,578,043</u>	<u>\$ 3,578,043</u>

COUNTY OF VOLUSIA, FLORIDA
Fire Services Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 20,157,896	\$ 20,113,517	\$ (44,379)
Intergovernmental revenues	47,192	59,360	12,168
Charges for services	65,750	226,949	161,199
Interest revenues	195,500	114,462	(81,038)
Miscellaneous revenues	3,050	93,682	90,632
Total revenues	<u>20,469,388</u>	<u>20,607,970</u>	<u>138,582</u>
EXPENDITURES			
Current:			
Public safety	29,420,378	24,231,617	5,188,761
Total expenditures	<u>29,420,378</u>	<u>24,231,617</u>	<u>5,188,761</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,950,990)</u>	<u>(3,623,647)</u>	<u>5,327,343</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,098,000)	(1,098,000)	-
Total other financing sources and (uses)	<u>(1,098,000)</u>	<u>(1,098,000)</u>	<u>-</u>
Net change in fund balances	(10,048,990)	(4,721,647)	5,327,343
Fund balances - beginning	<u>12,078,802</u>	<u>12,565,306</u>	<u>486,504</u>
Fund balances - ending	<u>\$ 2,029,812</u>	<u>\$ 7,843,659</u>	<u>\$ 5,813,847</u>

COUNTY OF VOLUSIA, FLORIDA
Fire Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 2,300	\$ 4,053	\$ 1,753
Special assessments/impact fees	44,000	17,139	(26,861)
Total revenues	<u>46,300</u>	<u>21,192</u>	<u>(25,108)</u>
EXPENDITURES			
Current:			
Public safety	1,111,925	541,329	570,596
Total expenditures	<u>1,111,925</u>	<u>541,329</u>	<u>570,596</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,065,625)</u>	<u>(520,137)</u>	<u>545,488</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	225,000	225,000	-
Total other financing sources and (uses)	<u>225,000</u>	<u>225,000</u>	<u>-</u>
Net change in fund balances	(840,625)	(295,137)	545,488
Fund balances - beginning	<u>840,625</u>	<u>921,376</u>	<u>80,751</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 626,239</u>	<u>\$ 626,239</u>

COUNTY OF VOLUSIA, FLORIDA
Silver Sands / Bethune Beach Municipal Service District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 9,848	\$ 9,925	\$ 77
Interest revenues	64	56	(8)
Total revenues	<u>9,912</u>	<u>9,981</u>	<u>69</u>
EXPENDITURES			
Current:			
Transportation	17,011	14,896	2,115
Total expenditures	<u>17,011</u>	<u>14,896</u>	<u>2,115</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,099)</u>	<u>(4,915)</u>	<u>2,184</u>
OTHER FINANCING SOURCES			
Transfers in	3,823	3,823	-
Total other financing sources and (uses)	<u>3,823</u>	<u>3,823</u>	<u>-</u>
Net change in fund balances	(3,276)	(1,092)	2,184
Fund balances - beginning	<u>3,276</u>	<u>3,444</u>	<u>168</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,352</u>	<u>\$ 2,352</u>

COUNTY OF VOLUSIA, FLORIDA
Gemini Springs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 1,200	\$ 901	\$ (299)
Total revenues	<u>1,200</u>	<u>901</u>	<u>(299)</u>
EXPENDITURES			
Current:			
Culture/recreation	104,747	4,289	100,458
Total Expenditures	<u>104,747</u>	<u>4,289</u>	<u>100,458</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(103,547)</u>	<u>(3,388)</u>	<u>100,159</u>
Net change in fund balances	(103,547)	(3,388)	100,159
Fund balances - beginning	<u>103,547</u>	<u>98,554</u>	<u>(4,993)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 95,166</u>	<u>\$ 95,166</u>

COUNTY OF VOLUSIA, FLORIDA
Stormwater Utility Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 60,000	\$ 67,125	\$ 7,125
Special assessments/impact fees	4,200,000	4,557,611	357,611
Miscellaneous revenues	-	5,214	5,214
Total revenues	<u>4,260,000</u>	<u>4,629,950</u>	<u>369,950</u>
EXPENDITURES			
Current:			
Transportation	8,435,804	3,549,796	4,886,008
Total expenditures	<u>8,435,804</u>	<u>3,549,796</u>	<u>4,886,008</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,175,804)</u>	<u>1,080,154</u>	<u>5,255,958</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(491,665)	(226,126)	265,539
Total other financing sources and (uses)	<u>(491,665)</u>	<u>(226,126)</u>	<u>265,539</u>
Net change in fund balances	(4,667,469)	854,028	5,521,497
Fund balances - beginning	<u>4,667,469</u>	<u>4,693,182</u>	<u>25,713</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 5,547,210</u>	<u>\$ 5,547,210</u>

COUNTY OF VOLUSIA, FLORIDA
Volusia ECHO Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 4,625,322	\$ 4,628,399	\$ 3,077
Intergovernmental revenues	-	1,178	1,178
Interest revenues	194,775	148,837	(45,938)
Total revenues	<u>4,820,097</u>	<u>4,778,414</u>	<u>(41,683)</u>
EXPENDITURES			
Current:			
Culture/recreation	16,351,816	6,579,618	9,772,198
Total expenditures	<u>16,351,816</u>	<u>6,579,618</u>	<u>9,772,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,531,719)</u>	<u>(1,801,204)</u>	<u>9,730,515</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(3,731,152)	(1,209,295)	2,521,857
Total other financing sources and (uses)	<u>(3,731,152)</u>	<u>(1,209,295)</u>	<u>2,521,857</u>
Net change in fund balances	(15,262,871)	(3,010,499)	12,252,372
Fund balances - beginning	<u>15,262,871</u>	<u>15,741,701</u>	<u>478,830</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 12,731,202</u>	<u>\$ 12,731,202</u>

COUNTY OF VOLUSIA, FLORIDA
Law / Beach Enforcement Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ 311,000	\$ 200,795	\$ (110,205)
Interest revenues	13,175	2,936	(10,239)
Miscellaneous revenues	18,000	41,985	23,985
Total revenues	<u>342,175</u>	<u>245,716</u>	<u>(96,459)</u>
EXPENDITURES			
Current:			
Public safety	720,000	540,308	179,692
Total expenditures	<u>720,000</u>	<u>540,308</u>	<u>179,692</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(377,825)</u>	<u>(294,592)</u>	<u>83,233</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(25,000)	(25,000)	-
Total other financing sources and (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net change in fund balances	(402,825)	(319,592)	83,233
Fund balances - beginning	<u>402,825</u>	<u>405,104</u>	<u>2,279</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 85,512</u>	<u>\$ 85,512</u>

COUNTY OF VOLUSIA, FLORIDA
Federal Forfeiture Sharing Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ 500,000	\$ 188,243	\$ (311,757)
Interest revenues	9,100	8,566	(534)
Total revenues	<u>509,100</u>	<u>196,809</u>	<u>(312,291)</u>
EXPENDITURES			
Current:			
Public safety	2,548,510	1,500,792	1,047,718
Total expenditures	<u>2,548,510</u>	<u>1,500,792</u>	<u>1,047,718</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,039,410)</u>	<u>(1,303,983)</u>	<u>735,427</u>
Net change in fund balances	(2,039,410)	(1,303,983)	735,427
Fund balances - beginning	<u>2,039,410</u>	<u>2,047,852</u>	<u>8,442</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 743,869</u>	<u>\$ 743,869</u>

COUNTY OF VOLUSIA, FLORIDA
State Housing Incentive Program (S.H.I.P.) Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 873,311	\$ 439,856	\$ (433,455)
Charges for services	200,000	85,165	(114,835)
Interest revenues	30,000	4,991	(25,009)
Miscellaneous revenues	-	40	40
Total revenues	<u>1,103,311</u>	<u>530,052</u>	<u>(573,259)</u>
EXPENDITURES			
Current:			
Economic environment	1,011,771	493,204	518,567
Human services	91,540	83,669	7,871
Total expenditures	<u>1,103,311</u>	<u>576,873</u>	<u>526,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(46,821)</u>	<u>(46,821)</u>
Net change in fund balances	-	(46,821)	(46,821)
Fund balances - beginning	<u>-</u>	<u>2,983,118</u>	<u>2,983,118</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,936,297</u>	<u>\$ 2,936,297</u>

COUNTY OF VOLUSIA, FLORIDA
Library Endowment Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 9,000	\$ 7,045	\$ (1,955)
Total revenues	<u>9,000</u>	<u>7,045</u>	<u>(1,955)</u>
EXPENDITURES			
Current:			
Culture/recreation	749,538	-	749,538
Total expenditures	<u>749,538</u>	<u>-</u>	<u>749,538</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(740,538)</u>	<u>7,045</u>	<u>747,583</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(10,000)	(6,189)	3,811
Total other financing sources and uses	<u>(10,000)</u>	<u>(6,189)</u>	<u>3,811</u>
Net change in fund balances	(750,538)	856	751,394
Fund balances - beginning	<u>750,538</u>	<u>749,333</u>	<u>(1,205)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 750,189</u>	<u>\$ 750,189</u>

COUNTY OF VOLUSIA, FLORIDA
Corrections - Welfare Trust Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 17,000	\$ 14,965	\$ (2,035)
Miscellaneous revenues	428,500	522,503	94,003
Total revenues	<u>445,500</u>	<u>537,468</u>	<u>91,968</u>
EXPENDITURES			
Current:			
Public safety	1,888,693	270,271	1,618,422
Total expenditures	<u>1,888,693</u>	<u>270,271</u>	<u>1,618,422</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,443,193)</u>	<u>267,197</u>	<u>1,710,390</u>
Net change in fund balances	(1,443,193)	267,197	1,710,390
Fund balances - beginning	<u>1,443,193</u>	<u>1,476,091</u>	<u>32,898</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,743,288</u>	<u>\$ 1,743,288</u>

COUNTY OF VOLUSIA, FLORIDA
Limited Tax General Obligation Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 3,388,049	\$ 3,399,744	\$ 11,695
Intergovernmental revenues	-	576	576
Interest revenues	-	20,282	20,282
Total revenues	<u>3,388,049</u>	<u>3,420,602</u>	<u>32,553</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,320,000	2,320,000	-
Interest and fiscal charges	1,115,369	1,113,908	1,461
Total expenditures	<u>3,435,369</u>	<u>3,433,908</u>	<u>1,461</u>
Excess (deficiency) of revenues (under) expenditures	<u>(47,320)</u>	<u>(13,306)</u>	<u>34,014</u>
Net change in fund balances	(47,320)	(13,306)	34,014
Fund balances - beginning	<u>253,612</u>	<u>300,003</u>	<u>46,391</u>
Fund balances - ending	<u>\$ 206,292</u>	<u>\$ 286,697</u>	<u>\$ 80,405</u>

COUNTY OF VOLUSIA, FLORIDA
Subordinate Lien Sales Tax Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 33,267	\$ 33,267
Total revenues	<u>-</u>	<u>33,267</u>	<u>33,267</u>
EXPENDITURES			
Debt service:			
Principal retirement	3,900,000	3,900,000	-
Interest and fiscal charges	2,058,286	1,900,343	157,943
Payment to refunded bond escrow agent	5,145,000	5,237,340	(92,340)
Refunding bond issuance costs	-	36,129	(36,129)
Total expenditures	<u>11,103,286</u>	<u>11,073,812</u>	<u>29,474</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,103,286)</u>	<u>(11,040,545)</u>	<u>62,741</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,313,286	6,260,545	(52,741)
Refunding bonds issued	4,790,000	4,780,000	(10,000)
Total other financing sources and (uses)	<u>11,103,286</u>	<u>11,040,545</u>	<u>(62,741)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>785,080</u>	<u>634,400</u>	<u>(150,680)</u>
Fund balances - ending	<u>\$ 785,080</u>	<u>\$ 634,400</u>	<u>\$ (150,680)</u>

COUNTY OF VOLUSIA, FLORIDA
Sales Tax Refunding Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
EXPENDITURES			
Debt service:			
Interest and fiscal charges	\$ 22,891	\$ 22,843	\$ 48
Total expenditures	<u>22,891</u>	<u>22,843</u>	<u>48</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,891)</u>	<u>(22,843)</u>	<u>48</u>
 OTHER FINANCING SOURCES (USES)			
Transfers in	22,891	22,843	(48)
Total other financing sources and (uses)	<u>22,891</u>	<u>22,843</u>	<u>(48)</u>
 Net change in fund balances	-	-	-
 Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Gas Tax Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 13,836	\$ 13,836
Total revenues	<u>-</u>	<u>13,836</u>	<u>13,836</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,785,000	2,785,000	-
Interest and fiscal charges	<u>2,105,598</u>	<u>2,104,348</u>	<u>1,250</u>
Total expenditures	<u>4,890,598</u>	<u>4,889,348</u>	<u>1,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,890,598)</u>	<u>(4,875,512)</u>	<u>15,086</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>4,890,598</u>	<u>4,875,512</u>	<u>(15,086)</u>
Total other financing sources and (uses)	<u>4,890,598</u>	<u>4,875,512</u>	<u>(15,086)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Tourist Development Tax Refunding Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 13,748	\$ 13,748
Total revenues	<u>-</u>	<u>13,748</u>	<u>13,748</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,265,000	2,265,000	-
Interest and fiscal charges	2,452,406	2,450,732	1,674
Total expenditures	<u>4,717,406</u>	<u>4,715,732</u>	<u>1,674</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,717,406)</u>	<u>(4,701,984)</u>	<u>15,422</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,660,807	4,739,946	79,139
Total other financing sources and (uses)	<u>4,660,807</u>	<u>4,739,946</u>	<u>79,139</u>
Net change in fund balances	(56,599)	37,962	94,561
Fund balances - beginning	<u>2,732,990</u>	<u>2,716,238</u>	<u>(16,752)</u>
Fund balances - ending	<u>\$ 2,676,391</u>	<u>\$ 2,754,200</u>	<u>\$ 77,809</u>

COUNTY OF VOLUSIA, FLORIDA
Capital Improvement Revenue and Refunding Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 3,999	\$ 6,100	\$ 2,101
Total revenues	<u>3,999</u>	<u>6,100</u>	<u>2,101</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,626,000	1,626,000	-
Interest and fiscal charges	182,446	178,446	4,000
Total expenditures	<u>1,808,446</u>	<u>1,804,446</u>	<u>4,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,804,447)</u>	<u>(1,798,346)</u>	<u>6,101</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,804,447	1,798,346	(6,101)
Total other financing sources and (uses)	<u>1,804,447</u>	<u>1,798,346</u>	<u>(6,101)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Public Transportation Notes Payable Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
EXPENDITURES			
Debt service:			
Principal retirement	\$ 1,064,462	\$ 1,133,139	\$ (68,677)
Interest and fiscal charges	135,538	66,861	68,677
Total expenditures	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Total other financing sources and (uses)	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Installment Purchase Agreements Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
EXPENDITURES			
Debt service:			
Principal retirement	\$ 925,000	\$ 925,000	\$ -
Interest and fiscal charges	484,982	480,980	4,002
Total expenditures	<u>1,409,982</u>	<u>1,405,980</u>	<u>4,002</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,409,982)</u>	<u>(1,405,980)</u>	<u>4,002</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,409,982	1,405,980	(4,002)
Total other financing sources and (uses)	<u>1,409,982</u>	<u>1,405,980</u>	<u>(4,002)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Ocean Center Expansion Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Intergovernmental revenues	\$ 1,119,319	\$ -	\$ 1,119,319	\$ 1,061,524
Interest revenues	7,063,756	9,103	7,072,859	1,500,000
Miscellaneous revenues	7,537	-	7,537	-
Total revenues	<u>8,190,612</u>	<u>9,103</u>	<u>8,199,715</u>	<u>2,561,524</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	1,841,689	-	1,841,689	1,841,689
Capital outlay	82,195,770	41,478	82,237,248	77,975,647
Total expenditures	<u>84,037,459</u>	<u>41,478</u>	<u>84,078,937</u>	<u>79,817,336</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,846,847)</u>	<u>(32,375)</u>	<u>(75,879,222)</u>	<u>(77,255,812)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,357,449	700,000	11,057,449	11,057,449
Issuance of notes/bonds payable	65,451,336	-	65,451,336	66,198,363
Premium on notes/bonds payable	174,105	-	174,105	-
Total other financing sources and (uses)	<u>75,982,890</u>	<u>700,000</u>	<u>76,682,890</u>	<u>77,255,812</u>
Net change in fund balances	<u>\$ 136,043</u>	<u>667,625</u>	<u>\$ 803,668</u>	<u>\$ -</u>
Fund balances - beginning		<u>136,043</u>		
Fund balances - ending		<u>\$ 803,668</u>		

COUNTY OF VOLUSIA, FLORIDA
Bond Funded Road Program Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 10,914,958	\$ 250,262	\$ 11,165,220	\$ 1,980,419
Total revenues	<u>10,914,958</u>	<u>250,262</u>	<u>11,165,220</u>	<u>1,980,419</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	986,561	-	986,561	1,203,156
Capital outlay	49,075,790	678,839	49,754,629	64,955,025
Total expenditures	<u>50,062,351</u>	<u>678,839</u>	<u>50,741,190</u>	<u>66,158,181</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,147,393)</u>	<u>(428,577)</u>	<u>(39,575,970)</u>	<u>(64,177,762)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(837,238)	-	(837,238)	(837,238)
Issuance of notes/bonds payable	64,215,000	-	64,215,000	65,015,000
Premium on notes/bonds payable	2,335,227	-	2,335,227	-
Total other financing sources and (uses)	<u>65,712,989</u>	<u>-</u>	<u>65,712,989</u>	<u>64,177,762</u>
Net change in fund balances	<u>\$ 26,565,596</u>	<u>(428,577)</u>	<u>\$ 26,137,019</u>	<u>\$ -</u>
Fund balances - beginning		<u>26,565,596</u>		
Fund balances - ending		<u>\$ 26,137,019</u>		

COUNTY OF VOLUSIA, FLORIDA
Beach Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Charges for services	\$ 4,515,822	\$ -	\$ 4,515,822	\$ 4,515,460
Interest revenues	1,180,901	44,929	1,225,830	612,656
Miscellaneous revenues	959,895	-	959,895	1,951,129
Total revenues	<u>6,656,618</u>	<u>44,929</u>	<u>6,701,547</u>	<u>7,079,245</u>
EXPENDITURES				
Capital outlay	15,350,631	213,039	15,563,670	21,341,688
Total expenditures	<u>15,350,631</u>	<u>213,039</u>	<u>15,563,670</u>	<u>21,341,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,694,013)</u>	<u>(168,110)</u>	<u>(8,862,123)</u>	<u>(14,262,443)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,160,348	2,056,548	18,216,896	18,216,896
Transfers (out)	(3,721,567)	(232,886)	(3,954,453)	(3,954,453)
Total other financing sources and (uses)	<u>12,438,781</u>	<u>1,823,662</u>	<u>14,262,443</u>	<u>14,262,443</u>
Net change in fund balances	<u>\$ 3,744,768</u>	1,655,552	<u>\$ 5,400,320</u>	<u>\$ -</u>
Fund balances - beginning		<u>3,744,768</u>		
Fund balances - ending		<u>\$ 5,400,320</u>		

COUNTY OF VOLUSIA, FLORIDA
Trails Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 966,132	\$ 66,106	\$ 1,032,238	\$ -
Miscellaneous revenues	84,940	-	84,940	376,750
Total revenues	<u>1,051,072</u>	<u>66,106</u>	<u>1,117,178</u>	<u>376,750</u>
EXPENDITURES				
Capital outlay	5,477,973	1,121,982	6,599,955	13,102,851
Total expenditures	<u>5,477,973</u>	<u>1,121,982</u>	<u>6,599,955</u>	<u>13,102,851</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,426,901)</u>	<u>(1,055,876)</u>	<u>(5,482,777)</u>	<u>(12,726,101)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,359,970	1,000,000	9,359,970	9,359,970
Transfers (out)	(2,583,065)	(510,814)	(3,093,879)	(3,093,869)
Issuance of notes/bonds payable	6,460,000	-	6,460,000	6,460,000
Total other financing sources and (uses)	<u>12,236,905</u>	<u>489,186</u>	<u>12,726,091</u>	<u>12,726,101</u>
Net change in fund balances	<u>\$ 7,810,004</u>	<u>(566,690)</u>	<u>\$ 7,243,314</u>	<u>\$ -</u>
Fund balances - beginning		<u>7,810,004</u>		
Fund balances - ending		<u>\$ 7,243,314</u>		

COUNTY OF VOLUSIA, FLORIDA
Information Technology Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 1,436,989	\$ 37,781	\$ 1,474,770	\$ 731,830
Total revenues	<u>1,436,989</u>	<u>37,781</u>	<u>1,474,770</u>	<u>731,830</u>
EXPENDITURES				
Capital outlay	28,985,052	2,028,809	31,013,861	33,940,241
Total expenditures	<u>28,985,052</u>	<u>2,028,809</u>	<u>31,013,861</u>	<u>33,940,241</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,548,063)</u>	<u>(1,991,028)</u>	<u>(29,539,091)</u>	<u>(33,208,411)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	19,225,446	169,965	19,395,411	19,395,411
Issuance of notes/bonds payable	13,813,000	-	13,813,000	13,813,000
Total other financing sources and (uses)	<u>33,038,446</u>	<u>169,965</u>	<u>33,208,411</u>	<u>33,208,411</u>
Net change in fund balances	<u>\$ 5,490,383</u>	<u>(1,821,063)</u>	<u>\$ 3,669,320</u>	<u>\$ -</u>
Fund balances - beginning		<u>5,490,383</u>		
Fund balances - ending		<u>\$ 3,669,320</u>		

COUNTY OF VOLUSIA, FLORIDA
Library Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 728,895	\$ 24,046	\$ 752,941	\$ -
Miscellaneous revenues	2,000,000	256,000	2,256,000	3,000,000
Total revenues	<u>2,728,895</u>	<u>280,046</u>	<u>3,008,941</u>	<u>3,000,000</u>
EXPENDITURES				
Capital outlay	10,050,596	384,885	10,435,481	12,485,620
Total expenditures	<u>10,050,596</u>	<u>384,885</u>	<u>10,435,481</u>	<u>12,485,620</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,321,701)</u>	<u>(104,839)</u>	<u>(7,426,540)</u>	<u>(9,485,620)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,892,420	-	10,892,420	10,892,420
Transfers (out)	(1,406,800)	-	(1,406,800)	(1,406,800)
Total other financing sources and (uses)	<u>9,485,620</u>	<u>-</u>	<u>9,485,620</u>	<u>9,485,620</u>
Net change in fund balances	<u>\$ 2,163,919</u>	<u>(104,839)</u>	<u>\$ 2,059,080</u>	<u>\$ -</u>
Fund balances - beginning		<u>2,163,919</u>		
Fund balances - ending		<u>\$ 2,059,080</u>		

COUNTY OF VOLUSIA, FLORIDA
Capital Improvement Projects Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Charges for services	\$ 52	\$ -	\$ 52	\$ -
Interest revenues	1,396,805	156,400	1,553,205	-
Miscellaneous revenue	-	1,600	1,600	-
Total revenues	<u>1,396,857</u>	<u>158,000</u>	<u>1,554,857</u>	<u>-</u>
EXPENDITURES				
Capital outlay	<u>3,061,382</u>	<u>10,897,528</u>	<u>13,958,910</u>	<u>21,951,307</u>
Total expenditures	<u>3,061,382</u>	<u>10,897,528</u>	<u>13,958,910</u>	<u>21,951,307</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,664,525)</u>	<u>(10,739,528)</u>	<u>(12,404,053)</u>	<u>(21,951,307)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>21,951,307</u>	<u>-</u>	<u>21,951,307</u>	<u>21,951,307</u>
Total other financing sources and (uses)	<u>21,951,307</u>	<u>-</u>	<u>21,951,307</u>	<u>21,951,307</u>
Net change in fund balances	<u>\$ 20,286,782</u>	<u>(10,739,528)</u>	<u>\$ 9,547,254</u>	<u>\$ -</u>
Fund balances - beginning		<u>20,286,782</u>		
Fund balances - ending		<u>\$ 9,547,254</u>		

COUNTY OF VOLUSIA, FLORIDA
Branch Jail Expansion Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 571,058	\$ 85,838	\$ 656,896	\$ -
Total revenues	<u>571,058</u>	<u>85,838</u>	<u>656,896</u>	<u>-</u>
EXPENDITURES				
Capital outlay	55,866	205,242	261,108	10,025,003
Total expenditures	<u>55,866</u>	<u>205,242</u>	<u>261,108</u>	<u>10,025,003</u>
Excess (deficiency) of revenues over (under) expenditures	<u>515,192</u>	<u>(119,404)</u>	<u>395,788</u>	<u>(10,025,003)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	15,662,559	-	15,662,559	15,662,559
Transfers (out)	(5,637,556)	-	(5,637,556)	(5,637,556)
Total other financing sources and (uses)	<u>10,025,003</u>	<u>-</u>	<u>10,025,003</u>	<u>10,025,003</u>
Net change in fund balances	<u>\$ 10,540,195</u>	<u>(119,404)</u>	<u>\$ 10,420,791</u>	<u>\$ -</u>
Fund balances - beginning		<u>10,540,195</u>		
Fund balances - ending		<u>\$ 10,420,791</u>		

COUNTY OF VOLUSIA, FLORIDA
Parks Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Intergovernmental revenues	\$ 2,416,683	\$ 144,546	\$ 2,561,229	\$ -
Charges for services	3,154	-	3,154	-
Interest revenues	823,078	19,028	842,106	-
Miscellaneous revenues	303,261	-	303,261	-
Total revenues	<u>3,546,176</u>	<u>163,574</u>	<u>3,709,750</u>	<u>-</u>
EXPENDITURES				
Capital outlay	6,337,144	-	6,337,144	4,565,026
Total expenditures	<u>6,337,144</u>	<u>-</u>	<u>6,337,144</u>	<u>4,565,026</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,790,968)</u>	<u>163,574</u>	<u>(2,627,394)</u>	<u>(4,565,026)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,036,944	-	6,036,944	6,036,944
Transfers (out)	(1,234,973)	(236,945)	(1,471,918)	(1,471,918)
Total other financing sources and (uses)	<u>4,801,971</u>	<u>(236,945)</u>	<u>4,565,026</u>	<u>4,565,026</u>
Net change in fund balances	<u>\$ 2,011,003</u>	<u>(73,371)</u>	<u>\$ 1,937,632</u>	<u>\$ -</u>
Fund balances - beginning		<u>2,011,003</u>		
Fund balances - ending		<u>\$ 1,937,632</u>		

COUNTY OF VOLUSIA, FLORIDA
800 Mhz System Improvements Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 935,402	\$ 23,653	\$ 959,055	\$ -
Miscellaneous revenues	1,747	-	1,747	-
Total revenues	<u>937,149</u>	<u>23,653</u>	<u>960,802</u>	<u>-</u>
EXPENDITURES				
Capital outlay	8,767,629	1,073,561	-	11,992,965
Total expenditures	<u>8,767,629</u>	<u>1,073,561</u>	<u>-</u>	<u>11,992,965</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,830,480)</u>	<u>(1,049,908)</u>	<u>960,802</u>	<u>(11,992,965)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	15,213,327	430,849	15,644,176	15,644,176
Transfers (out)	<u>(3,481,500)</u>	<u>(169,711)</u>	<u>(3,651,211)</u>	<u>(3,651,211)</u>
Total other financing sources and (uses)	<u>11,731,827</u>	<u>261,138</u>	<u>11,992,965</u>	<u>11,992,965</u>
Net change in fund balances	<u>\$ 3,901,347</u>	<u>(788,770)</u>	<u>\$ 3,112,577</u>	<u>\$ -</u>
Fund balances - beginning		<u>3,901,347</u>		
Fund balances - ending		<u>\$ 3,112,577</u>		

COUNTY OF VOLUSIA, FLORIDA
Other Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2012

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 201,623	\$ 6,091	\$ 207,714	\$ 177,075
Miscellaneous revenues	-	-	-	5,947
Total revenues	<u>201,623</u>	<u>6,091</u>	<u>207,714</u>	<u>183,022</u>
EXPENDITURES				
Capital outlay	2,659,687	77,827	2,737,514	2,838,022
Total expenditures	<u>2,659,687</u>	<u>77,827</u>	<u>2,737,514</u>	<u>2,838,022</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,458,064)</u>	<u>(71,736)</u>	<u>(2,529,800)</u>	<u>(2,655,000)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(254)	(254)	-
Issuance of notes/bonds payable	2,655,000	-	2,655,000	2,655,000
Total other financing sources and (uses)	<u>2,655,000</u>	<u>(254)</u>	<u>2,654,746</u>	<u>2,655,000</u>
Net change in fund balances	<u>\$ 196,936</u>	<u>(71,990)</u>	<u>\$ 124,946</u>	<u>\$ -</u>
Fund balances - beginning		<u>196,936</u>		
Fund balances - ending		<u>\$ 124,946</u>		



Volusia County
FLORIDA

INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods or services provided by one department or division to other departments or divisions of the County, or to other governmental units, on a cost reimbursement basis.

Computer Replacement

The Computer Replacement Fund accounts for the fiscal activity related to replacing and maintaining the County's computer workstations.

Vehicle Maintenance

The Vehicle Maintenance Fund accounts for the fiscal activity related to maintaining and replacing the County's automotive and heavy equipment.

Insurance

The Insurance Fund accounts for the fiscal activity related to the County's self-insurance and risk management programs.

Employee Group Insurance

The Employee Group Insurance Fund accounts for the fiscal activity related to a self-funded group health insurance plan provided to County employees.

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Net Position
September 30, 2012

	Computer Replacement	Vehicle Maintenance	Insurance
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 3,575,825	\$ 5,694,454	\$ 24,216,618
Receivables:			
Accounts - net	-	-	586,136
Due from other governments	-	82,622	-
Inventories	-	430,201	-
Prepaid items	-	-	1,442,321
Total current assets	3,575,825	6,207,277	26,245,075
Noncurrent assets:			
Capital assets:			
Buildings	-	1,915,516	-
Improvements other than buildings	-	458,733	-
Equipment	3,240,241	23,305,297	131,436
Intangibles	-	-	372,798
Less accumulated depreciation	(1,944,570)	(13,636,519)	(111,780)
Total capital assets (net of accumulated depreciation)	1,295,671	12,043,027	392,454
Total noncurrent assets	1,295,671	12,043,027	392,454
Total assets	4,871,496	18,250,304	26,637,529
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	-	1,187,439	56,285
Compensated absences payable	-	134,124	27,057
Estimated claims payable	-	-	3,031,859
Total current liabilities	-	1,321,563	3,115,201
Noncurrent liabilities:			
Compensated absences payable	-	359,160	72,452
Estimated claims payable	-	-	8,637,886
Net OPEB obligation	-	-	-
Total noncurrent liabilities	-	359,160	8,710,338
Total liabilities	-	1,680,723	11,825,539
NET POSITION			
Net investment in capital assets	1,295,671	12,043,027	392,454
Unrestricted	3,575,825	4,526,554	14,419,536
Total net position	\$ 4,871,496	\$ 16,569,581	\$ 14,811,990

Employee Group Insurance	Total
\$ 33,719,936	\$ 67,206,833
-	586,136
-	82,622
-	430,201
-	1,442,321
<u>33,719,936</u>	<u>69,748,113</u>
-	1,915,516
-	458,733
-	26,676,974
-	372,798
-	(15,692,869)
<u>-</u>	<u>13,731,152</u>
<u>-</u>	<u>13,731,152</u>
<u>33,719,936</u>	<u>83,479,265</u>
57,280	1,301,004
4,107	165,288
<u>3,703,000</u>	<u>6,734,859</u>
<u>3,764,387</u>	<u>8,201,151</u>
10,998	442,610
-	8,637,886
<u>15,672,606</u>	<u>15,672,606</u>
<u>15,683,604</u>	<u>24,753,102</u>
<u>19,447,991</u>	<u>32,954,253</u>
-	13,731,152
<u>14,271,945</u>	<u>36,793,860</u>
<u>\$ 14,271,945</u>	<u>\$ 50,525,012</u>

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2012

	Computer Replacement	Vehicle Maintenance	Insurance
Operating Revenues:			
Charges for services	\$ 1,067,721	\$ 17,880,955	\$ 9,786,297
Miscellaneous revenues	-	47,496	3,217
Total operating revenues	<u>1,067,721</u>	<u>17,928,451</u>	<u>9,789,514</u>
Operating Expenses:			
Personal services	-	2,991,264	806,454
Contracted services	-	185,205	771,658
Supplies and materials	-	7,344,527	7,810
Repairs and maintenance	-	3,704,443	18,147
Utilities	-	43,498	-
Other services and charges	-	145,058	3,526,667
Depreciation	739,689	1,890,515	10,579
Claims and other accrued expenses	-	-	3,827,344
Total operating expenses	<u>739,689</u>	<u>16,304,510</u>	<u>8,968,659</u>
Operating income (loss)	<u>328,032</u>	<u>1,623,941</u>	<u>820,855</u>
Nonoperating Revenues (Expenses):			
Interest revenues	35,922	57,714	234,448
Net gain (loss) on disposal of capital assets	(1,640)	83,024	-
Miscellaneous revenues	-	26,026	-
Total nonoperating revenues (expenses)	<u>34,282</u>	<u>166,764</u>	<u>234,448</u>
Income (loss) before contributions and transfers	362,314	1,790,705	1,055,303
Capital contributions	-	2,020	-
Transfers in	-	873,000	-
Transfers (out)	-	-	(1,000,000)
Change in net position	<u>362,314</u>	<u>2,665,725</u>	<u>55,303</u>
Total net position - beginning	<u>4,509,182</u>	<u>13,903,856</u>	<u>14,756,687</u>
Total net position - ending	<u>\$ 4,871,496</u>	<u>\$ 16,569,581</u>	<u>\$ 14,811,990</u>

Employee Group Insurance	Total
\$ 32,306,066	\$ 61,041,039
95,025	145,738
32,401,091	61,186,777
71,886	3,869,604
834,774	1,791,637
43	7,352,380
-	3,722,590
-	43,498
6,216	3,677,941
-	2,640,783
34,852,345	38,679,689
35,765,264	61,778,122
(3,364,173)	(591,345)
362,048	690,132
-	81,384
-	26,026
362,048	797,542
(3,002,125)	206,197
-	2,020
-	873,000
-	(1,000,000)
(3,002,125)	81,217
17,274,070	50,443,795
\$ 14,271,945	\$ 50,525,012

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2012

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 1,067,721	\$ 17,858,604
Payments to suppliers	-	(10,921,008)
Payments to employees	-	(2,954,298)
Other operating revenue	-	47,496
Net cash provided by operating activities	<u>1,067,721</u>	<u>4,030,794</u>
Cash Flows from Noncapital Financing Activities		
Transfers to other funds	-	-
Transfers from other funds	-	873,000
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>873,000</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(270,177)	(4,055,253)
Proceeds from sale of capital assets	54	99,867
Net cash (used) by capital and related financing activities	<u>(270,123)</u>	<u>(3,955,386)</u>
Cash Flows from Investing Activities		
Interest revenues	35,922	57,714
Net cash provided by investing activities	<u>35,922</u>	<u>57,714</u>
Net increase (decrease) in cash and cash equivalents	833,520	1,006,122
Cash and cash equivalents at beginning of year	<u>2,742,305</u>	<u>4,688,332</u>
Cash and cash equivalents at end of year	<u>\$ 3,575,825</u>	<u>\$ 5,694,454</u>

<u>Insurance</u>	<u>Employee Group Insurance</u>	<u>Total</u>
\$ 9,983,970	\$ 32,306,066	\$ 61,216,361
(7,407,065)	(32,073,105)	(50,401,178)
(834,446)	(70,821)	(3,859,565)
3,217	95,025	145,738
<u>1,745,676</u>	<u>257,165</u>	<u>7,101,356</u>
(1,000,000)	-	(1,000,000)
-	-	873,000
<u>(1,000,000)</u>	<u>-</u>	<u>(127,000)</u>
(10,815)	-	(4,336,245)
-	-	99,921
<u>(10,815)</u>	<u>-</u>	<u>(4,236,324)</u>
234,448	362,048	690,132
<u>234,448</u>	<u>362,048</u>	<u>690,132</u>
969,309	619,213	3,428,164
<u>23,247,309</u>	<u>33,100,723</u>	<u>63,778,669</u>
<u>\$ 24,216,618</u>	<u>\$ 33,719,936</u>	<u>\$ 67,206,833</u>

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2012

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>
Reconciliation of Operating Income to			
Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	<u>\$ 328,032</u>	<u>\$ 1,623,941</u>	<u>\$ 820,855</u>
Depreciation	739,689	1,890,515	10,579
Change in assets and liabilities:			
Decrease in accounts receivable	-	-	197,673
(Increase) in due from other governments	-	(22,351)	-
Decrease in inventories	-	63,205	-
(Increase) in prepaid items	-	-	(141,946)
Increase in accounts and contracts payable	-	438,518	28,564
Increase in due to other governments	-	-	12,991
Increase (decrease) in compensated absences payable	-	36,966	(27,992)
Increase in estimated claims payable	-	-	844,952
Increase in net OPEB obligation	-	-	-
Total adjustments	<u>739,689</u>	<u>2,406,853</u>	<u>924,821</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,067,721</u></u>	<u><u>\$ 4,030,794</u></u>	<u><u>\$ 1,745,676</u></u>
Noncash Investing, Capital, and Financing Activities:			
Contributions of capital assets from other sources	\$ -	\$ 2,020	\$ -
Contributions of non-capital assets from other sources	-	26,026	-
Capital asset purchases on account	-	264,131	-

<u>Employee Group Insurance</u>	<u>Total</u>
\$ (3,364,173)	\$ (591,345)
-	2,640,783
-	197,673
-	(22,351)
-	63,205
-	(141,946)
57,280	524,362
-	12,991
1,065	10,039
836,000	1,680,952
<u>2,726,993</u>	<u>2,726,993</u>
<u>3,621,338</u>	<u>7,692,701</u>
<u>\$ 257,165</u>	<u>\$ 7,101,356</u>

\$ -	\$ 2,020
-	26,026
-	264,131



Volusia County
FLORIDA

AGENCY FUNDS

Agency Funds are used to report resources held by the County in a purely custodial capacity. Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Inmate Trust

The Inmate Trust Fund accounts for funds held by the County on behalf of prison inmates.

General Trust

The General Trust Fund accounts for various funds held by the County acting in an agency capacity, for individuals, private organizations, or other governmental units.

Impact Fee – Other Governments

The Impact Fee – Other Governments Fund accounts for the collection and distribution of impact fees on behalf of the Volusia County School Board and the City of DeBary.

Stone Island Utility

The Stone Island Utility Fund accounts for the fiscal activities of water and sewer plants and distribution systems located in the Stone Island area of the County. The County has been declared the temporary receiver of this utility by the court, which will make a decision as to a permanent owner of the utility at a later date.

State of Florida Agency Funds

The State of Florida Agency Funds accounts for the collection and distribution of various fees on behalf of the State of Florida.

Sheriff's Civil

The Sheriff's Civil Fund accounts for funds collected for statutory civil fees, enforceable trust deposits, civil standby fees and miscellaneous fees. Statutory civil fees received include enforceable and non-enforceable writs, summons and subpoenas. Enforceable trust deposits include cost deposits and purge payments.

Tax Collector's Transfer

The Tax Collector's Transfer Fund accounts for the collection and distribution of ad valorem taxes and occupational licenses on behalf of other governmental units and taxing authorities.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

	Balance September 30, 2011	Additions	Deductions	Balance September 30, 2012
Inmate Trust				
Assets:				
Equity in pooled cash and investments	\$ 106,928	\$ 2,439,688	\$ 2,428,246	\$ 118,370
Liabilities:				
Deposits	106,928	2,439,688	2,428,246	118,370
General Trust				
Assets:				
Equity in pooled cash and investments	736,595	644,218	832,818	547,995
Special assessment receivable	65,368	-	10,187	55,181
Special assessment interest receivable	27,780	4,891	4,788	27,883
Total assets	829,743	649,109	847,793	631,059
Liabilities:				
Accounts and contracts payable	-	222,799	222,799	-
Due to other governments	111,473	18,761	28,298	101,936
Deposits	718,270	407,549	596,696	529,123
Total liabilities	829,743	649,109	847,793	631,059
Impact Fee - Other Governments				
Assets:				
Equity in pooled cash and investments	483,174	4,581,110	4,560,045	504,239
Liabilities:				
Due to other governments	483,174	4,581,110	4,560,045	504,239
Stone Island Utility				
Assets:				
Equity in pooled cash and investments	945	172,837	172,530	1,252
Liabilities:				
Deposits	945	172,837	172,530	1,252
State of Florida Agency Funds				
Assets:				
Equity in pooled cash and investments	1,150,772	46,979,020	46,986,764	1,143,028
Liabilities:				
Due to other governments	1,150,772	46,979,020	46,986,764	1,143,028

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

	Balance September 30, 2011	Additions	Deductions	Balance September 30, 2012
Sheriff's Civil				
Assets:				
Equity in pooled cash and investments	22,328	685,586	677,247	30,667
Liabilities:				
Accounts Payable	-	229,506	222,462	7,044
Deposits	22,328	456,080	454,785	23,623
Total liabilities	22,328	685,586	677,247	30,667
Tax Collector's Transfer				
Assets:				
Equity in pooled cash and investments	7,425,150	438,360,012	438,235,514	7,549,648
Accounts receivable	88,905	32,786,877	32,707,561	168,221
Due from other governments	870	25,023	870	25,023
Total assets	7,514,925	471,171,912	470,943,945	7,742,892
Liabilities:				
Accounts and contracts payable	-	2,273	-	2,273
Due to other governments	7,514,925	471,169,639	470,943,945	7,740,619
Total liabilities	7,514,925	471,171,912	470,943,945	7,742,892
Totals - All Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 9,925,892	\$ 493,862,471	\$ 493,893,164	\$ 9,895,199
Accounts receivable	88,905	32,786,877	32,707,561	168,221
Special assessment receivable	65,368	-	10,187	55,181
Special assessment interest receivable	27,780	4,891	4,788	27,883
Due from other governments	870	25,023	870	25,023
Total assets	\$ 10,108,815	\$ 526,679,262	\$ 526,616,570	\$ 10,171,507
Liabilities:				
Accounts and contracts payable	\$ -	\$ 454,578	\$ 445,261	\$ 9,317
Due to other governments	9,260,344	522,748,530	522,519,052	9,489,822
Deposits	848,471	3,476,154	3,652,257	672,368
Total liabilities	\$ 10,108,815	\$ 526,679,262	\$ 526,616,570	\$ 10,171,507

STATISTICAL SECTION

STATISTICAL SECTION

This section of the County of Volusia, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends	196
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	206
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	212
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	220
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	224
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

**SCHEDULE 1
COUNTY OF VOLUSIA, FLORIDA
PRIMARY GOVERNMENT NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Governmental Activities				
Net investment in capital assets	\$ -	\$ 509,847,280	\$ 463,237,238	\$ 435,198,853
Restricted for:				
Law enforcement and fire safety	114,582	20,446,939	6,700,394	6,967,647
Conservation programs	60,474,657	77,657	35,792,673	31,436,444
Transportation related construction maintenance	9,592,442	55,280,943	57,599,465	56,923,705
Social services and community development programs	39,094,459	9,767,387	8,329,608	-
Library, parks, and tourism programs	15,439,436	41,489,975	6,673,882	5,798,319
Debt service principal and interest	-	15,401,791	12,705,320	14,391,535
Capital projects	-	-	9,819,305	12,046,937
Other purposes	101,556,388	5,514,732	5,262,960	12,594,847
Unrestricted	<u>775,070,756</u>	<u>125,899,036</u>	<u>168,625,727</u>	<u>156,172,093</u>
Governmental Activities Net Position	<u>\$ 1,001,342,720</u>	<u>\$ 783,725,740</u>	<u>\$ 774,746,572</u>	<u>\$ 731,530,380</u>
Business-type Activities				
Net investment in capital assets	\$ -	\$ 172,389,706	\$ 158,488,441	\$ 158,318,044
Restricted for:				
Debt service	1,589,698	3,891,844	3,761,844	3,474,326
Passenger facility charges program	850,000	1,583,267	1,576,045	1,511,311
Land purchase	-	-	-	-
Equipment replacement	1,437,543	850,000	850,000	850,000
Maintenance and operations	-	1,398,390	1,575,594	1,641,211
Unrestricted	<u>205,263,395</u>	<u>23,717,269</u>	<u>23,053,251</u>	<u>18,199,779</u>
Business-type Net Position	<u>\$ 209,140,636</u>	<u>\$ 203,830,476</u>	<u>\$ 189,305,175</u>	<u>\$ 183,994,671</u>
Primary Government				
Net investment in capital assets	\$ -	\$ 682,236,986	\$ 621,725,679	\$ 593,516,897
Restricted for:				
Law enforcement and fire safety	114,582	20,446,939	6,700,394	6,967,647
Conservation programs	60,474,657	77,657	35,792,673	31,436,444
Transportation related construction maintenance	9,592,442	55,280,943	57,599,465	56,923,705
Social services and community development programs	39,094,459	9,767,387	8,329,608	-
Library, parks, and tourism programs	15,439,436	41,489,975	6,673,882	5,798,319
Debt service principal and interest	1,589,698	19,293,635	16,467,164	17,865,861
Capital projects	-	-	9,819,305	12,046,937
Passenger facility charges program	850,000	1,583,267	1,576,045	1,511,311
Land purchase	-	-	-	-
Equipment replacement	1,437,543	850,000	850,000	850,000
Maintenance and operations	-	1,398,390	1,575,594	1,641,211
Other purposes	101,556,388	5,514,732	5,262,960	12,594,847
Unrestricted	<u>980,334,151</u>	<u>149,616,305</u>	<u>191,678,978</u>	<u>174,371,872</u>
Total Primary Government Net Position	<u>\$ 1,210,483,356</u>	<u>\$ 987,556,216</u>	<u>\$ 964,051,747</u>	<u>\$ 915,525,051</u>

Note: This schedule reports financial information using the accrual basis of accounting

Source: County of Volusia, Financial and Administrative Services

<u>Fiscal Year</u> <u>2008</u>	<u>Fiscal Year</u> <u>2007</u>	<u>Fiscal Year</u> <u>2006</u>	<u>Fiscal Year</u> <u>2005</u>	<u>Fiscal Year</u> <u>2004</u>	<u>Fiscal Year</u> <u>2003</u>
\$ 406,810,610	\$ 375,461,228	\$ 322,890,595	\$ 292,915,827	\$ 270,913,433	\$ 262,277,338
5,411,176	4,257,892	3,758,545	3,162,111	3,496,778	3,786,809
31,388,201	30,628,358	23,104,563	18,357,883	9,289,724	7,800,149
51,259,416	45,703,200	45,353,839	42,492,379	44,476,754	33,354,158
-	-	-	-	-	-
5,140,729	5,931,460	6,771,239	6,849,834	6,841,386	5,591,414
12,691,660	11,992,237	11,534,752	9,468,966	8,418,646	12,771,290
5,217,022	10,498,597	17,155,503	12,567,604	11,906,725	8,472,956
10,166,245	9,730,719	8,025,256	9,496,463	5,823,136	6,080,240
141,179,375	125,258,392	95,575,381	66,517,008	44,508,710	29,098,221
<u>\$ 669,264,434</u>	<u>\$ 619,462,083</u>	<u>\$ 534,169,673</u>	<u>\$ 461,828,075</u>	<u>\$ 405,675,292</u>	<u>\$ 369,232,575</u>
\$ 151,210,354	\$ 146,738,251	\$ 136,946,061	\$ 118,841,502	\$ 110,811,202	\$ 105,200,814
3,344,969	3,226,190	3,107,972	7,101,057	6,991,581	6,579,947
1,510,260	1,571,169	1,532,154	6,290,829	5,359,335	4,518,167
-	-	-	1,991,411	1,991,411	1,991,411
850,000	350,000	350,000	350,000	350,000	350,000
1,611,133	1,631,146	1,342,980	1,258,751	1,330,756	1,183,953
30,714,116	31,810,241	40,327,853	23,204,000	21,610,672	17,555,040
<u>\$ 189,240,832</u>	<u>\$ 185,326,997</u>	<u>\$ 183,607,020</u>	<u>\$ 159,037,550</u>	<u>\$ 148,444,957</u>	<u>\$ 137,379,332</u>
\$ 558,020,964	\$ 522,199,479	\$ 459,836,656	\$ 411,757,329	\$ 381,724,635	\$ 367,478,152
5,411,176	4,257,892	3,758,545	3,162,111	3,496,778	3,786,809
31,388,201	30,628,358	23,104,563	18,357,883	9,289,724	7,800,149
51,259,416	45,703,200	45,353,839	42,492,379	44,476,754	33,354,158
-	-	-	-	-	-
5,140,729	5,931,460	6,771,239	6,849,834	6,841,386	5,591,414
16,036,629	15,218,427	14,642,724	16,570,023	15,410,227	19,351,237
5,217,022	10,498,597	17,155,503	12,567,604	11,906,725	8,472,956
1,510,260	1,571,169	1,532,154	6,290,829	5,359,335	4,518,167
-	-	-	1,991,411	1,991,411	1,991,411
850,000	350,000	350,000	350,000	350,000	350,000
1,611,133	1,631,146	1,342,980	1,258,751	1,330,756	1,183,953
10,166,245	9,730,719	8,025,256	9,496,463	5,823,136	6,080,240
171,893,491	157,068,633	135,903,234	89,721,008	66,119,382	46,653,261
<u>\$ 858,505,266</u>	<u>\$ 804,789,080</u>	<u>\$ 717,776,693</u>	<u>\$ 620,865,625</u>	<u>\$ 554,120,249</u>	<u>\$ 506,611,907</u>

**SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Expenses				
Governmental Activities				
General government	\$ 58,564,506	\$ 59,471,178	\$ 68,474,891	\$ 66,181,105
Public safety	156,218,093	138,420,443	138,711,417	142,200,482
Physical environment	7,251,235	4,755,602	6,623,263	6,508,365
Transportation	32,463,478	34,966,084	28,992,740	28,633,671
Economic environment	18,893,276	17,121,483	20,469,936	19,973,864
Human services	22,776,251	22,262,198	22,913,545	20,750,157
Culture/recreation	51,169,466	46,672,687	51,613,063	52,581,962
Payments to component units	-	-	-	-
Interest on long-term debt	8,353,382	9,293,008	9,653,950	10,232,969
Total governmental activities expenses	<u>355,689,687</u>	<u>332,962,683</u>	<u>347,452,805</u>	<u>347,062,575</u>
Business-type Activities				
Refuse disposal	12,566,636	14,301,386	15,382,143	20,022,046
Daytona Beach International Airport	15,458,041	14,870,531	15,298,781	15,952,429
Volusia Transportation Authority	23,359,216	27,520,764	21,936,449	20,511,281
Water and sewer utilities	12,222,990	12,324,243	12,035,452	12,354,869
Parking garage	2,155,379	2,112,649	2,115,123	2,303,761
Garbage collection	7,692,793	7,034,130	7,042,577	7,026,079
Total business-type activities expenses	<u>73,455,055</u>	<u>78,163,703</u>	<u>73,810,525</u>	<u>78,170,465</u>
Total primary government expenses	<u>\$ 429,144,742</u>	<u>\$ 411,126,386</u>	<u>\$ 421,263,330</u>	<u>\$ 425,233,040</u>
Program Revenues				
Governmental Activities				
Charges for services:				
General government	\$ 11,597,655	\$ 12,351,788	\$ 13,343,619	\$ 13,820,164
Public safety	32,203,052	20,758,090	20,717,027	21,205,555
Physical environment	294,934	583,482	596,465	5,122,650
Transportation	5,667,905	6,066,988	5,613,379	2,073,765
Economic environment	1,822,252	1,229,006	512,897	385,305
Human services	340,338	381,997	615,021	1,277,072
Culture/recreation	6,869,212	7,221,609	6,827,531	6,635,285
Operating grants and contributions	28,669,063	26,978,909	30,108,237	27,608,244
Capital grants and contributions	4,360,020	12,840,617	16,535,782	26,322,290
Total governmental activities program revenues	<u>91,824,431</u>	<u>88,412,486</u>	<u>94,869,958</u>	<u>104,450,330</u>
Business-type Activities				
Charges for services:				
Refuse disposal	13,119,871	12,864,348	13,679,763	15,662,243
Daytona Beach International Airport	10,074,360	9,657,573	8,837,966	8,422,591
Volusia Transportation Authority	3,234,735	3,280,502	3,215,803	3,123,768
Water and sewer utilities	14,175,136	12,642,705	12,597,332	11,527,237
Parking garage	2,389,183	2,305,237	2,267,595	2,023,642
Garbage collection	8,464,976	8,383,299	8,377,968	6,026,019
Operating grants and contributions	9,342,500	10,363,546	9,469,186	8,720,566
Capital grants and contributions	6,420,936	19,814,949	11,217,672	6,089,166
Total business-type activities program revenues	<u>67,221,697</u>	<u>79,312,159</u>	<u>69,663,285</u>	<u>61,595,232</u>
Total primary government program revenues	<u>\$ 159,046,128</u>	<u>\$ 167,724,645</u>	<u>\$ 164,533,243</u>	<u>\$ 166,045,562</u>
Net (expense)/revenue				
Governmental activities	\$ (263,865,256)	\$ (244,550,197)	\$ (252,582,847)	\$ (242,612,245)
Business-type activities	(6,233,358)	1,148,456	(4,147,240)	(16,575,233)
Total primary governmental net (expense)	<u>\$ (270,098,614)</u>	<u>\$ (243,401,741)</u>	<u>\$ (256,730,087)</u>	<u>\$ (259,187,478)</u>

<u>Fiscal Year 2008</u>	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2003</u>
\$ 65,706,978	\$ 70,228,570	\$ 63,570,846	\$ 58,773,973	\$ 60,201,162	\$ 52,409,065
141,825,138	138,869,352	140,169,412	126,272,315	118,220,075	89,117,559
4,844,235	4,788,992	5,294,803	5,906,176	7,064,094	3,494,932
32,280,300	28,270,664	34,706,556	37,312,003	32,057,217	33,352,585
24,765,595	22,771,836	24,962,203	19,846,710	19,370,815	19,480,920
21,539,157	22,402,203	19,002,622	19,077,825	19,300,232	17,292,510
48,117,236	48,458,527	47,169,456	41,629,072	35,145,161	36,754,899
-	-	-	-	-	3,853,893
10,234,858	11,886,552	11,947,707	10,161,557	6,112,983	5,633,890
<u>349,313,497</u>	<u>347,676,696</u>	<u>346,823,605</u>	<u>318,979,631</u>	<u>297,471,739</u>	<u>261,390,253</u>
16,806,398	17,984,653	14,222,458	15,249,106	14,980,309	14,800,016
16,517,443	16,174,175	15,343,982	15,312,142	14,607,474	14,614,962
21,420,408	22,396,148	19,821,457	19,181,600	17,093,796	16,746,195
12,127,737	11,076,104	10,551,462	9,869,034	9,204,723	9,540,476
2,333,966	-	-	-	-	-
6,839,157	6,604,343	6,568,672	4,736,623	5,043,940	4,986,474
<u>76,045,109</u>	<u>74,235,423</u>	<u>66,508,031</u>	<u>64,348,505</u>	<u>60,930,242</u>	<u>60,688,123</u>
<u>\$ 425,358,606</u>	<u>\$ 421,912,119</u>	<u>\$ 413,331,636</u>	<u>\$ 383,328,136</u>	<u>\$ 358,401,981</u>	<u>\$ 322,078,376</u>
\$ 14,965,646	\$ 17,109,033	\$ 17,309,649	\$ 15,804,196	\$ 13,249,681	\$ 12,648,255
22,030,802	18,687,290	19,035,383	18,144,615	15,977,935	14,510,712
5,392,455	5,058,992	4,996,137	2,295,812	2,637,816	2,907,130
1,840,607	2,226,950	3,123,122	2,374,845	2,394,390	10,232,917
327,139	293,284	610,191	886,464	593,520	775,065
1,284,408	1,648,997	2,676,678	2,432,288	1,727,478	700,203
6,100,676	6,119,464	5,551,850	5,364,969	6,270,178	7,128,358
30,682,179	29,950,519	25,163,448	34,604,270	43,020,783	20,924,034
21,059,366	25,518,670	34,278,269	27,323,066	17,193,699	9,560,273
<u>103,683,278</u>	<u>106,613,199</u>	<u>112,744,727</u>	<u>109,230,525</u>	<u>103,065,480</u>	<u>79,386,947</u>
17,755,422	19,068,791	19,028,068	18,976,470	20,255,568	17,539,438
9,316,359	8,868,233	8,249,735	8,473,386	8,472,115	7,608,383
3,871,781	4,964,817	4,360,059	2,367,802	2,310,667	2,174,343
11,718,440	12,177,352	12,050,591	10,245,259	10,468,073	9,296,508
2,037,245	-	-	-	-	-
6,259,355	5,860,701	5,818,616	5,559,368	4,530,789	4,412,547
6,906,691	8,435,992	8,047,720	10,602,513	9,224,015	8,276,511
10,698,278	12,380,427	21,168,331	8,605,661	8,866,409	12,705,270
<u>68,563,571</u>	<u>71,756,313</u>	<u>78,723,120</u>	<u>64,830,459</u>	<u>64,127,636</u>	<u>62,013,000</u>
<u>\$ 172,246,849</u>	<u>\$ 178,369,512</u>	<u>\$ 191,467,847</u>	<u>\$ 174,060,984</u>	<u>\$ 167,193,116</u>	<u>\$ 141,399,947</u>
\$ (245,630,219)	\$ (241,063,497)	\$ (234,078,878)	\$ (209,749,106)	\$ (194,406,259)	\$ (182,003,306)
(7,481,538)	(2,479,110)	12,215,089	481,954	3,197,394	1,324,877
<u>\$ (253,111,757)</u>	<u>\$ (243,542,607)</u>	<u>\$ (221,863,789)</u>	<u>\$ (209,267,152)</u>	<u>\$ (191,208,865)</u>	<u>\$ (180,678,429)</u>

**SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
General revenues and other changes in net position				
Governmental Activities				
Property tax	\$ 192,923,283	\$ 197,901,152	\$ 228,686,586	\$ 236,246,448
Sales tax	16,039,983	15,375,748	15,250,772	15,493,143
Public service tax	10,735,104	11,308,758	12,069,457	11,178,942
Gas tax	14,954,166	14,793,484	14,977,943	15,138,028
Tourist and convention development taxes	14,669,623	13,708,186	13,584,657	13,575,138
State revenue sharing not restricted to specific programs	6,771,514	6,635,951	6,434,236	6,493,676
Franchise fees	-	-	-	-
Intergovernmental revenues not restricted to specific programs	910,834	1,072,179	893,026	886,911
Interest revenue	3,602,899	2,956,730	4,672,090	12,941,682
Miscellaneous	4,226,530	2,789,980	3,123,133	2,936,053
Grants and contributions not restricted to specific programs	-	-	-	-
Transfers	<u>(7,391,803)</u>	<u>(13,012,803)</u>	<u>(8,346,811)</u>	<u>(10,011,830)</u>
Total governmental activities	<u>257,442,133</u>	<u>253,529,365</u>	<u>291,345,089</u>	<u>304,878,191</u>
Business-type Activities				
Property tax	-	-	-	-
Gas tax	-	-	-	-
Interest revenue	415,326	278,968	470,424	1,240,857
Miscellaneous	70,409	85,074	424,203	76,385
Transfers	<u>7,391,803</u>	<u>13,012,803</u>	<u>8,346,811</u>	<u>10,011,830</u>
Total business-type activities program revenues	<u>7,877,538</u>	<u>13,376,845</u>	<u>9,241,438</u>	<u>11,329,072</u>
Total primary government	<u>\$ 265,319,671</u>	<u>\$ 266,906,210</u>	<u>\$ 300,586,527</u>	<u>\$ 316,207,263</u>
Change in net position				
Governmental activities	\$ (6,423,123)	\$ 8,979,168	\$ 38,762,242	\$ 62,265,946
Business-type activities	<u>1,644,180</u>	<u>14,525,301</u>	<u>5,094,198</u>	<u>(5,246,161)</u>
Total primary government	<u>\$ (4,778,943)</u>	<u>\$ 23,504,469</u>	<u>\$ 43,856,440</u>	<u>\$ 57,019,785</u>

Note: This schedule reports financial information using the accrual basis of accounting

Source: County of Volusia, Financial and Administrative Services

<u>Fiscal Year 2008</u>	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2003</u>
\$ 229,442,548	\$ 232,285,247	\$ 220,695,273	\$ 191,197,296	\$ 164,538,239	\$ 143,248,245
17,199,118	18,709,880	19,741,407	19,603,709	17,817,913	18,383,901
11,056,723	11,903,133	11,946,663	11,291,789	9,637,743	9,986,661
15,069,088	15,892,687	15,894,619	16,077,270	14,441,948	13,842,150
15,184,641	15,915,050	15,326,233	14,706,515	15,233,225	12,497,616
7,307,990	7,979,478	8,575,722	7,892,351	7,771,352	6,959,478
-	-	-	-	405,243	628,556
873,313	775,965	662,439	771,762	570,127	687,689
17,407,890	25,260,222	18,889,528	7,997,105	2,980,661	3,607,991
2,376,560	2,556,935	4,123,776	1,206,959	1,708,388	2,203,818
1,887,180	-	-	1,012,246	508,988	84,821
<u>(9,038,191)</u>	<u>(9,162,712)</u>	<u>(9,435,184)</u>	<u>(5,740,148)</u>	<u>(4,886,148)</u>	<u>(4,609,148)</u>
<u>308,766,860</u>	<u>322,115,885</u>	<u>306,420,476</u>	<u>266,016,854</u>	<u>230,727,679</u>	<u>207,521,778</u>
-	-	-	-	534	53
-	-	-	-	1,050,000	1,050,000
2,061,421	2,634,851	2,087,229	4,226,819	1,158,788	663,010
295,761	659,431	497,138	143,672	109,581	1,104,534
<u>9,038,191</u>	<u>9,162,712</u>	<u>9,435,184</u>	<u>5,740,148</u>	<u>4,886,148</u>	<u>4,609,148</u>
<u>11,395,373</u>	<u>12,456,994</u>	<u>12,019,551</u>	<u>10,110,639</u>	<u>7,205,051</u>	<u>7,426,745</u>
<u>\$ 320,162,233</u>	<u>\$ 334,572,879</u>	<u>\$ 318,440,027</u>	<u>\$ 276,127,493</u>	<u>\$ 237,932,730</u>	<u>\$ 214,948,523</u>
\$ 63,136,641	\$ 81,052,388	\$ 72,341,598	\$ 56,267,748	\$ 36,321,420	\$ 25,518,472
<u>3,913,835</u>	<u>9,977,884</u>	<u>24,234,640</u>	<u>10,592,593</u>	<u>10,402,445</u>	<u>8,751,622</u>
<u>\$ 67,050,476</u>	<u>\$ 91,030,272</u>	<u>\$ 96,576,238</u>	<u>\$ 66,860,341</u>	<u>\$ 46,723,865</u>	<u>\$ 34,270,094</u>

**SCHEDULE 3
COUNTY OF VOLUSIA, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year 2012	Fiscal Year 2011 (1)	Fiscal Year 2010	Fiscal Year 2009
General fund				
Reserved for:				
Encumbrances	\$ -	\$ -	\$ 5,009,663	\$ 5,322,416
Inventories	-	-	106,316	83,450
Advances	-	-	1,134,134	1,198,516
Employee receivables	-	-	92,478	115,536
Other long-term receivables	-	-	-	-
Unreserved:				
Designated	-	-	15,616,023	13,962,248
Undesignated	-	-	49,637,557	51,373,789
Nonspendable	11,445,009	12,172,178	-	-
Restricted	720,649	789,387	-	-
Assigned	46,412,074	45,602,938	-	-
Unassigned	1,433,844	5,867,773	-	-
Total general fund	\$ 60,011,576	\$ 64,432,276	\$ 71,596,171	\$ 72,055,955
Other governmental funds				
Reserved for:				
Encumbrances	\$ -	\$ -	\$ 28,223,449	\$ 32,963,796
Inventories	-	-	2,004,119	1,911,192
Advances	-	-	495,901	-
Debt service - principal	-	-	2,852,624	3,926,821
Debt service - interest	-	-	1,234,696	1,204,714
Long-term notes receivable	-	-	4,269,466	4,122,710
Unreserved:				
Designated:				
Special revenue funds	-	-	6,392,592	7,608,259
Capital projects funds	-	-	88,725,258	82,803,592
Undesignated (deficit):				
Special revenue funds	-	-	111,749,457	103,692,553
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable	6,826,774	6,877,361	-	-
Restricted	158,944,058	165,846,140	-	-
Assigned	35,885,324	48,961,941	-	-
Unassigned	(5,879,841)	(4,980,480)	-	-
Total other governmental funds	\$ 195,776,315	\$ 216,704,962	\$ 245,947,562	\$ 238,233,637

Note: This schedule reports financial information using the modified accrual basis of accounting
(1) The County adopted GASB 54 beginning with fiscal year 2011 and has elected to display this change prospectively.
Additional information can be found in Note 1 of the financial statements.

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
\$ 3,762,983	\$ 6,097,487	\$ 4,792,350	\$ 4,020,081	\$ 3,599,006	\$ 2,400,726
121,468	145,713	92,254	90,223	73,368	110,789
3,512,969	-	-	-	-	-
137,106	182,418	230,092	273,294	272,837	300,849
-	597,311	608,894	-	-	-
13,426,802	10,993,361	11,119,343	10,093,966	4,350,087	5,726,419
37,053,712	38,324,402	46,515,310	34,577,616	33,037,056	23,865,692
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 58,015,040	\$ 56,340,692	\$ 63,358,243	\$ 49,055,180	\$ 41,332,354	\$ 32,404,475
\$ 64,002,753	\$ 89,243,320	\$ 40,903,523	\$ 35,082,889	\$ 26,996,704	\$ 11,981,486
1,593,398	1,544,875	1,267,404	1,178,082	1,101,292	1,159,156
-	3,442,275	2,801,802	1,996,748	1,055,627	-
1,725,000	1,679,167	1,710,905	1,757,426	1,857,744	10,067,480
1,146,660	1,023,070	928,847	946,540	220,902	2,445,373
3,425,300	3,215,663	3,316,335	2,692,278	2,150,883	2,253,204
6,581,754	7,047,406	4,001,599	3,538,877	2,148,657	1,937,010
89,659,326	85,068,455	144,911,232	123,294,993	62,962,111	8,297,969
83,061,019	84,994,397	80,080,441	73,273,103	60,719,300	58,949,396
-	-	-	-	-	258,437
(15,291,115)	(5,135,584)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 235,904,095	\$ 272,123,044	\$ 279,922,088	\$ 243,760,936	\$ 159,213,220	\$ 97,349,511

**SCHEDULE 4
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Revenues				
Taxes	\$ 234,059,111	\$ 238,669,336	\$ 270,956,206	\$ 275,169,710
Licenses and permits	980,212	1,109,543	1,546,966	1,958,965
Intergovernmental revenue	52,958,763	56,421,658	63,740,759	67,494,581
Charges for services	47,450,729	43,041,396	42,152,509	44,544,279
Fines and forfeitures	3,518,894	5,160,014	4,382,167	5,008,904
Interest revenues	2,925,746	2,487,506	4,004,135	11,077,092
Special assessments/impact fees	6,881,568	1,880,831	3,680,434	3,849,849
Miscellaneous revenues	6,492,765	3,762,016	5,721,787	6,731,706
Total revenues	<u>355,267,788</u>	<u>352,532,300</u>	<u>396,184,963</u>	<u>415,835,086</u>
Expenditures				
General government	51,684,126	55,336,107	60,334,999	62,613,896
Public safety	156,909,385	135,679,162	138,713,544	144,159,170
Physical environment	10,119,842	27,073,361	7,058,487	7,526,680
Transportation	27,029,014	35,488,607	38,123,061	38,013,877
Economic environment	18,835,821	18,433,459	20,390,318	19,926,346
Human services	22,409,517	21,768,440	22,505,460	20,004,912
Culture/recreation	46,584,420	41,838,212	41,678,673	48,774,202
Payment to component units	-	-	-	-
Debt service:				
Principal	14,954,139	22,782,150	25,552,000	18,191,000
Interest	8,318,461	8,730,395	9,155,384	9,819,162
Payment to refunded bond escrow agent	5,237,340	-	-	-
Refunding bond issuance costs	36,129	-	-	-
Capital outlay	16,723,190	14,305,099	17,053,765	41,453,867
Total expenditures	<u>378,841,384</u>	<u>381,434,992</u>	<u>380,565,691</u>	<u>410,483,112</u>
Excess of revenues over (under) expenditures	<u>(23,573,596)</u>	<u>(28,902,692)</u>	<u>15,619,272</u>	<u>5,351,974</u>
Other Financing Sources (Uses)				
Transfers in	41,396,991	51,135,532	66,947,315	50,584,720
Transfers (out)	(48,661,794)	(64,260,335)	(75,312,446)	(60,596,550)
Bonds/notes issued	-	22,010,000	-	22,403,000
Refunding bonds issued	4,780,000	-	-	5,812,000
Premium on notes/bonds payable	-	-	-	-
Discount on notes/bonds payable	-	-	-	-
Payments to escrow agent	-	(16,389,000)	-	(7,184,687)
Total other financing sources (uses)	<u>(2,484,803)</u>	<u>(7,503,803)</u>	<u>(8,365,131)</u>	<u>11,018,483</u>
Net change in fund balances	<u>\$ (26,058,399)</u>	<u>\$ (36,406,495)</u>	<u>\$ 7,254,141</u>	<u>\$ 16,370,457</u>
Debt service as a percentage of noncapital expenditures	8.19%	9.52%	10.16%	8.18%

Note: This schedule reports financial information using the modified accrual basis of accounting

Source: County of Volusia, Financial and Administrative Services

<u>Fiscal Year 2008</u>	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2003</u>
\$ 270,383,700	\$ 276,387,844	\$ 263,983,820	\$ 233,541,683	\$ 204,654,441	\$ 180,141,668
2,220,396	2,452,062	3,127,191	3,171,295	2,527,549	2,229,734
61,913,487	66,436,648	72,788,119	72,619,417	72,946,471	55,296,652
44,174,849	45,014,422	47,022,429	40,808,180	34,046,837	31,233,160
5,057,155	5,519,667	6,726,124	4,697,128	5,571,142	6,092,936
15,410,562	22,961,056	17,361,386	7,399,800	2,780,869	3,388,587
9,933,323	8,902,493	9,957,930	14,226,572	11,348,546	8,820,207
12,838,381	6,144,137	6,457,645	4,665,788	7,716,075	5,292,367
<u>421,931,853</u>	<u>433,818,329</u>	<u>427,424,644</u>	<u>381,129,863</u>	<u>341,591,930</u>	<u>292,495,311</u>
64,039,056	67,479,972	62,450,397	56,895,277	57,609,004	50,028,847
144,618,476	141,370,697	140,125,376	126,654,876	118,408,978	88,769,309
6,431,589	5,869,682	6,160,387	6,333,724	11,847,076	13,045,839
39,305,369	49,520,724	41,763,843	48,655,089	32,684,613	35,358,482
24,820,634	22,537,707	27,071,388	19,876,146	19,371,188	19,584,159
21,597,464	22,821,137	20,732,762	19,740,593	19,188,471	17,357,254
46,951,305	47,816,949	46,629,412	41,222,441	37,792,957	34,517,892
-	-	-	-	-	4,691,824
19,186,869	16,254,320	15,124,236	13,858,737	13,324,463	11,284,718
10,612,779	11,217,426	11,649,336	10,142,692	7,155,881	8,339,069
-	-	-	-	-	-
-	-	-	-	-	-
67,162,395	66,808,598	42,400,461	12,164,860	2,732,750	2,401,298
<u>444,725,936</u>	<u>451,697,212</u>	<u>414,107,598</u>	<u>355,544,435</u>	<u>320,115,381</u>	<u>285,378,691</u>
<u>(22,794,083)</u>	<u>(17,878,883)</u>	<u>13,317,046</u>	<u>25,585,428</u>	<u>21,476,549</u>	<u>7,116,620</u>
60,198,809	82,188,137	60,244,506	56,121,375	42,332,714	35,301,291
(69,237,000)	(92,525,849)	(70,854,690)	(63,036,523)	(48,593,862)	(39,910,439)
-	13,400,000	47,634,000	71,380,000	72,460,000	6,755,000
42,605,000	-	-	-	-	30,820,000
4,398,128	-	123,353	2,335,227	174,105	21,033
-	-	-	-	(9,258,664)	(23,807)
(46,951,318)	-	-	-	-	(30,136,177)
<u>(8,986,381)</u>	<u>3,062,288</u>	<u>37,147,169</u>	<u>66,800,079</u>	<u>57,114,293</u>	<u>2,826,901</u>
<u>\$ (31,780,464)</u>	<u>\$ (14,816,595)</u>	<u>\$ 50,464,215</u>	<u>\$ 92,385,507</u>	<u>\$ 78,590,842</u>	<u>\$ 9,943,521</u>
8.49%	7.87%	7.90%	7.77%	7.07%	7.73%

**SCHEDULE 5
COUNTY OF VOLUSIA, FLORIDA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property				
	Residential	Commercial	Manufacturing	Agricultural	Other
2012	\$ 23,924,643,273	\$ 3,446,073,341	\$ 645,543,394	\$ 832,496,290	\$ 3,390,586,996
2011	24,155,354,138	3,581,689,428	666,700,634	884,325,176	3,446,015,479
2010	26,747,040,930	3,895,808,090	718,240,416	998,330,644	3,634,539,433
2009	31,250,005,415	4,825,291,351	892,470,341	1,465,428,179	4,195,640,593
2008	41,353,457,283	5,501,339,097	955,148,945	1,887,990,759	4,906,827,492
2007	46,186,478,039	5,466,227,650	964,023,020	2,004,053,746	4,930,724,569
2006	43,210,629,814	5,221,364,295	888,343,385	1,897,047,842	4,656,581,862
2005	31,708,403,891	4,124,623,355	724,758,738	967,717,741	3,424,700,006
2004	25,045,730,164	3,472,069,084	647,362,538	791,275,569	2,891,990,396
2003	21,228,126,674	3,123,446,968	565,055,935	695,247,821	2,433,409,203

Sources: County of Volusia, Property Appraiser's Office
County of Volusia, Financial and Administrative Services

<u>Personal Property</u>	<u>Centrally Assessed Property</u>	<u>Total</u>	<u>Direct Tax Rate</u>
\$ 2,913,902,837	\$ 44,230,758	\$ 35,197,476,889	6.77910
2,926,719,941	47,616,812	35,708,421,608	6.30250
2,988,529,982	41,005,429	39,023,494,924	6.37434
3,039,004,503	49,409,346	45,717,249,728	5.40373
3,121,575,534	60,794,680	57,787,133,790	4.70334
2,950,223,431	48,157,003	62,549,887,458	5.13330
2,824,246,237	42,622,990	58,740,836,425	6.29400
2,687,197,220	38,987,947	43,676,388,898	6.60400
2,569,352,100	44,757,397	35,462,537,248	6.60400
2,253,282,007	41,430,814	30,339,999,422	6.60400

**SCHEDULE 6
COUNTY OF VOLUSIA, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

	Year Taxes Are Payable			
	2012	2011	2010	2009
School Board	8.06300	8.2370	7.80500	7.45900
County - Wide:				
General Fund	5.77710	5.3005	5.36829	4.50310
Library Fund	0.60200	0.6020	0.60605	0.50064
Volusia Forever	0.05350	0.06320	0.08187	0.10223
Volusia Forever Debt	0.20000	0.13680	0.11813	0.09776
Volusia Echo	0.14650	0.20000	0.20000	0.20000
Total County - Wide	6.77910	6.3025	6.37434	5.40373
Municipalities:				
Daytona Beach	6.73960	6.7467	5.79829	5.73347
Daytona Beach Shores	8.69000	7.8220	6.39720	4.97985
DeBary	2.99000	2.8707	2.57279	2.57279
DeLand	6.95750	6.2846	6.23940	5.25118
Deltona	8.29950	6.3776	5.43755	4.15329
Edgewater	6.53040	6.6385	6.39820	5.93304
Flagler Beach	4.85000	4.2023	3.46430	3.01990
Holly Hill	6.95000	6.5595	5.72580	4.88720
Lake Helen	5.98700	5.2180	5.21800	4.20000
New Smyrna Beach	4.10110	4.0740	3.99990	3.51304
Oak Hill	6.39270	6.4579	5.79900	4.57400
Orange City	7.07570	6.3445	5.19530	4.48000
Ormond Beach	4.20140	3.8096	3.80968	3.80968
Pierson	5.80000	5.3414	4.80240	3.60575
Ponce Inlet	4.76180	4.4555	4.03000	4.17500
Port Orange	5.51450	5.5109	5.10020	5.02140
South Daytona	5.90000	5.9000	5.77810	4.92003
Unincorporated Areas:				
Municipal Service District	2.01550	1.8610	1.87829	1.40228
Special Other Districts:				
Independent:				
Low	2.11580	2.4503	2.19530	1.91754
High	3.66730	3.7003	4.04900	3.30324
Dependent:				
Low	3.63150	3.6315	3.66510	3.20577
High	3.94870	3.9487	3.98568	3.50185

Note: The tax rates apply to each \$1,000 of taxable valuation

Source: County of Volusia, Financial and Administrative Services

Year Taxes Are Payable					
2008	2007	2006	2005	2004	2003
7.46700	7.68500	8.25900	8.51700	8.69900	8.89900
3.89564	4.25630	5.30000	5.60000	5.60000	5.60000
0.43698	0.47700	0.59400	0.60400	0.60400	0.60400
0.09711	0.10610	0.20000	0.20000	0.20000	0.20000
0.09055	0.09390	-	-	-	-
0.18306	0.20000	0.20000	0.20000	0.20000	0.20000
4.70334	5.13330	6.29400	6.60400	6.60400	6.60400
5.46952	6.29458	7.08746	7.11333	6.70279	6.79389
4.02230	3.83700	3.83700	4.08231	4.08231	3.68231
2.57279	3.00000	2.50746	2.50746	2.50746	2.50746
4.75549	5.78770	6.03770	6.46900	6.46900	6.40500
3.28370	4.01451	4.15000	4.19800	4.19800	4.19800
5.22710	5.73170	6.51000	6.45000	6.95000	6.95000
2.64200	3.00000	3.00000	3.00000	3.00000	2.67780
3.68177	4.08000	4.08002	4.08002	4.08002	4.50000
4.20000	5.20000	5.20000	5.20000	5.20000	5.20000
3.47811	3.74303	4.81189	5.10000	5.10000	5.10000
4.74950	5.06260	5.26790	5.26790	4.68590	4.33500
4.38237	4.87506	4.87506	4.87508	4.87506	5.21700
3.44350	3.88224	4.15316	3.89438	3.33842	3.33842
2.83586	3.06694	3.80904	4.34024	4.70124	5.00000
3.74400	4.09500	4.37800	4.57800	4.57800	4.77800
4.41780	5.08508	4.85850	4.86479	4.37904	4.57562
4.24930	4.80000	5.54659	5.65000	4.63900	4.63900
1.21825	1.33880	1.69100	1.69100	1.69100	1.69100
1.71220	1.76240	2.05050	2.30050	2.30050	2.09730
2.95030	3.00050	3.50050	3.50050	2.82050	2.88050
2.78361	3.00000	3.24200	3.36680	2.86680	2.49200
3.04139	3.27330	3.58730	3.71780	3.22100	2.84620

**SCHEDULE 7
COUNTY OF VOLUSIA, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2012</u>	
		<u>2011 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
Florida Power and Light Co.	Electric Utility	\$ 871,222,141	3.24
Florida Power Corporation	Electric Utility	241,957,160	0.90
BellSouth Telecommunication, Inc.	Telephone	110,345,433	0.41
Wal-Mart Stores East LP	Retail Sales	85,520,033	0.32
Bright House Networks, LLC	Entertainment/Cablevision	82,180,692	0.31
Covidien, LTD	Manufacturing	71,436,868	0.27
Ocean Walk II Condo Assoc	Timeshare Sales	58,750,005	0.22
International Speedway Corp.	Recreation	56,720,966	0.21
Volusia Mall LLC	Retail Sales/Mall	48,345,206	0.18
GEPA Hotel Owner DB LLC	Real Estate Developer	46,942,527	0.18
Subtotal Principal Taxpayers		1,673,421,031	6.24
All Other Taxpayers		25,128,259,723	93.76
Total		\$ 26,801,680,754	100.00

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2003</u>	
		<u>2002 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
Florida Power and Light Co.	Electric Utility	\$ 263,798,080	1.37
Florida Power Corporation	Electric Utility	193,574,692	1.01
BellSouth Telecommunication, Inc.	Telephone	181,283,931	0.94
TWEAN Subsidiary LLD	Entertainment/Cablevision	65,978,803	0.34
Bray & Gillespie	Timeshare Investments	58,643,824	0.31
International Speedway Corporation	Recreation	57,337,959	0.30
Highway 92 L.L.C.	Retail Sales/Mall	52,157,242	0.27
Wal-Mart Stores, Inc.	Retail Sales	48,847,965	0.25
Tyco Healthcare Group LP	Medical Supply Manufacturer	39,973,720	0.21
Florida Water Services Company	Utility	23,843,600	0.12
Subtotal Principal Taxpayers		985,439,816	5.12
All Other Taxpayers		18,202,039,487	94.88
Total		\$ 19,187,479,303	100.00

Source: County of Volusia, Financial and Administrative Services

**SCHEDULE 8
COUNTY OF VOLUSIA, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Delinquent Collections	Collected in Fiscal Year	
		Current Tax Collections	Percent of Levy		Total Collections	Percent of Levy
2012	\$ 200,117,280	\$ 192,563,133	96.23	\$ 366,868	\$ 192,930,001	96.41
2011	204,425,940	196,921,200	96.33	1,064,029	197,985,229	96.85
2010	237,183,811	228,642,969	96.40	1,362,202	230,005,171	96.97
2009	243,643,712	234,187,285	96.12	961,876	235,149,161	96.51
2008	237,143,262	227,403,569	95.89	1,328,398	228,731,967	96.45
2007	241,533,309	231,812,977	95.98	466,083	232,279,060	96.17
2006	228,806,778	220,120,009	96.20	497,418	220,617,427	96.42
2005	198,273,250	190,705,652	96.18	760,442	191,466,094	96.57
2004	170,494,466	163,876,307	96.12	790,960	164,667,267	96.58
2003	148,318,324	142,620,444	96.16	565,581	143,186,025	96.54

Note: Taxes may be paid at a discount that starts at four percent on November 1, and declines by one percent per month until the discount period ends on the last day of February.

Source: County of Volusia, Financial and Administrative Services

**SCHEDULE 9
COUNTY OF VOLUSIA, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

GOVERNMENTAL ACTIVITIES				
Fiscal Year	General Obligation Bonds	Total Revenue Bonds	Special Assessment Bonds	Notes Payable
2012	\$ 27,750,000	\$ 166,775,000	\$ -	\$ 19,921,376
2011	29,985,000	177,757,000	-	22,010,000
2010	32,145,000	186,405,000	-	25,230,000
2009	34,230,000	201,915,000	-	33,829,000
2008	36,245,000	209,265,000	-	22,005,000
2007	38,190,000	220,950,000	-	29,488,343
2006	39,875,000	230,130,000	-	20,951,189
2005	-	238,905,000	-	17,411,425
2004	-	183,465,000	-	14,905,162
2003	-	126,605,000	60,000	11,954,625

Source: County of Volusia, Financial and Administrative Services

BUSINESS-TYPE ACTIVITIES

Airport System Revenue Bonds	Water/Sewer Revenue Bonds	Parking Facility Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 26,260,000	\$ 5,450,000	\$ 8,820,000	\$ 15,086,599	\$ 270,062,975	2.26	\$ 541.61
28,715,000	6,700,000	9,310,000	16,106,438	290,583,438	2.47	585.80
30,530,000	7,325,000	9,775,000	15,078,801	306,488,801	2.51	602.24
32,255,000	7,925,000	9,995,000	9,405,880	329,554,880	2.55	639.21
33,890,000	8,505,000	10,420,000	10,677,506	331,007,506	2.51	639.60
35,440,000	9,070,000	-	11,930,352	345,068,695	2.73	679.25
36,915,000	9,610,000	-	13,164,979	350,646,168	2.46	695.94
38,320,000	10,135,000	-	12,082,933	316,854,358	2.35	640.56
39,660,000	10,645,000	-	17,872,877	266,548,039	2.13	550.63
40,800,000	10,960,000	-	19,512,460	209,892,085	1.79	445.85

**SCHEDULE 10
COUNTY OF VOLUSIA, FLORIDA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST SEVEN FISCAL YEARS**

LIMITED TAX GENERAL OBLIGATION BONDS

Fiscal Year	GENERAL BONDED DEBT OUTSTANDING			Percentage of Personal Income	Percentage of Assessed Value of Taxable Property	Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Principal Payments	Net General Bonded Debt Outstanding			
2012	\$ 27,750,000	\$ 2,320,000	\$ 25,430,000	0.21	0.07	\$ 51.00
2011	29,985,000	2,235,000	27,750,000	0.24	0.08	55.94
2010	32,145,000	2,160,000	29,985,000	0.25	0.08	58.92
2009	34,230,000	2,085,000	32,145,000	0.25	0.07	62.35
2008	36,245,000	2,015,000	34,230,000	0.26	0.06	66.14
2007	38,190,000	1,945,000	36,245,000	0.29	0.06	71.35
2006	39,875,000	1,685,000	38,190,000	0.27	0.07	75.80

Note: During fiscal year 2006, the County of Volusia issued \$39,875,000 Volusia Forever Limited Tax general obligation bonds to provide resources to acquire environmentally sensitive lands. This bond issue was approved in a referendum in November 2000, providing for a tax levy of up to \$0.20 per \$1,000 of taxable value for a twenty year period.

Source: County of Volusia, Financial and Administrative Services

**SCHEDULE 11
COUNTY OF VOLUSIA, FLORIDA
LEGAL DEBT MARGIN INFORMATION
SEPTEMBER 30, 2012**

The Constitution of the State of Florida, Florida Statute 200.181, and the Charter of the County of Volusia set no legal debt margin.

Source: County of Volusia, Financial and Administrative Services

**SCHEDULE 12
COUNTY OF VOLUSIA, FLORIDA
PLEDGED REVENUE COVERAGES
LAST TEN FISCAL YEARS**

Governmental Activities	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
Revenue Bonds-Sales Tax Improvement			
Local government half-cent sales tax	\$ 14,055,092	\$ 13,557,185	\$ 13,536,269
Interest revenue	43,973	70,578	43,873
Available revenue	<u>\$ 14,099,065</u>	<u>\$ 13,627,763</u>	<u>\$ 13,580,142</u>
Debt service:			
Principal-scheduled payments	\$ 3,900,000	\$ 4,210,000	\$ 2,520,000
Interest	1,923,186	2,119,669	2,457,127
Total debt service	<u>\$ 5,823,186</u>	<u>\$ 6,329,669</u>	<u>\$ 4,977,127</u>
Coverage	2.42	2.15	2.73
Revenue Bonds-Capital Improvement			
Local government half-cent sales tax	\$ 1,984,891	\$ 1,818,563	\$ 1,714,503
Available revenue	<u>\$ 1,984,891</u>	<u>\$ 1,818,563</u>	<u>\$ 1,714,503</u>
Debt service:			
Principal	1,626,000	1,437,000	1,308,000
Interest	178,446	216,239	250,639
Total debt service	<u>\$ 1,804,446</u>	<u>\$ 1,653,239</u>	<u>\$ 1,558,639</u>
Coverage	1.10	1.10	1.10
Revenue Bonds-Tourist Development Bonds			
Resort Tax	\$ 7,335,535	\$ 6,854,101	\$ 6,792,353
Interest revenue	19,174	24,155	25,016
Available revenue	<u>\$ 7,354,709</u>	<u>\$ 6,878,256</u>	<u>\$ 6,817,369</u>
Debt service:			
Principal	\$ 2,265,000	\$ 2,190,000	\$ 2,125,000
Interest	2,450,732	2,521,756	2,587,850
Total debt service	<u>\$ 4,715,732</u>	<u>\$ 4,711,756</u>	<u>\$ 4,712,850</u>
Coverage	1.56	1.46	1.45
Revenue Bonds-Gas Tax Bonds			
Ninth Cent Gas Tax	\$ -	\$ -	\$ -
Six Cent Local Option Fuel Tax	7,247,818	7,190,064	7,287,264
Interest revenue	301,835	204,964	283,391
Available revenue	<u>\$ 7,549,653</u>	<u>\$ 7,395,028</u>	<u>\$ 7,570,655</u>
Debt service:			
Principal	\$ 2,785,000	\$ 2,705,000	\$ 2,630,000
Interest	2,104,348	2,185,498	2,264,398
Total debt service	<u>\$ 4,889,348</u>	<u>\$ 4,890,498</u>	<u>\$ 4,894,398</u>
Coverage	1.54	1.51	1.55
Revenue Bonds-Guaranteed Entitlement			
Guaranteed entitlement-State revenue sharing	\$ -	\$ -	\$ -
Moving violations surcharge	-	-	-
Interest revenue	-	-	-
Available revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt service:			
Principal	\$ -	\$ -	\$ -
Interest	-	-	-
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Coverage	-	-	-
Special Assessment Bonds-Bethune Beach Wastewater Project			
Special assessments levied	\$ -	\$ -	\$ -
Interest revenue	-	-	-
Available revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt service:			
Principal-scheduled payments	\$ -	\$ -	\$ -
Principal-optional redemptions	-	-	-
Interest	-	-	-
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Coverage	-	-	-

Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
\$ 15,477,060	\$ 17,199,118	\$ 18,709,880	\$ 19,741,407	\$ 19,603,709	\$ 17,817,913	\$ 18,383,901
140,156	141,371	189,818	196,719	73,596	21,845	49,597
<u>\$ 15,617,216</u>	<u>\$ 17,340,489</u>	<u>\$ 18,899,698</u>	<u>\$ 19,938,126</u>	<u>\$ 19,677,305</u>	<u>\$ 17,839,758</u>	<u>\$ 18,433,498</u>
\$ 4,625,000	\$ 5,320,000	\$ 4,935,000	\$ 4,870,000	\$ 4,995,000	\$ 4,570,000	\$ 4,120,000
2,856,557	2,443,479	3,620,693	3,808,566	4,003,675	4,181,072	4,895,965
<u>\$ 7,481,557</u>	<u>\$ 7,763,479</u>	<u>\$ 8,555,693</u>	<u>\$ 8,678,566</u>	<u>\$ 8,998,675</u>	<u>\$ 8,751,072</u>	<u>\$ 9,015,965</u>
2.09	2.23	2.21	2.30	2.19	2.04	2.04
\$ 16,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 16,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	-	-	-	-
14,621	-	-	-	-	-	-
<u>\$ 14,621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
1.10	-	-	-	-	-	-
\$ 6,853,970	\$ 7,666,321	\$ 8,033,455	\$ 7,737,905	\$ 7,442,327	\$ 7,619,905	\$ 5,350,497
61,056	89,923	128,743	124,371	61,008	42,729	93,931
<u>\$ 6,915,026</u>	<u>\$ 7,756,244</u>	<u>\$ 8,162,198</u>	<u>\$ 7,862,276</u>	<u>\$ 7,503,335</u>	<u>\$ 7,662,634</u>	<u>\$ 5,444,428</u>
\$ 2,070,000	\$ 2,015,000	\$ 1,970,000	\$ 1,915,000	\$ 1,700,000	\$ 1,645,000	\$ -
2,648,188	2,701,838	2,747,956	2,788,513	2,255,233	615,288	2,197,435
<u>\$ 4,718,188</u>	<u>\$ 4,716,838</u>	<u>\$ 4,717,956</u>	<u>\$ 4,703,513</u>	<u>\$ 3,955,233</u>	<u>\$ 2,260,288</u>	<u>\$ 2,197,435</u>
1.47	1.64	1.73	1.67	1.90	3.39	2.48
\$ -	\$ -	\$ -	\$ -	\$ 2,499,566	\$ 2,355,884	\$ 2,253,395
7,317,476	7,348,084	7,811,794	7,805,466	7,897,027	-	-
58,343	77,985	102,107	102,819	38,355	1,834	5,423
<u>\$ 7,375,819</u>	<u>\$ 7,426,069</u>	<u>\$ 7,913,901</u>	<u>\$ 7,908,285</u>	<u>\$ 10,434,948</u>	<u>\$ 2,357,718</u>	<u>\$ 2,258,818</u>
\$ 2,550,000	\$ 2,485,000	\$ 2,410,000	\$ 2,435,000	\$ 2,505,000	\$ 480,000	\$ 480,000
2,340,898	2,409,235	2,481,535	2,554,120	2,403,994	41,899	72,372
<u>\$ 4,890,898</u>	<u>\$ 4,894,235</u>	<u>\$ 4,891,535</u>	<u>\$ 4,989,120</u>	<u>\$ 4,908,994</u>	<u>\$ 521,899</u>	<u>\$ 552,372</u>
1.51	1.52	1.62	1.59	2.13	4.52	4.09
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,224,000	\$ 2,224,000
-	-	-	-	-	720,183	775,034
-	-	-	-	-	3,194	13,539
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,947,377</u>	<u>\$ 3,012,573</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,770,000	\$ 1,590,000
-	-	-	-	-	90,042	211,026
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,860,042</u>	<u>\$ 1,801,026</u>
-	-	-	-	-	1.58	1.67
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,378	\$ 208,508
-	-	-	-	-	4,653	38,230
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,031</u>	<u>\$ 246,738</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 270,000
-	-	-	-	-	-	20,000
-	-	-	-	-	4,862	25,205
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,862</u>	<u>\$ 315,205</u>
-	-	-	-	-	0.46	0.78

**SCHEDULE 12
COUNTY OF VOLUSIA, FLORIDA
PLEGGED REVENUE COVERAGES
LAST TEN FISCAL YEARS**

Business-Type Activities	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
Revenue Bonds-Airport System			
Revenues available (A) & (B)			
Net operating income (loss)	\$ (3,683,306)	\$ (3,125,140)	\$ (4,620,025)
Add:			
Operating grants	345,756	2,744,030	2,173,936
Non-cash expenses:			
Depreciation	5,470,196	4,548,487	5,123,200
Cash balance from prior year:			
Operating fund	10,730,966	9,133,930	9,862,904
Debt service fund	2,365,982	3,026,121	2,746,013
Total available revenue (A) & (B)	<u>\$ 15,229,594</u>	<u>\$ 16,327,428</u>	<u>\$ 15,286,028</u>
Debt service:			
Principal	\$ 1,440,000	\$ 1,925,000	\$ 1,815,000
Interest	1,407,172	1,758,840	1,862,025
Total debt service	<u>2,847,172</u>	<u>3,683,840</u>	<u>3,677,025</u>
Operations and maintenance reserve fund (B)	39,153	(177,204)	(65,618)
Total requirement (A)	<u>\$ 2,847,172</u>	<u>\$ 3,683,840</u>	<u>\$ 3,677,025</u>
Total requirement (B)	<u>\$ 2,886,325</u>	<u>\$ 3,506,636</u>	<u>\$ 3,611,407</u>
Coverage (A)	5.35	4.43	4.16
Coverage (B)	5.28	4.66	4.23
Revenue Bonds-Water and Sewer			
Revenues available (A)			
Net operating income (loss)	\$ 2,601,634	\$ 1,281,341	\$ 1,080,453
Add:			
Non-cash expenses: depreciation	2,821,538	2,770,769	2,853,233
Total available revenue (A)	<u>\$ 5,423,172</u>	<u>\$ 4,052,110</u>	<u>\$ 3,933,686</u>
Revenues available (B)			
Net operating income (loss)	\$ 2,601,634	\$ 1,281,341	\$ 1,080,453
Add:			
Non-cash expenses: depreciation	2,821,538	2,770,769	2,853,233
Connection fees & CIAC	85,451	169,333	282,627
Total available revenue (B)	<u>\$ 5,508,623</u>	<u>\$ 4,221,443</u>	<u>\$ 4,216,313</u>
Debt service:			
Principal	\$ -	\$ 645,000	\$ 625,000
Interest	49,722	246,454	270,354
Total debt service	<u>\$ 49,722</u>	<u>\$ 891,454</u>	<u>\$ 895,354</u>
Coverage (A)	109.07	4.55	4.39
Coverage (B)	110.79	4.74	4.71
Revenue Bonds-Parking Facility			
Operating revenue	\$ 2,389,183	\$ 2,305,237	\$ 2,267,595
Interest revenue	3,797	(746)	10,603
Revenue	<u>2,392,980</u>	<u>2,304,491</u>	<u>2,278,198</u>
Less:			
Operating expense	(1,697,412)	(1,625,559)	(1,607,113)
Add:			
Transfers in	-	-	-
Non-operating expense:			
Depreciation	456,056	454,100	453,823
Available revenue	<u>\$ 1,151,624</u>	<u>\$ 1,133,032</u>	<u>\$ 1,124,908</u>
Debt service:			
Principal	\$ 520,000	\$ 475,000	\$ 465,000
Interest	445,491	483,159	506,606
Total debt service	<u>\$ 965,491</u>	<u>\$ 958,159</u>	<u>\$ 971,606</u>
Coverage	1.19	1.18	1.16

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
\$ (5,535,228)	\$ (5,112,555)	\$ (5,128,004)	\$ (4,639,014)	\$ (4,433,359)	\$ (3,650,679)	\$ (4,286,345)
2,947,738	1,311,453	2,875,577	2,856,047	4,059,575	2,744,739	1,519,127
4,784,017	4,608,467	4,720,275	4,547,813	5,049,444	4,310,189	3,958,421
8,397,133	8,219,228	12,387,890	11,905,672	4,211,559	3,134,683	3,865,230
2,703,738	2,657,587	2,613,712	2,576,623	2,542,166	2,510,213	2,257,565
<u>\$ 13,297,398</u>	<u>\$ 11,684,180</u>	<u>\$ 17,469,450</u>	<u>\$ 17,247,141</u>	<u>\$ 11,429,385</u>	<u>\$ 9,049,145</u>	<u>\$ 7,313,998</u>
\$ 1,725,000	\$ 1,635,000	\$ 1,550,000	\$ 1,475,000	\$ 1,405,000	\$ 1,340,000	\$ 1,140,000
1,954,475	2,045,175	2,127,425	2,203,245	2,274,333	2,340,425	2,443,107
3,679,475	3,680,175	3,677,425	3,678,245	3,679,333	3,680,425	3,583,107
30,079	(20,013)	288,166	84,229	(72,005)	146,803	179,753
<u>\$ 3,679,475</u>	<u>\$ 3,680,175</u>	<u>\$ 3,677,425</u>	<u>\$ 3,678,245</u>	<u>\$ 3,679,333</u>	<u>\$ 3,680,425</u>	<u>\$ 3,583,107</u>
<u>\$ 3,709,554</u>	<u>\$ 3,660,162</u>	<u>\$ 3,965,591</u>	<u>\$ 3,762,474</u>	<u>\$ 3,607,328</u>	<u>\$ 3,827,228</u>	<u>\$ 3,762,860</u>
3.61	3.17	4.75	4.69	3.11	2.46	2.04
3.58	3.19	4.41	4.58	3.17	2.36	1.94
\$ (296,960)	\$ 116,843	\$ 1,668,565	\$ 2,219,702	\$ 1,156,525	\$ 2,079,510	\$ 775,921
2,906,826	2,769,974	2,602,050	2,377,699	2,135,859	1,868,857	1,737,937
<u>\$ 2,609,866</u>	<u>\$ 2,886,817</u>	<u>\$ 4,270,615</u>	<u>\$ 4,597,401</u>	<u>\$ 3,292,384</u>	<u>\$ 3,948,367</u>	<u>\$ 2,513,858</u>
\$ (296,960)	\$ 116,843	\$ 1,668,565	\$ 2,219,702	\$ 1,156,525	\$ 2,079,510	\$ 774,921
2,906,826	2,769,974	2,602,050	2,377,699	2,135,859	1,868,857	1,737,937
300,565	736,174	1,771,776	1,993,419	828,566	2,635,445	2,614,621
<u>\$ 2,910,431</u>	<u>\$ 3,622,991</u>	<u>\$ 6,042,391</u>	<u>\$ 6,590,820</u>	<u>\$ 4,120,950</u>	<u>\$ 6,583,812</u>	<u>\$ 5,127,479</u>
\$ 600,000	\$ 580,000	\$ 565,000	\$ 540,000	\$ 525,000	\$ 510,000	\$ 315,000
292,559	312,934	332,594	351,026	368,666	385,566	402,308
<u>\$ 892,559</u>	<u>\$ 892,934</u>	<u>\$ 897,594</u>	<u>\$ 891,026</u>	<u>\$ 893,666</u>	<u>\$ 895,566</u>	<u>\$ 717,308</u>
2.92	3.23	4.76	5.16	3.68	4.41	3.50
3.26	4.06	6.73	7.40	4.61	7.35	7.15
\$ 2,023,642	\$ 2,037,245	\$ -	\$ -	\$ -	\$ -	\$ -
8,317	37,159	-	-	-	-	-
2,031,959	2,074,404	-	-	-	-	-
(1,775,609)	(1,791,205)	-	-	-	-	-
400,000	280,000	-	-	-	-	-
456,094	369,573	-	-	-	-	-
<u>\$ 1,112,444</u>	<u>\$ 932,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 425,000	\$ 395,000	\$ -	\$ -	\$ -	\$ -	\$ -
528,644	549,272	-	-	-	-	-
<u>\$ 953,644</u>	<u>\$ 944,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
1.17	0.99	-	-	-	-	-

**SCHEDULE 13
COUNTY OF VOLUSIA, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (in Thousands) (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (percent) (3)
2012	498,634	\$ 11,969,211	\$ 24,004	45.8	61,124	8.4
2011	496,042	11,769,092	23,726	45.4	61,636	10.3
2010	508,913	12,224,599	24,021	46.6	62,416	12.0
2009	515,563	12,940,631	25,100	46.3	63,271	11.8
2008	517,520	13,206,075	25,518	46.0	64,083	7.2
2007	508,014	12,621,100	24,844	45.4	64,140	3.4
2006	503,844	14,282,466	28,347	43.8	65,407	3.1
2005	494,649	13,459,894	27,211	*	65,537	3.4
2004	484,080	12,509,255	26,118	43.6	64,968	5.0
2003	470,770	11,719,100	25,403	43.6	63,882	5.2

* Not available

Sources: (1) Bureau of Economic & Business Research, University of Florida
(2) School Board of Volusia County (school enrollment figures are as of the second month of each school year)
(3) Florida Agency for Workforce Innovation

**SCHEDULE 14
COUNTY OF VOLUSIA, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Fiscal Year 2012			Fiscal Year 2003		
Employer	Number of Employees	Percent of Total Employment	Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	8,917	3.50	Volusia County School Board	8,341	3.88
Halifax Health	4,037	1.59	Halifax Community Health System	5,062	2.35
Florida Hospital - All Divisions	3,723	1.46	County of Volusia	3,510	1.63
County of Volusia	3,314	1.30	Publix Supermarkets Incorporated	2,796	1.30
Publix Supermarkets Incorporated	2,841	1.12	Embry Riddle Aeronautical University	2,189	1.02
Wal-Mart Stores Incorporated	2,769	1.09	Memorial Health Systems	1,398	0.65
State of Florida	2,178	0.86	City of Daytona Beach	1,126	0.52
Daytona State College	1,702	0.67	Daytona Beach Community College	899	0.42
U.S. Government	1,274	0.50	Tyco Healthcare Kendall Products	770	0.36
Embry-Riddle Aeronautical University	1,125	0.44	United States Postal Service	733	0.34
Total	31,880	12.53	Total	26,824	12.47
Estimated total workforce	254,489		Estimated total workforce	215,045	

Sources: County of Volusia, Department of Economic Development
Labor Market Statistics, Florida Research and Economic Database

**SCHEDULE 15
COUNTY OF VOLUSIA, FLORIDA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	2012	2011	2010	2009
Governmental Activities				
General government	543.2	533.8	547.5	518.5
Public safety	1,653.7	1,471.0	1,472.5	1,525.0
Physical environment	105.3	105.8	97.3	92.5
Transportation	268.4	269.8	263.8	251.0
Economic environment	22.0	21.0	21.0	21.0
Human services	60.3	60.3	64.3	78.5
Culture/recreation	453.0	458.8	470.5	474.5
Business-Type Activities				
Refuse disposal	73.8	73.8	74.8	73.8
Daytona Beach International Airport	39.0	40.0	40.0	39.0
Water and sewer utilities	61.0	60.0	64.9	62.0
Parking garage	6.0	6.0	6.0	3.0
Total Full-Time Equivalent Employees	<u>3,285.7</u>	<u>3,100.3</u>	<u>3,122.6</u>	<u>3,138.8</u>

Note: Budgeted positions are reflected in this schedule

Source: County of Volusia, Office of Management and Budget

FISCAL YEAR					
2008	2007	2006	2005	2004	2003
541.5	552.5	549.5	534.5	543.5	530.5
1,519.0	1,569.0	1,523.5	1,492.0	1,383.0	1,297.0
71.0	75.0	75.0	73.0	72.0	67.0
248.0	242.0	241.0	238.0	238.0	238.0
22.0	22.0	22.0	22.0	21.0	21.0
79.5	79.5	79.5	78.5	78.5	77.5
486.0	500.0	493.0	485.0	452.4	427.9
73.8	73.8	73.8	75.8	75.8	75.8
38.0	38.0	38.0	38.0	39.0	43.0
58.0	58.0	58.0	56.0	55.0	53.5
3.0	-	-	-	-	-
<u>3,139.8</u>	<u>3,209.8</u>	<u>3,153.3</u>	<u>3,092.8</u>	<u>2,958.2</u>	<u>2,831.2</u>

**SCHEDULE 16
COUNTY OF VOLUSIA, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS**

	FISCAL YEAR		
	2012	2011	2010
Governmental Activities			
General Government			
Number of municipal elections conducted	17	10	12
Number of invoices/vouchers processed*	118,988	120,791	115,041
Number of vehicles maintained	2,310	2,275	2,250
Number of employment applications processed*	27,084	24,957	14,343
Public Safety			
Number of animal licenses sold	4,201	4,933	4,499
Number of dogs & cats picked up by Animal Control	2,505	2,564	2,817
Number of inmates oriented, classified and counseled	15,750	15,450	15,050
Annual call load for Volusia County Fire Services (calendar year statistics)	16,335	16,318	16,079
Number of Advanced Life Support ambulance transports**	41,326	-	-
Number of Basic Life Support ambulance transports**	7,292	-	-
Number of deaths investigated by Medical Examiner	1,021	1,067	1,046
Number of E-911 calls received in Office of the Sheriff	318,525	313,635	298,569
Physical Environment			
Number of building permits issued	5,188	4,908	5,096
Transportation			
Miles of paved roads	982	984	978
Miles of dirt roads	93	97	105
Bascule bridges	3	3	3
Miles of bike paths and sidewalks	281	284	279
Number of traffic signals & other electronic traffic control devices maintained	593	566	358
Human Services			
Number of clients receiving general fund direct emergency assistance	2,379	2,769	2,674
Culture/Recreation			
Number of visitors to the Marine Science Center	73,825	62,081	51,400
Total library circulation	4,308,812	4,451,028	4,331,934
Number of library users of electronic resources	4,207,164	2,653,801	2,122,063
Number of events held at Ocean Center	103	90	82
Number of attendees of events at Ocean Center	307,060	304,030	301,014
Business-type Activities			
Refuse Disposal			
Tons of solid waste processed per year	467,461	486,305	504,884
Number of unincorporated residential units served per year	44,701	44,351	44,447
Daytona Beach International Airport			
Number of scheduled flights	2,846	3,058	3,604
Enplanements (passengers)	297,441	277,751	240,939
Deplanements (passengers)	281,355	260,821	235,349
Air Freight (pounds)	203,755	212,776	171,985
Air Express (pounds)	31,552	8,269	5,373
Water and Sewer Utilities			
Number of customers: water	14,958	14,485	14,877
Number of customers: sewer	10,913	10,849	10,823
Number of new meter installations	49	38	48
Volusia Transportation Authority			
Number of fixed route passengers	3,574,952	3,373,974	3,238,004
Number of fixed route miles traveled	2,591,266	2,338,145	2,403,125
Number of fixed routes	38	38	38
Percent of on-time performance	89%	88%	90%

*The method used to count the number of documents changed in 2010.

**On October 1, 2011 EVAC Ambulance service began operating as a division of the County.

Sources: Various County of Volusia departments

FISCAL YEAR					
2009	2008	2007	2006	2005	2004
8	21	20	23	7	18
78,147	74,835	81,005	86,056	86,500	86,903
2,215	2,252	2,165	2,087	2,170	2,166
32,432	29,394	24,327	21,354	14,500	14,000
5,414	3,933	4,502	4,506	5,112	6,149
2,659	2,976	3,161	1,237	2,725	3,316
15,250	15,500	15,074	15,110	14,820	14,230
17,327	18,171	17,735	18,526	17,115	17,600
-	-	-	-	-	-
-	-	-	-	-	-
1,075	1,093	1,112	913	935	886
277,082	260,525	263,835	242,508	212,610	302,178
5,985	6,964	7,290	9,030	9,507	6,128
983	1,000	964	944	925	923
109	94	101	113	125	131
3	3	3	3	3	3
289	156	157	157	159	151
505	499	486	419	540	490
2,171	3,404	6,898	6,574	5,677	6,365
49,249	46,552	50,132	45,686	41,105	44,602
4,278,391	4,150,161	4,094,829	3,860,571	4,487,964	4,636,025
568,047	578,752	469,545	763,050	729,015	698,048
62	66	85	86	111	82
274,252	275,685	365,687	452,900	471,331	467,427
539,702	606,548	629,087	728,748	709,528	670,870
44,406	44,221	43,678	43,503	42,444	41,328
3,490	4,728	5,280	5,057	6,306	6,092
212,191	322,120	341,018	275,997	320,089	310,806
210,660	316,621	337,666	274,053	320,156	307,481
165,302	261,108	294,407	179,961	146,257	132,228
25,127	13,904	47,780	206,993	293,266	261,220
14,428	14,391	14,753	14,666	14,871	13,860
10,834	10,793	10,635	10,594	10,147	9,653
64	75	155	1,407	645	650
2,904,358	3,299,829	2,936,139	3,021,643	2,897,111	2,787,640
2,296,271	2,715,433	2,726,075	2,746,881	2,727,625	2,712,747
38	40	39	26	26	26
91%	86%	88%	90%	88%	89%

**SCHEDULE 17
COUNTY OF VOLUSIA, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTIONAL DEPARTMENT
LAST NINE FISCAL YEARS**

	FISCAL YEAR		
	2012	2011	2010
Governmental Activities			
General Government			
Number of administrative/office facilities	84	100	100
Number of warehouse/industrial facilities	79	70	70
Total number of facilities operated & maintained	163	170	170
Square footage of facilities operated & maintained	2,992,204	2,971,181	2,971,181
Number of light-duty vehicles	146	164	180
Number of medium-duty vehicles	474	478	451
Number of heavy-duty vehicles	1,005	1,055	1,006
Public Safety			
Number of ladder trucks	1	1	0
Number of pumper trucks	28	29	30
Number of fire stations	22	22	23
Number of ambulances*	52	-	-
Number of sheriff vehicles	604	600	591
Average age of sheriff vehicles (years)	7	5	5
Average annual mileage per sheriff patrol vehicle	34,000	34,000	36,000
Transportation			
Total paved miles	982	984	978
Total unpaved miles	93	97	105
Culture/Recreation			
Park acres	11,220	11,220	11,220
Park acreage - developed	800	800	800
Recreation/community centers	5	5	5
Baseball/softball diamonds	28	28	28
Playgrounds	24	24	24
Tennis courts	6	6	6
Basketball courts	14	14	14
Soccer/football fields	5	5	5
Business-type Activities			
Water and Sewer Utilities			
Treatment capacity (peak - million gallons/day)	4.44	4.82	4.42
Storage capacity (million gallons)	8.37	8.37	8.37
Distribution mains (miles)	233	233	233
Supply wells	27	27	28
Sewer lines	187	187	187
Lift stations	118	110	107
Treatment capacity (million gallons per day)	3.13	3.13	3.13
Volusia Transportation Authority			
Number of fixed route Votran buses	56	56	56

*On October 1, 2011, EVAC Ambulance service began operating as a division of the County.

Sources: Various County of Volusia departments

FISCAL YEAR

2009	2008	2007	2006	2005	2004
100	95	94	128	128	128
71	71	71	67	67	67
171	166	165	195	195	195
2,983,931	1,819,520	1,784,652	1,813,608	1,813,608	1,813,608
186	173	163	146	105	104
414	450	455	441	447	473
940	963	885	766	769	868
0	0	1	1	1	1
30	32	33	28	28	27
24	24	24	24	23	22
-	-	-	-	-	-
581	565	569	567	554	558
6	4	5	3	3	5
33,000	33,000	36,000	36,000	36,000	36,000
983	1,000	964	944	925	923
109	94	101	113	125	131
11,210	11,210	11,210	11,210	11,210	11,210
793	793	793	793	785	785
5	5	5	5	5	5
28	28	28	26	26	26
24	24	24	24	24	24
6	6	6	6	6	6
14	14	14	14	14	13
5	5	5	5	5	5
3.85	4.93	4.58	4.57	3.86	3.82
8.37	8.37	8.37	8.37	8.37	8.37
233	233	233	231	231	231
28	28	27	25	26	26
187	187	187	185	185	185
107	107	107	109	104	102
2.93	2.87	2.39	2.35	2.42	2.21
53	53	56	56	56	56

COMPLIANCE SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable County Council Members
of the County of Volusia, 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 County of Volusia, Florida, as of and for the year ended September 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Volusia, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida which represents ninety-five and ninety-six percent of the assets and revenues of the aggregate discretely presented component units, respectively. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Clerk of the Circuit Court, County of Volusia, Florida is based 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. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to previously present fairly, in all material respects, the respective 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 County of Volusia, Florida, as of September 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Municipal Service District, Federal and State Grants, County Transportation Trust, and Volusia Forever funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2013, on our consideration of the County of Volusia, Florida'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

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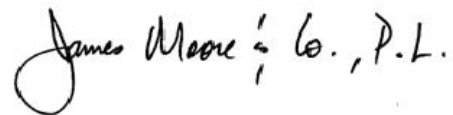
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internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Volusia, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance and schedule of passenger facility charges are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Section 215.97, Florida Statutes, *Florida Single Audit Act*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and are also not a required part of the financial statements. The combining and individual nonmajor fund financial schedules, schedule of expenditures of federal awards and state financial assistance, and schedule of passenger facility charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, looped initial "J".

Daytona Beach, Florida
March 5, 2013

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
AND
STATE FINANCIAL ASSISTANCE**

COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2012

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
FEDERAL AGENCY				
Department of Agriculture				
Passed through Florida Department of Education:				
Summer Food Service Program for Children	10.559	04-0879	\$ 448,263	\$ 0
Total Child Nutrition Cluster			<u>448,263</u>	<u>0</u>
Total Department of Agriculture			<u>448,263</u>	<u>0</u>
Department of Energy				
Direct:				
ARRA- Energy and Efficiency Conservation Program (Recovery Act Funded)	81.128	ARRA- DE-EE0000799	1,543,304	0
Total Department of Energy			<u>1,543,304</u>	<u>0</u>
Department of Housing and Urban Development				
Direct:				
Community Development Block Grant / Entitlement Grants	14.218	B-09-UC-12-0008	163,519	111,379
Community Development Block Grant / Entitlement Grants	14.218	B-10-UC-12-0008	1,685,777	1,023,206
Community Development Block Grant / Entitlement Grants	14.218	B-11-UC-12-0008	0	0
Neighborhood Stabilization Program	14.218	B-08-UN-12-0019	121,810	121,810
Neighborhood Stabilization Program	14.218	B-11-UN-12-0019	1,255,883	0
Total Community Development Block Grant/Entitlement Grants			<u>3,226,989</u>	<u>1,256,395</u>
Community Development Block Grant / State's Program Cluster	14.228	10DB-KA-06-74-01-K36	1,653,948	730,096
Community Development Block Grant / State's Program Cluster	14.228	12DB-P5-06-74-01-K45	0	0
Total Community Development Block Grant/State's Program Cluster			<u>1,653,948</u>	<u>730,096</u>
Emergency Shelter Program	14.231	S-09-UC-12-0021	5,709	5,709
Emergency Shelter Program	14.231	S-10-UC-12-0021	85,093	59,566
Total Emergency Shelter Program			<u>90,802</u>	<u>65,275</u>
HOME Investment Partnership Program	14.239	M06-UC-12-0221	8,599	0
HOME Investment Partnership Program	14.239	M07-UC-12-0221	1,762	0
HOME Investment Partnership Program	14.239	M08-UC-12-0221	206,173	73,005
HOME Investment Partnership Program	14.239	M09-UC-12-0221	53,303	40,377
HOME Investment Partnership Program	14.239	M10-UC-12-0221	202,327	0
HOME Investment Partnership Program	14.239	M11-UC-12-0221	0	0
Total HOME Investment Partnership Program			<u>472,164</u>	<u>113,382</u>
ARRA- Homeless Prevention Program (Recovery Act Funded)	14.257	ARRA- S-09-UY-12-0021	153,788	12,333
Section 8 Housing Choice Vouchers	14.871	FL-113/S-8 ADMIN	250,624	0
Section 8 Housing Choice Vouchers	14.871	FL-113/S-8 VCHR	1,762,684	0
Section 8 Housing Choice Vouchers	14.871	FL-113/PORT-INS	0	0
Total Housing Choice Voucher Cluster			<u>2,013,308</u>	<u>0</u>
Total Department of Housing and Urban Development			<u>7,610,999</u>	<u>2,177,481</u>
Department of the Interior				
Direct:				
Payment in Lieu of Taxes (PILT)	15.226	PILT 08, 09	117,369	0
Total Department of the Interior			<u>117,369</u>	<u>0</u>
Department of Health and Human Services				
Passed through Florida Department of Community Affairs:				
Low Income Home Energy Assistance Program	93.568	11EA-8U-06-74-01-031	1,079,521	0
Low Income Home Energy Assistance Program	93.568	12EA-OF-06-74-01-031	1,130,974	0
Total Low Income Home Energy Assistance Program			<u>2,210,495</u>	<u>0</u>
Community Services Block Grant Program	93.569	12SB-9Y-06-74-01-028	488,964	0
Total Department of Health and Human Services			<u>2,699,459</u>	<u>0</u>
Department of Justice				
Direct:				
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0160	34,690	0
Bulletproof Vest Partnership	16.607	0526-07	1,539	0
Bulletproof Vest Partnership	16.607	OMB #1121-0235	3,090	0
Total Bulletproof Vest Partnership			<u>4,629</u>	<u>0</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED SEPTEMBER 30, 2012

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Department of Justice (continued)				
COPS Technology Program Grant- Evidence Photo Management System	16.710	2010CKWX0111	\$ 0	\$ 0
Passed through Florida Department of Law Enforcement:				
Paul Coverdell Forensic Sciences Improvement Grant	16.742	2010-CD-BX-0006	145	0
Paul Coverdell Forensic Sciences Improvement Grant	16.742	2011-CD-BX-0026	2,787	0
Total Paul Coverdell Forensic Sciences Improvement Grant			<u>2,932</u>	<u>0</u>
Edward Byrne Memorial Justice Assistance Grant	16.738	2011-DJ-BX-2861	77,033	0
Edward Byrne Memorial Justice Assistance Grant	16.738	2011-DJ-BX-0786	0	0
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-1-C4-173	22,421	0
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-6-C4-181	34,861	34,861
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-5-C4-179	48,037	48,037
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-2-C4-169	3,861	3,861
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-3-C4-180	36,377	36,377
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-JAGC-VOLU-4-C4-172	78,650	78,650
Total Edward Byrne Memorial Justice Assistance Grant			<u>301,240</u>	<u>201,786</u>
ARRA-Edward Byrne Memorial Justice Assistance Program(Recovery Act Funded) Total JAG Cluster	16.803	ARRA- 2010-ARRC-ST-3-W7-133	183,734	0
			<u>484,974</u>	<u>201,786</u>
Passed through Florida Office of the Attorney General:				
Crime Victim Assistance - Victims Advocate	16.575	V10015	93,974	0
Total Department of Justice			<u>621,199</u>	<u>201,786</u>
Election Assistance Commission (EAC)				
Direct:				
Help America Vote Act - Voter Education	90.401	Voter Education 09	28,226	0
Help America Vote Act - Voter Education	90.401	Voter Education 10	0	0
Help America Vote Act - Voter Education	90.401	Voter Education 11	16,643	0
Help America Vote Act - Voter Education	90.401	Voter Education 12	0	0
Total Election Assistance Commission (EAC)			<u>44,869</u>	<u>0</u>
Environmental Protection Agency				
Direct:				
Capitalization Grant for Clean Water - State Revolving Funds	66.458	WW167110	298,991	0
Passed through St. John's River Water Management District:				
National Estuary Program-Water Quality Monitoring Mosquito Lagoon	66.456	25247	0	0
Total Environmental Protection Agency			<u>298,991</u>	<u>0</u>
Federal Department of Transportation				
Division: Federal Highway Administration				
Passed through Florida Department of Transportation:				
Highway Planning & Construction - Design of Spring to Spring Trail	20.205	AOZ69	28,021	0
Highway Planning & Construction - Construction Spring to Spring Phase 3	20.205	AQA60	0	0
Highway Planning & Construction - East Central Regional Rail Trail, Section 1 & 2	20.205	APZ52	0	0
Highway Planning & Construction - Design North Boston Ave Sidewalks	20.205	AQF25	10,800	0
Highway Planning & Construction - Design Enterprise Road Sidewalks	20.205	AQD78	15,521	0
Highway Planning & Construction - Baxter St Sidewalk	20.205	APB22	0	0
Highway Planning & Construction - Construction Riverside Drive Sidewalk	20.205	AQE24	34,922	0
Highway Planning & Construction - Construction Dirksen Drive Trail	20.205	AQ660	91,013	0
Highway Planning & Construction - Veterans Memorial Bridge Replacement	20.205	AQK94	3,791	0
Highway Planning & Construction - Pioneer Trail at Turnbull ROW Aquisition	20.205	AQ779	40,374	0
Highway Planning & Construction - Pioneer Trail over Turnbull Creek Bridge-design	20.205	AQI21	3,620	0
Highway Planning & Construction - Pioneer Trail over Turnbull Creek Bridge-ROW	20.205	AQI22	225,388	0
Highway Planning & Construction - SR421 Fiber Optic Addition	20.205	AQD96	183,634	0
Highway Planning & Construction - Construction Baxter Street Sidewalk	20.205	AQ446	0	0
Highway Planning & Construction - Construction Mango Tree Sidewalk	20.205	APY02	0	0
Non-ARRA Total Highway Planning & Construction Cluster			<u>637,084</u>	<u>0</u>
ARRA- Highway Planning & Construction - CR4139 Resurfacing (Recovery Act)	20.205	ARRA-APM12	0	0
ARRA- Highway Planning & Construction - Dunn Ave Extension (Recovery Act)	20.205	ARRA-APP64	709,052	0
ARRA Total Highway Planning & Construction Cluster			<u>709,052</u>	<u>0</u>
Total Highway Planning & Construction Cluster			<u>1,346,136</u>	<u>0</u>
Total Division: Federal Highway Administration			<u>1,346,136</u>	<u>0</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED SEPTEMBER 30, 2012

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Federal Department of Transportation (continued)				
Division: Federal Transit Administration				
Direct:				
VOTRAN Federal Transit Formula Grants	20.507	FL03-X251	\$ 2,075	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X367	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X398	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X425	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X460	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X474	231,070	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X498	255,930	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X555	54,049	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X594	356,843	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X615	198,750	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X663	202,939	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X697	265,508	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X713	2,149,831	0
VOTRAN Federal Transit Formula Grants	20.507	FL37-4047	144,939	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-X018	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL95-X020	0	0
VOTRAN Federal Transit Formula Grants	20.507	FL90-0751	2,009,173	0
VOTRAN Federal Transit Formula Grants	20.507	FL95-0029	150,000	0
Non-ARRA Total VOTRAN Federal Transit Formula Grants			<u>6,021,107</u>	<u>0</u>
ARRA- VOTRAN Federal Transit Formula Grants (Recovery Act Funded)	20.507	ARRA-FL96-x016	122,993	0
ARRA Total VOTRAN Federal Transit Formula Grants			<u>122,993</u>	<u>0</u>
Total Division: Federal Transit Administration Cluster			<u>6,144,100</u>	<u>0</u>
Passed through Florida Department of Transportation:				
ARRA- Formula Grants for Other Than Urbanized Areas (Recovery Act Funded)	20.509	ARRA-APJ-99	0	0
Formula Grants for Other Than Urbanized Areas	20.509	AOV-67	184,617	0
Total Formula Grants for Other Than Urbanized Areas			<u>184,617</u>	<u>0</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I - DUI Program	20.601	AQI90	32,977	0
Total Highway Safety Cluster			<u>32,977</u>	<u>0</u>
Total Federal Department of Transportation			<u>7,707,830</u>	<u>0</u>
Executive Office of the President				
Passed through Florida HIDTA:				
High Intensity Drug Trafficking Area Grants-VBI	95.001	G10CF0003A	23,462	0
High Intensity Drug Trafficking Area Grants-VBI	95.001	G11CF0003A	61,898	0
High Intensity Drug Trafficking Area Grants-VBI	95.001	G12CF0003A	128,568	0
Total Executive Office of the President			<u>213,928</u>	<u>0</u>
Department of Homeland Security				
Direct:				
Law Enforcement Officer Reimbursement Agreement Program	97.090	HSTS0208HSLR307	80,504	0
Passed through Department of Community Affairs::				
Flood Mitigation Assistance	97.029	10FM-46-06-74-01-233	230,229	0
Flood Mitigation Assistance	97.029	10FM-56-06-74-01-234	2,719	0
Flood Mitigation Assistance	97.029	12FM-4N-06-74-01-242	110,219	0
Flood Mitigation Assistance	97.029	11FM-4N-06-74-01-498	678,378	0
Total Flood Mitigation Assistance			<u>1,021,545</u>	<u>0</u>
Disaster Grants - Public Assistance-February 2007 Tornadoes	97.036	07-SW-4-06-74-02-528	0	0
Disaster Grants - Public Assistance-Hurricane Charley	97.036	05-PA-C-06-74-01-703	0	0
Disaster Grants - Public Assistance -Hurricane Frances	97.036	05-PA-G-06-74-01-198	0	0
Disaster Grants - Public Assistance -Hurricane Jeanne	97.036	05-PA-E-06-74-01-832	0	0
Disaster Grants - Public Assistance -Tropical Storm Fay	97.036	09-FA-B9-06-74-00-575	0	0
Disaster Grants - Public Assistance -2009 Northeast Flooding	97.036	09-MW-00-06-74-13-519	0	0
Total Disaster Grants - Public Assistance			<u>0</u>	<u>0</u>
Emergency Management Preparedness & Assistance Base Grant	97.042	11-FG-7W-06-74-01-083	0	0
Emergency Management Preparedness & Assistance Base Grant	97.042	12-FG-R3-06-74-01-131	123,415	0
Emergency Management Preparedness & Assistance Base Grant	97.042	13-FG-86-06-74-01-131	0	0
Total Emergency Management Preparedness & Assistance Base Grants			<u>123,415</u>	<u>0</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED SEPTEMBER 30, 2012

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Department of Homeland Security (continued)				
Homeland Security Grant	97.067	08-DS-60-13-00-16-373	\$ 0	\$ 0
Homeland Security Grant	97.067	09-DS-51-13-00-16-409-40	0	0
Homeland Security Grant	97.067	09-DS-51-13-00-16-409-4U	0	0
Homeland Security Grant	97.067	10-DS-39-06-74-01-256	27,808	0
Homeland Security Grant	97.067	010-DS-39-13-00-16-414 (H)	56,401	0
Homeland Security Grant	97.067	010-DS-39-13-00-16-414 (U)	0	0
Homeland Security Grant	97.067	11-DS-9Z-06-74-01-459	16,968	0
Homeland Security Grant	97.067	11-DS-9Z-13-00-16-436	31,787	0
Total Homeland Security Cluster			<u>132,964</u>	<u>0</u>
Repetitive Flood Claims	97.092	12RF-4X-06-74-01-243	<u>154,200</u>	<u>0</u>
Severe Loss Repetitive Program	97.110	12SL-04-06-74-01-492	<u>301,611</u>	<u>0</u>
Total Department of Homeland Security			<u>1,814,239</u>	<u>0</u>
Federal Aviation Authority				
Direct:				
Airport Improvement Program- Design of Rehab of Runway 7L/25R	20.106	3-12-0017-059-2010	1,234,988	0
Airport Improvement Program- Design of Rehab of Runway 7L/25R	20.106	3-12-0017-060-2011	610,753	0
Airport Improvement Program- Innovative Financing - Retire Terminal	20.106	3-12-0017-061-2011	1,832,568	0
Airport Improvement Program- Cutover Taxiway - Design (RSAT)	20.106	3-12-0017-062-2011	<u>92,326</u>	<u>0</u>
Total Federal Aviation Authority			<u>3,770,635</u>	<u>0</u>
TOTAL EXPENDITURES FEDERAL AWARDS			\$ <u>26,891,085</u>	\$ <u>2,379,267</u>
STATE AGENCY				
Florida Department of Agriculture and Consumer Service				
Mosquito Control	42.003	014947	\$ <u>18,334</u>	\$ <u>0</u>
Total Florida Department of Agriculture and Consumer Service			<u>18,334</u>	<u>0</u>
Florida Department of Children & Families				
Substance Abuse Treatment Grant	60.115	LHZ04	<u>0</u>	<u>0</u>
Total Florida Department of Children & Families			<u>0</u>	<u>0</u>
Florida Department of Community Affairs				
Hazardous Material Planning Grant	52.023	11CP-03-06-74-01-236	2,659	0
Hazardous Material Planning Grant	52.023	12CP-03-06-74-01-219	<u>9,240</u>	<u>0</u>
Total Florida Department of Community Affairs			<u>11,899</u>	<u>0</u>
Florida Department of State				
Division of Emergency Management:				
Emergency Management Preparedness and Assistance Trust Fund Grant	52.008	11BG-05-06-74-01-183	12,363	0
Emergency Management Preparedness and Assistance Trust Fund Grant	52.008	12BG-05-06-74-01-064	<u>105,806</u>	<u>0</u>
Total Emergency Management Preparedness and Assistance Grants			<u>118,169</u>	<u>0</u>
Division of Library Services:				
State Aid to Library Grant	45.030	11-ST-91	<u>397,493</u>	<u>0</u>
Total Florida Department of State			<u>515,662</u>	<u>0</u>
Florida Department of Environmental Protection				
Storage Tank System Compliance Verification Program '11	37.023	GC706-TA#4	61,663	0
Storage Tank System Compliance Verification Program '11	37.023	GC706-TA#5	<u>53,179</u>	<u>0</u>
Total Storage Tank System Compliance Verification Program			<u>114,842</u>	<u>0</u>
Local Government Cleanup Contracting -Super ACT Administration '90	37.024	GC60	11,166	0
Local Government Cleanup Contracting -Super ACT Administration '11	37.024	S0490-3	255,742	0
Local Government Cleanup Contracting -Super ACT Administration '12	37.024	S0490-4	<u>75,469</u>	<u>0</u>
Total Local Government Cleanup Contracting - Super Act Administrative			<u>342,377</u>	<u>0</u>
Passed through St. John's River Water Management District:				
Surface Water Restoration & Wastewater Projects -				
Rehabilitation of Coastal Wetlands	37.039	SJ413FO	0	0
Rehabilitation of Coastal Wetlands	37.039	27173	<u>11,700</u>	<u>0</u>
Total Surface Water Restoration & Wastewater Projects			<u>11,700</u>	<u>0</u>
Total Florida Department of Environmental Protection			<u>468,919</u>	<u>0</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED SEPTEMBER 30, 2012

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Florida Department of Health				
EMS Trust Fund	64.005	C0064	\$ 0	\$ 0
Total Florida Department of Health			<u>0</u>	<u>0</u>
Florida Department of Highway Safety & Motor Vehicles				
Florida Arts License Plate Program	76.041	Florida Arts License Plate	8,170	0
Passed through St. John's River Water Management District:				
Indian River Lagoon License Plate Program				
River Road Sanitary Improvements	76.010	25160	0	0
Total Indian River Lagoon License Plate Program			<u>0</u>	<u>0</u>
Total Florida Department of Highway Safety & Motor Vehicles			<u>8,170</u>	<u>0</u>
Florida Housing Finance Corporation				
State Housing Incentive Program (S.H.I.P.)	52.901	SHIP FY09	22,039	215
State Housing Incentive Program (S.H.I.P.)	52.901	SHIP FY10	309,397	4,440
State Housing Incentive Program (S.H.I.P.)	52.901	SHIP FY12	9,412	0
Total Florida Housing Finance Corporation			<u>340,848</u>	<u>4,655</u>
Florida Department of Law Enforcement				
Violent Crime and Drug Control	71.005	VCDC 07/08-02	536	0
Total Florida Department of Law Enforcement			<u>536</u>	<u>0</u>
Florida Department of Transportation				
VOTRAN Commission for the Transportation Disadvantaged	55.001	AP701	0	0
VOTRAN Commission for the Transportation Disadvantaged	55.001	APL59	0	0
VOTRAN Commission for the Transportation Disadvantaged	55.001	APZ95	0	0
VOTRAN Commission for the Transportation Disadvantaged	55.001	AQB64	778,059	0
Total VOTRAN Commission for the Transportation Disadvantaged			<u>778,059</u>	<u>0</u>
VOTRAN Commuter Assistance/Rideshare Grants	55.007	ANF36/415592-1-84-01	0	0
VOTRAN Commuter Assistance/Rideshare Grants	55.007	AO026	0	0
VOTRAN Commuter Assistance/Rideshare Grants	55.007	AL127/411999-1-54-01	58,424	0
VOTRAN Commuter Assistance/Rideshare Grants	55.007	AO434	0	0
VOTRAN Commuter Assistance/Rideshare Grants	55.007	APT69	0	0
Total VOTRAN Commuter Assistance/Rideshare Grants			<u>58,424</u>	<u>0</u>
VOTRAN Public Transit Block Grant Program	55.010	AOV13	2,003,994	0
VOTRAN Public Transportation Systems Operations	55.020	APP86	0	0
VOTRAN State Infrastructure Bank- Commuter Rail Loan	55.020	AOI72	0	0
Total VOTRAN Public Transportation Systems Operations			<u>0</u>	<u>0</u>
Transportation Regional Incentive Program - 10th Street Widening	55.026	APH96	0	0
Transportation Regional Incentive Program - DeBary Ave/Doyle Road	55.026	AOQ84	0	0
Transportation Regional Incentive Program - S. Williamson Ave	55.026	AOY34	0	0
Total Transportation Regional Incentive Programs			<u>0</u>	<u>0</u>
Aviation Development Grants -				
Cutover Taxiway - design (RSAT)	55.004	AQH30/409685-1-94-01	3,467	0
Design and Construct Hangars at DBIA	55.004	AOD23/414434-1-94-01	135,488	0
Design of Runway 7L/25R Pavement & Electrical Improvements	55.004	API40/418492-1-94-01	64,229	0
Construction of Aircraft Parking Ramp and Associated Elements	55.004	API41/418493-1-94-01	83,466	0
Innovate Financing- Retire Terminal Debt	55.004	APR69/418495-1-94-01	48,225	0
Design & Construction of Aircraft Parking Ramp and Associated Elements	55.004	API42/418498-1-94-01	163,574	0
Operational/Maintenance Costs-Enhanced Federal Security	55.004	AP504/418499-2-94-01	136,746	0
Environmental Cleanup of Airport Property at DBIA	55.004	AP503/424536-1-94-01	23,676	0
Total Aviation Development Grants			<u>658,871</u>	<u>0</u>
Total Florida Department of Transportation			<u>3,499,348</u>	<u>0</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 4,863,716</u>	<u>\$ 4,655</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2012

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Volusia, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Sub-recipients

The County provided a total of \$2,379,267 in federal awards and \$4,655 in state awards to sub-recipients during the fiscal year ended September 30, 2012. Details are provided in the accompanying Schedule of Expenditures of Federal Awards.

3. Loans Outstanding

The accompanying Schedule of Expenditures of Federal Awards includes expenditures from a Federal loan the County has through the U.S. Department of Environmental Protection, under CFDA 66.458. During fiscal year 2012, a total of \$298,991 expenditures were incurred. As of September 30, 2012, the County had a total outstanding loan amount of \$13,933,599.

As part of the partnership agreement for the Commuter Rail project, the County also has a new State loan included in the Schedule of Expenditures through the Florida Department of Transportation, under CSFA 55.020. The total loan authorized is \$10,200,000. As of September 30, 2012, the County has received \$5,621,000 of the total amount authorized.

**COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

I. Summary of Auditors' Results:

- A. Type of audit report issued on the basic financial statements: Unqualified
- B. Two significant deficiencies related to internal control over financial reporting were disclosed by the audit of the basic financial statements, neither of which was considered a material weakness.
- C. No instances of noncompliance material to the financial statements were disclosed during the audit.
- D. There were two significant deficiencies reported in internal control over major federal programs and none reported in internal control over state financial assistance projects. The significant deficiencies were not considered material weaknesses.
- E. Type of report issued on compliance for major federal programs and state projects: Unqualified
- F. The audit disclosed two audit findings which are required to be reported under OMB Circular A-133. The audit did not disclose any audit findings, which are required under Chapter 10.557, Rules of the Florida Auditor General.
- G. Major program/project identification:
 - Federal awards programs:
 - ARRA** – Homeless Prevention Program, CFDA 14.257
 - ARRA** – Edward Byrne Memorial Justice Assistance Program (JAG) Cluster, CFDA 16.803/16.738
 - ARRA** – Highway Planning and Construction Grant, CFDA 20.205
 - ARRA** – Energy and Efficiency Conservation Program, CFDA 81.128
 - Community Development Block Grant (CDBG) / State's Program, CFDA 14.228
 - Airport Improvement Program, CFDA 20.106
 - Low-Income Home Energy Assistance Program, CFDA 93.568
 - State financial assistance projects:
 - Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program, CSFA 55.001
 - Aviation Development Grant, CSFA 55.004
 - Public Transit Block Grant Program, CSFA 55.010
- H. Dollar thresholds used to distinguish between Type A and Type B programs or projects were \$806,732 for major federal programs and \$300,000 for major state projects.
- I. The County of Volusia, Florida, did qualify as a low-risk auditee as defined in OMB Circular A-133.

II. **Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standards*:**

2012-01 Landfill Liability:

Condition: The landfill closure cost liability was overstated, because approximately \$1 million in “documented closure expenses” spent during the current year was not taken into consideration to appropriately reduce the total liability balance.

Criteria: Generally accepted accounting principles require the County to accrue outstanding landfill closure liabilities based on the percent capacity of the landfill used, as determined by an independent engineer.

Effect: Landfill closure costs payable would have been overstated by approximately \$1 million in the financial statements.

Context: \$1,031,195 was expended during the year ended September 30, 2012 related to the closure of the Tomoka Farms North Cell Class I Landfill. Such expenditures were considered “documented expenditures” and included in the closing cost estimate provided to the County by an independent engineer. Such expenditures were not properly backed out when the year-end liability adjustment was made.

Recommendation: In its review of the independent landfill engineer’s report, management should address with the independent engineer any items in the report not completely understood. All conclusions reached and changes in calculations, if any, should be reviewed concurrently by the accounting and public works departments.

2012-02 Prior Period Adjustments and Federal Reporting under ARRA Federal Highway Planning & Construction Grant (CFDA 20.205):

Condition: Approximately \$709,000 of revenues received in 2012 related to the Dunn Avenue Extension grant, ARRA contract number APP64, were not recorded during the years ended September 30, 2011 and 2010. Additionally, the corresponding grant expenditures which gave rise to grant revenue recognition were not properly reported on the Schedule of Expenditures of Federal Awards for the fiscal years ended September 30, 2011 and 2010.

Criteria: Generally accepted accounting principles require revenues to be recognized when earned, and OMB Circular A-133 requires that all current expenditures of Federal awards be reported on the Schedule of Expenditures of Federal Awards.

Effect: Beginning fund balance on the financial statements at October 1, 2011 would have been understated by approximately \$709,000; grant revenue reimbursing the County for grant expenditures would have been erroneously recognized during the fiscal year ended September 30, 2012 versus prior years.

Context: The aforementioned project was completed during the fiscal year ended September 30, 2011, but the corresponding revenues for approximately \$709,000 of expenditures that were recorded outside of the primary grant fund were not recognized, as discovered by the grants accountant during the year-end reconciliation process. As a result, the prior year revenues reported in the financial statements and expenditures reported in the Schedule of Expenditures of Federal Awards were both understated by approximately \$709,000. Beginning fund balance has been restated to properly reflect prior year activity. Additionally, the Schedule of Expenditures of Federal Awards for the year ended September 30, 2012 was adjusted to reflect approximately \$709,000 in grant expenditures.

Recommendation: We recommend a reconciliation of grant revenues and expenses within each individual fund continue to be performed to ensure proper reporting in the financial statements, and departments administering grants consult with the grants accountant to ensure all expenditures are charged to the proper fund so they can be reconciled accordingly. Additionally, revenues and expenses should continue to be reconciled to each respective grant award in total to ensure all amounts received under a specific grant have properly been reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

III. **Findings and Questioned Costs for Major Federal Programs:**

See Comment 2012-02.

2012-03 Household Quarterly Program Reporting under Low-Income Home Energy Assistance Program (CFDA 93.568)

Condition: The Household Quarterly Program Report for the quarter ended June 30, 2012 had an error in the reported amount of households assisted for one category of households. No review of the report by someone other than the preparer had been performed.

Criteria: The Low-Income Home Energy Assistance Program (LIHEAP) contract with the Florida Department of Economic Opportunity requires the recipient to provide LIHEAP Household Quarterly Program Reports stating the current status and progress of any work and expenditures of funds under the agreement.

Effect: The grantor agency may delay, modify, or request the return of funding under the grant.

Context: Low-Income Home Energy Assistance Program grant with contract 12EA-0F-06-74-01-031 was awarded to the County on March 1, 2012. Expenditures totaling over \$1.13 million were made under the award passed through the Florida Department of Economic Opportunity, but the required quarterly performance report stated the incorrect number of households assisted for one category of tracking. It was also noted that no review procedures were in place to ensure the accuracy of such reports.

Recommendation: Current processes allow for reports to be submitted prior to a supervisor review. Controls should be strengthened and implemented that would require all Low Income Home Energy Assistance Reports to undergo review by a second party prior to submission.

IV. **Findings and Questioned Costs for Major State Projects:**

None noted.

V. **Summary Schedule of Prior Audit Findings:**

2011-01 FFATA Reporting under Federal Program Airport Improvement Program (CFDA 20.106): Corrective action taken; no longer an applicable requirement for local governments.

VI. **Corrective Action Plan:** See Management Responses to Internal Control and Management Comments as listed in the table of contents.

COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Quarter Ended December 31, 2011	Quarter Ended March 31, 2012	Quarter Ended June 30, 2012	Quarter Ended September 30, 2012	Year Ended September 30, 2012
PFC Revenues Received	\$ 271,525	\$ 283,077	\$ 311,994	\$ 318,165	\$ 1,184,761
Interest Earned	3,374	3,185	3,028	2,563	12,150
Total PFC Revenues Received	<u>\$ 274,899</u>	<u>\$ 286,262</u>	<u>\$ 315,022</u>	<u>\$ 320,728</u>	1,196,911
Expenditures	<u>\$ (274,899)</u>	<u>\$ (286,262)</u>	<u>\$ (315,022)</u>	<u>\$ (320,728)</u>	(1,196,911)
PFC Cash Available at September 30, 2011					1,400,000
PFC Cash Available at September 30, 2012				<u>\$</u>	<u>1,400,000</u>

Reconciliation to Restricted Net Position for PFC Program as of September 30, 2012:

PFC Cash Available	\$ 1,400,000
PFC Due From Airlines	189,698
Restricted Net Position for PFC Program	<u>\$ 1,589,698</u> *

* The restricted net position is comprised of \$1,589,698 and can be used for debt service on the terminal facility. Of the total approved expenditures as of September 30, 2012 of \$29,469,817, \$12,001,149 remains to be spent for financing and interest. under applications 2 and 3 (96-02-C-03-DAB).



Volusia County
FLORIDA

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR FEDERAL PROGRAM, EACH MAJOR STATE PROJECT,
AND PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133,
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL,
AND PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES**

To the Honorable County Council Members
of the County of Volusia, Florida:

Compliance

We have audited the County of Volusia, Florida's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, the *Florida Department of Financial Services State Projects Compliance Supplement*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide) that could have a direct and material effect on each of its major federal programs, major state projects, or the passenger facility charge program, for the year ended September 30, 2012. The County of Volusia, Florida's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs, major state projects, and its passenger facility charge program is the responsibility of the County of Volusia, Florida's management. Our responsibility is to express an opinion on the County of Volusia, Florida's compliance based on our audit.

The County of Volusia, Florida's basic financial statements include the operations of Clerk of the Circuit Court, Volusia County, Florida (a discretely presented component unit), which received \$486,489 in federal awards which is not included in the schedule of expenditures of federal awards and state financial assistance for the year ended September 30, 2012. Our audit, described below, did not include the operations of the component unit because the component unit engaged other auditors to perform an audit in accordance with *Government Auditing Standards*, Chapter 10.550, Rules of the Florida Auditor General, and OMB Circular A-133 (if required).

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Chapter 10.550, Rules of the Florida Auditor General; and the Guide. Those standards, OMB Circular A-133, Chapter 10.550, Rules of the Florida Auditor General, and the Guide 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, major state project, or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the County of Volusia, Florida'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 County of Volusia, Florida's compliance with those requirements.

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In our opinion, the County of Volusia, Florida, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, major state projects, and passenger facility charge program for the year ended September 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2012-02 and 2012-03.

Internal Control Over Compliance

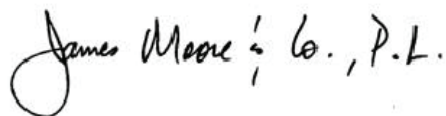
Management of the County of Volusia, Florida, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs, state projects, and the passenger facility charge program. In planning and performing our audit, we considered the County of Volusia, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program, major state project, or its passenger facility charge program (the programs) to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Volusia, Florida's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the programs on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questions costs as items 2012-02 and 2012-03. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, state project, or passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The County of Volusia, Florida's responses to the findings identified in our audit are described in the accompanying Management Responses to Internal Control and Management Comments. We did not audit the County's response and, accordingly, we express no opinion the responses.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. The purpose of this report is solely to describe the scope of our testing of compliance with the types of compliance requirements applicable to each of the County's major programs and our testing of internal control over compliance and the results of our testing, and to provide an opinion on the County's compliance but to not to provide an opinion on the effectiveness of the County's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's compliance with requirements applicable to each major program and its internal control compliance. Accordingly, this report is not suitable for any other purpose.



Daytona Beach, Florida
March 5, 2013

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable County Council Members
of the County of Volusia, Florida:

We have audited the basic financial statements of the County of Volusia, Florida (the County), as of and for the fiscal year ended September 30, 2012, and have issued our report thereon dated March 5, 2013. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida which represents ninety-five percent and ninety-six percent of the assets and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Clerk of the Circuit Court, County of Volusia, Florida, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*; Chapter 10.550, Rules of the Florida Auditor General; and *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance with Requirements That Could have a Direct and Material Effect on Each Major Federal Program, Each Major State Project, and Passenger Facility Charge Program and on Internal Control over Compliance in Accordance with OMB Circular A-133, Chapter 10.550, Rules of the Auditor General, and *Passenger Facility Charge Audit Guide for Public Agencies*; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 5, 2013, should be considered in conjunction with this management letter.

In addition, separate audits were performed on the Halifax Area Advertising Authority, Southeast Volusia Advertising Authority, and West Volusia Advertising Authority, which comprise the nonmajor Convention Development Tax special revenue fund. Management comments in those reports should be considered in conjunction with this management letter.

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

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding

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annual financial audit report. Corrective action was taken to address findings and recommendations made in the preceding annual financial audit report.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the County complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted the following recommendation:

2012-04 Impact Fee Credits

During our audit, we noted various areas with room for improvement related to the administration and processing of impact fee credits. Such credits are issued to developers/property owners to offset future impact fees in return for roadway improvements and/or right-of-way dedications. While no liability is required to be recorded on the financial statements of the County for outstanding impact fee credits, we noted the total outstanding credits at September 30, 2012 to be approximately \$19 million that could potentially be used as an offset to future impact fee revenues. Various departments work together to determine the credit amount upon issuance, but the initial data entry and ongoing administration of these credits is largely handled by only two individuals in the Growth and Resource Management department, both of whom have access to enter and modify impact fee credits. To further ensure the accuracy and integrity of all impact fee credit data, we recommend all impact fee credit transactions be reviewed by someone other than the preparer after it has been entered into the tracking system. Additionally, controls should be in place over user access rights related to the modification of data in the system, whereby only a limited number of authorized individuals, independent of those who perform the data entry, have such access rights. At least annually, we also recommend an overall summary of impact fee credit activity – showing beginning balances, new credits, use of credits, and ending balances – be prepared and such summary be reviewed by someone independent of the data entry process.

Management's Response: See Management Responses to Internal Control and Management Comments as listed in the table of contents

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

Section 10.554 (1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and component units of the reporting entity is disclosed in Note 1 of the basic financial statements.

Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our

audit, we determined that the County of Volusia, did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the County of Volusia, Florida, for the fiscal year ended September 30, 2012, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2012. In connection with our audit, we determined these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was made as of the fiscal year ended September 30, 2012.

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 County Council, management, federal and state awarding agencies and pass-through entities, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Daytona Beach, Florida
March 5, 2013

**COUNTY OF VOLUSIA
MANAGEMENT RESPONSES TO
THE AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING**

2012-01 Landfill Liability

In order to avoid ambiguity resulting in misstatement, the engineer's report will be modified to clearly distinguish the amounts accrued as the landfill closure cost from the amounts paid against that liability resulting from closure activity.

2012-02 Prior Period Adjustments and Federal Reporting under ARRA Federal Highway Planning & Construction Grant (CFDA 20.205)

The County departments/divisions who receive grant funds are primarily responsible for managing them. To assist them, the grants accountant will periodically remind them of the importance of the timely identification of all eligible costs and properly attaching these costs to the correct grant fund in the County's records. In addition, they will be instructed on the importance of ensuring that the grant reimbursement requests are submitted so that the revenues properly match the eligible expenditures. However, should the grants accountant discover errors through regular routine reconciliation of the grant funds, he/she will discuss the nature of those errors with each department/division director. In addition, should the errors require correction to the accounting records, the grants accountant will continue to report his/her proposed adjustments to the budget and accounting director.

2012-03 Household Quarterly Program Reporting under Low-Income Home Energy Assistance Program (CFDA 93.568)

Procedures will be modified so that reports containing statistical data only will be subjected to same review as imposed on reports of a financial nature which require review by a second responsible party prior to submission.

2012-04 Impact Fee Credits

A procedure will be put into place to verify the calculation of the impact fee credit by an individual other than the person(s) who performed the original computation and/or the data entry. In addition, controls will be established to prevent modifications to the impact fee credit by those individuals who performed the original data entry. Additionally, an annual review will take place to give final assurance that the amounts calculated or modified are correct. This review will be performed by an individual separate from the individual(s) who calculated and/or entered the data into the permitting system.