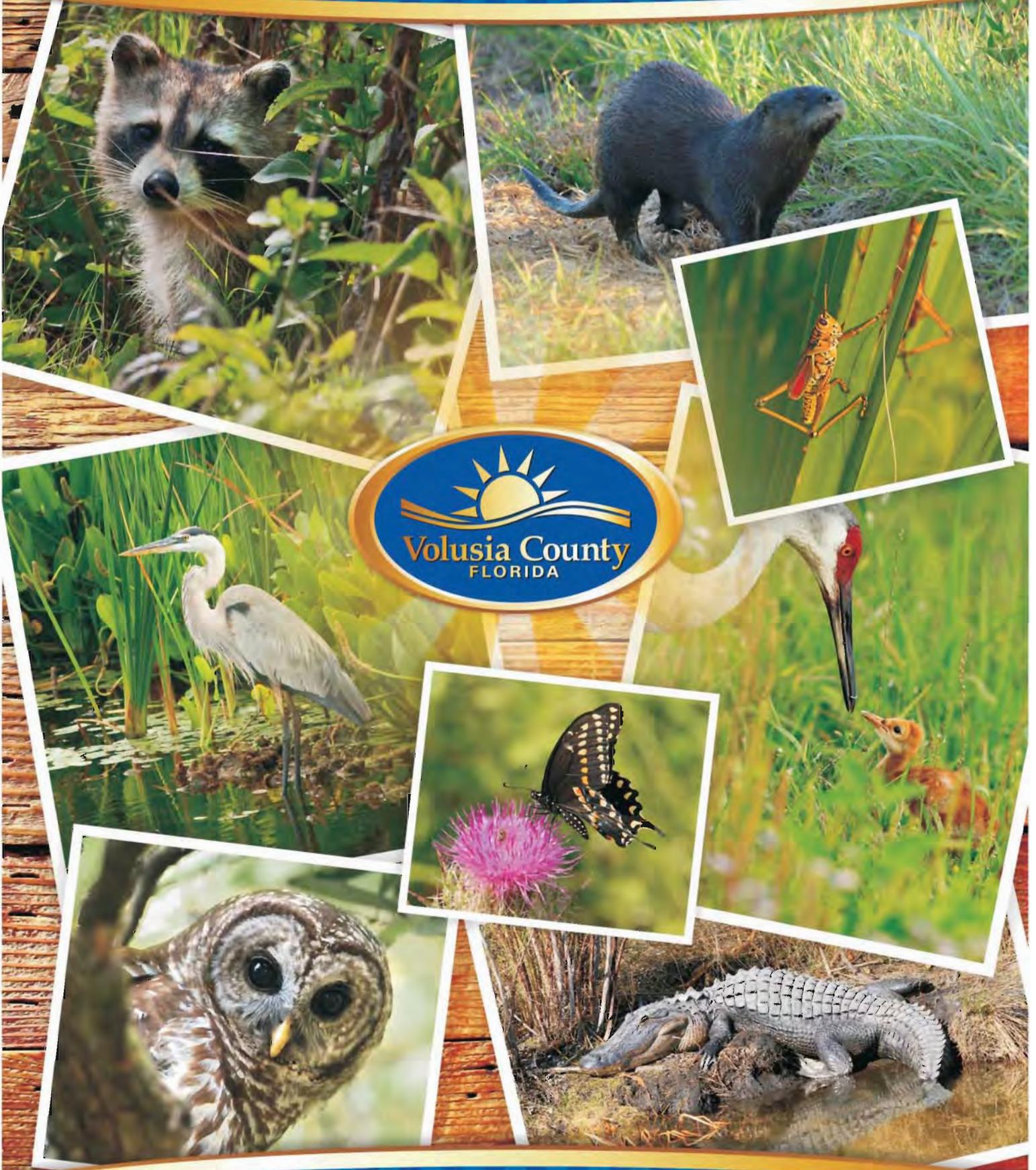


COUNTY OF VOLUSIA, FLORIDA



FIVE YEAR FORECAST FY 2012-13 TO FY 2016-17

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ACKNOWLEDGMENTS

The successful completion of this Five-Year Forecast document 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 Department of Finance team is commended for their expertise and perpetual efforts put forth in the research, analysis and compilation of the information published in this document.

CHARLENE WEAVER, CFO CPA
RHONDA ORR, ASSISTANT DIRECTOR for FINANCE, CGFO
DONNA DEPEYSTER, ACCOUNTING DIRECTOR, CPA
TAMMY J. BONG, OFFICE OF MANAGEMENT AND BUDGET DIRECTOR

OFFICE OF MANAGEMENT AND BUDGET STAFF
PHYLLIS SCHWARZ, CGFO
JUAN GODOY
JANIE BOUTWELL
DONNA PETERSON
DAWN BELAND
GIL CANCEL
APRIL MILLER

We would like to express our gratitude to all the departments for their collaboration on this project.



County Manager

JASON P DAVIS
COUNTY CHAIR

June 20, 2013

JOYCE M. CUSACK
VICE CHAIR, AT-LARGE

Honorable Members of the County Council:

PAT PATTERSON
DISTRICT 1

I am pleased to present this five year forecast for FY13 to FY17. I am sure you will find this opportunity to see what the Department of Finance does behind the scenes to be informative and helpful as we advance into the final stages of the FY 14 budget discussions.

JOSHUA J. WAGNER
DISTRICT 2

DEBORAH DENYS
DISTRICT 3

The County of Volusia, Department of Finance has presented five year forecasts for major funds for over 25 years as part of the budget preparation process. Since 2006, I have held mini-budget presentations throughout the year to discuss the major funds forecasts in detail, including not only the major tax funds but major enterprise and special revenue funds, as well as, discussion on debt service funds.

DOUG DANIELS
DISTRICT 4

PATRICIA NORTHEY
DISTRICT 5

JAMES T. DINNEEN
COUNTY MANAGER

As part of the quarterly budget analyses and the annual budget process, the Department of Finance has done analytical forecasting on many funds not formally presented over the years. However, this is the first time 43 funds, each \$1 million or more, have been presented to the County Council for review. There are a total of 68 funds in the budget. The 43 funds presented in this report represent 98.7% of the annual budget.

Volusia County has a history of financial stability as demonstrated by the audited Comprehensive Annual Financial Report (CAFR) and our bond ratings. Overall, if we make relatively minor changes, we will remain financially sound but will face some important challenges ahead. These are discussed throughout the forecast by fund under the policy direction sections particularly for the general fund, fire fund, municipal services district fund, emergency services fund (EVAC), economic development fund, health insurance fund and the transportation trust fund.

It is important to point out that this forecast, like all forecasts, is a snapshot in time and represents results of certain assumptions at that moment of time. Many things beyond county government control can affect those assumptions such as changes at the federal or state level, changes in economic conditions or acts of mother nature.

Purpose

Long-term financial forecasting and planning is key to meeting the evermore complex challenges and opportunities local government will be facing over the coming years. It helps elected officials make policy decisions that will provide a reliable stream of essential public services over a multi-year period. Forecasts assist in identifying long-term strategies and funding approaches for important issues facing the community.

The government needs to be flexible enough to be sustainable over a period of time. (Examples: reserves to handle temporary changes in revenues, one-time capital demands, or operations that can respond to changing service priorities.) Florida Statutes require that a local government's budget be balanced on a yearly basis. However, this does not ensure that a budget is financially sustainable. That is achieved through sound financial policies, strong fiscal management, and policy makers that are good financial stewards with a vision of the future.

The National Advisory Council on State and Local Budgeting (NACSLB) has endorsed the forecasting of revenues and the forecasting of expenditures in their Recommended Budget Practices. The Government Finance Officers Association (GFOA) recognizes the importance of assessing long-term financial implications of current and proposed policies, programs and assumptions that develop appropriate strategies to achieve goals. A key component in determining options, potential problems and opportunities is the forecast of revenues and expenditures.

Revenue and expenditure forecasting does the following:

- Provides an understanding of available funding;
- Evaluates financial risk;
- Assesses the likelihood that service levels can be sustained;
- Assesses the level at which capital investment can be made;
- Identifies future commitments and resource demands;
- Identifies the key variables that cause change in the level of revenue;
- Identifies the key variables that cause change in the level of expenditures; and
- Provides a framework from which to develop policy discussions/decisions.

Format

Each fund forecast will include the following:

- Fund overview;
- Basic assumptions for both revenues and expenditures;
- Analysis of reserve funds;
- Policy direction considerations, where applicable;
- The 5 year forecast analysis; and
- A graph depicting FY 14 projected revenues and expenditures.

Forecasting Methods

The methodology used to forecast revenues and expenditures includes both qualitative and quantitative methods. Qualitatively, the Office of Management and Budget utilized the following sources for federal, state, and local economic and demographic forecasting data:

- U.S. Bureau of Labor Statistics
- Government Finance Officers' Association National Advisory Council on state and Local Budgeting: Recommended Budget Practices
- Florida Department of Revenue
- Florida Legislature's Office of Economic and Demographic Research (EDR) Data
- Florida EDR Long-Range Financial Outlook
- State of Florida Revenue Estimating Conference
- 2012 Florida Tax Handbook
- Volusia County Economic Development 2013 Data Report
- Departmental input for future demands on services and circumstances that would impact revenue collection or expenditures

Staff evaluated data from the consumer price index, state and local population estimates, taxable sales for transient rental facilities and other goods, state funding initiatives; changes in taxable value, changes in development activity and changes in the unemployment rate.

Quantitatively, staff used the statistical techniques of trend analysis and time-series analysis (smoothing). Percentage changes between prior year and year-to-date collections and expenditures (usually 5 to 10 years) are coupled with anticipated changes in circumstances. To illustrate, the economic downturn resulted in the decline in collection of impact fees, sales tax and property taxes; state legislative action regarding the Florida Retirement System or Medicaid funding impacts future flexibility in the general fund.

There are many techniques available for forecasting. Ultimately, final projections were based on a combination of the above and the experienced judgment of the financial staff. The quality of the forecast is improved by bringing multiple perspectives to the forecast through the use of different methods and by soliciting the viewpoints of others such as line departments and those external to the county. The engagement of James Moore and Co. to perform agreed upon procedures regarding the forecast adds validity to the process.

REVENUE ASSUMPTIONS

For the forecasted period of FY14-FY17, the economic outlook for Volusia County is relatively stable with limited growth anticipated. Property values drive the county's largest revenue source, property taxes. Growth in taxable value for next year ranges from 1.39% to 2.5%, based upon early estimates received from the Property Appraiser's office. The final numbers will be received on July 1st to be utilized in the FY13-14 budget submittal.

The county's general fund revenue from property tax has been flat at \$133 million over the past three years, down from its highest point of \$158M in FY08-09. As a result, the county has lost \$9.2 million in buying power from inflation alone (6.9% during the last three years). I refer to this as silent cost cutting. In addition, the county has absorbed countywide consolidated dispatch and various state and federal mandates. As a consequence, I am reflecting a small increase in property tax in both the general fund

and municipal service district fund to maintain essential services especially with the unfunded mandate from FRS. These increases are partially offset by reductions in property taxes from other funds. The table below is a summary of the millage rates for the major taxing funds and comparison to the State Standard (growth in Florida per capita income plus growth in new construction).

Fund Name	FY13 Millage Rate	FY14 Forecast Millage Rate	Change	FY14 Forecast Ad Valorem Taxes	State Standard (PCI + new construction)	Difference
Port District	0.0929	0.0811	-12.7%	\$1.3M	\$1.9M	-\$0.6M
Mosquito Control	0.2080	0.1850	-11.1%	\$3.1M	\$5M	-\$1.9M
Library	0.6020	0.5520	-8.3%	\$12.8M	\$17.6M	-\$4.8M
Fire	3.6315	3.6315	0%	\$19.9M	\$18.1M	\$1.8M
Municipal Service District	2.0399	2.1399	4.9%	\$11.3M	\$11.2M	\$0.07M
General Fund	5.8789	6.0989	3.7%	\$141.7M	\$165.3M	-\$23.6M

The table below shows the assumed annual percentage change of some of the county's top revenues.

Top Revenues	FY13 Estimate (millions)	2013 Estimate vs Budget	2014	2015	2016	2017
Property Taxes	\$191.9	0%	2%	2.5%	2.5%	3%
Half Cent Sales Tax	16.7	2.3%	4%	4%	4%	4%
Ambulance Fees	14.0	-3.0%	1.4%	3%	3%	3%
Landfill Charges	12.5	4.8%	0%	0%	0%	0%
Convention Development Tax	7.6	10.9%	2%	2%	2%	2%
State Revenue Sharing	6.7	0.6%	1 %	1%	1%	1%
Utility Tax	6.7	2.7%	0%	0%	0%	0%
Local Option Gas Tax	6.6	-6.3%	8.2%	1%	2%	2%

Economic indicators play a big part:

- Development activity such as housing starts, foreclosures or new commercial construction has an impact on our property taxes, the half-cent sales tax, landfill charges, waste collection, state revenue sharing, utility tax, and fuel taxes such as the local option gas tax (number of gallons sold).
- Tourism and convention activity has an impact on our half-cent sales tax, ambulance fees, convention development tax, state revenue sharing, utility tax, and fuel taxes.

Detailed discussion of major revenues is included in the 2012-2013 Adopted Budget on-line at <http://www.volusia.org/services/financial-and-administrative-services/management-and-budget/>

EXPENDITURE ASSUMPTIONS

The forecast period does not contemplate significant growth in property values, housing starts, new commercial development, or population. Therefore, the forecast for law enforcement, fire protection, emergency transport, court activities, public works, water and sewer functions, beach, parks, and other county services is relatively unchanged from present levels of service. That said, demands for social services, Votran and Medicaid funding are anticipated to increase while maintenance of equipment and infrastructure is ongoing. A population aging greater than the state average will place increased demands on ambulance services and nursing home Medicaid expense.

The following types of expenditures must be accounted for in the forecast:

- Operational expenditures associated with the routine workings of government with forecast escalation of existing costs as well as the cost of anticipated new services;
- Capital expenditures which is the amount that will be spent on new capital assets; and
- Ongoing long-term obligations like asset maintenance/replacement requirements for computers and vehicles.

Expenditure assumptions for the forecast period through 2017 are based on data from various national, state and local sources, where applicable. In addition, the county's trends and purchasing experiences have been utilized.

- Personal Services in FY14 and beyond include new FRS rates and no salary adjustments
- Health insurance-employer contribution is held flat
- Operating Expenses:
 - Fuel – U.S. Energy Information Administration; county trend analysis of actual consumption and pricing
 - Utilities – U.S. Energy Administration Short-Term Outlook: Commercial, Residential, Industrial
 - Postage – U.S. Postage Regulatory Commission
 - Property Insurance – County trend analysis, local and national experience, including Hurricane Sandy impact
 - Community Redevelopment Agencies (CRAs) – Based on assumed changes in annual taxable value for existing CRAs. No provision for new or expanded CRA's.
 - No provision for new large economic development partnerships
 - State Medicaid funding requirements are included; no change in hospital districts
- Capital Outlay – based on annual replacement and operational plans
- Capital Improvements-increased over the forecast to maintain county infrastructure per plans. No provision made for replacement/new infrastructure such as Sheriff's Evidence Facility, Jail or Courts.
- Debt Service-increases and decreases based on the debt schedules

FUND BALANCE AND BUDGETED RESERVES

Fund balance for budget purposes is the amount at the end of one fiscal year that is available for appropriation in the next fiscal year. Adequate fund balance translates into sustainable reserve levels. It is essential that sustainable levels are maintained to mitigate the financial impact from natural disasters and unforeseen fluctuations in revenues or expenditures. For the taxing funds, the county's goal to achieve emergency reserves of 5% - 10% of budgeted current revenues has been attained.

The county has a history of using surplus funds for long term assets, such as investment in technology upgrades or facility upgrades that result in lower operating expenses. The use of one-time funds for on-going operating expenses (such as in the Fire Fund) is not recommended except as a means to transition to a sustainable level of service. Deteriorating fund reserves can indicate financial instability and reduce the county's financial condition.

POLICY DIRECTION

There are a number of policy issues that are discussed throughout the forecast. Most of them impact the general, municipal service district, county transportation trust and health insurance funds. Council consideration of these matters during the coming months will clarify future forecasts. These policy direction issues are reflected in each fund and summarized on page 1.

In summary, these forecasts capture the financial picture over the next 5 years and provide a framework for policy decisions. We have weathered the economic downturn, remained stable and are prepared to work through future challenges.

In closing, I want to thank the County Council for your leadership. I also want to thank my finance team for all the hours of hard work they contributed to prepare this forecast.

Sincerely,



James T. Dinneen
County Manager

Five Year Forecast Policy Directions

Fund: 001 – General Fund

Policy Direction

Revenues:

1. Increase revenues - the forecast for FY2013-14 includes a 3.7% increase in millage to 6.0989 mills. For FY2013-14, the revenues increased \$5M. This increased funding would fund the following: state mandated increased rates for Florida Retirement System impacting the General Fund \$2M, increased contribution to Votran Fund (456) to continue current level of services \$838K, increased contribution to Emergency Services Fund (002) a.k.a. EVAC \$1.7M (due to FRS, impact of service demand increase and capital replacement), and increased contribution to Economic Development Fund (130) to continue current level of service at \$683K.
2. Change in beach toll fee structure to update and redistribute fees for county and out of county admittance fee.

Expenditures:

1. Reduce levels of service or eliminate programs.
2. No provisions for expansion or new CRA's.
3. No provision for large economic development incentive projects/partnerships.
4. No provision for new unfunded mandates.
5. No provision for capital improvements for Office of the Sheriff Evidence facility, completion of the trails system, off-beach parking, Jail or Courts.

Fund: 002 – Emergency Medical Services

Policy Direction

The Emergency Medical Services Fund as it currently exists requires additional funding for on-going operating and equipment replacement.

1. FY 14 - Increase funding associated with increased transport expenses due to increased demand for service, \$600,000 loss of fund balance and to establish a reserve program for both revenue stabilization and capital equipment. Revenue stabilization is recommended to continue operational funding until Medicaid and other reimbursements are received. The purpose for beginning the reserve for capital equipment program in FY14 is to incrementally build sufficient funds to be used for major capital equipment purchases discussed below.
2. FY 16- the purchase of Cardiac Monitors and Auto Pulse equipment is estimated to cost \$2.5 million. This equipment was originally purchased in FY 11 and has a five year estimated life span. This equipment is replaced in bulk to ensure exact models are available for trained staff. By FY 16 forecast, the EMS fund will accrue capital reserves in the amount of \$1,080,000. The balance of \$1,420,000 is designated within the General Fund forecasted reserves as a one-time transfer.
3. Potential revenue loss to fund is forecasted resulting from the pilot model that shifts city and county fire transport resources. The current year's estimated impact during the pilot has been estimated at \$577,593.

Five Year Forecast Policy Directions

Fund: 103 - County Transportation Trust

Policy Direction

1. Increase interfund transfer from the Municipal Service Fund to address safety-related deferred maintenance needs of local transportation infrastructure in unincorporated Volusia County.
2. Limited provision for enhancing road infrastructure.

Fund: 104 - Library

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes an 8.3% or .05 mills reduction in millage to 0.5520 mills. This reduction is to help offset the increased rate within the general fund.

Fund: 105 East Volusia Mosquito Control

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes an 11% reduction to 0.1850 mills. This reduction is to help offset the increased rate within other taxing funds.

Fund: 114 Port Authority

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes a 12.7% reduction to 0.0811 mills. This reduction is to help offset the increased rate within other taxing funds.
2. Reserves have been set aside for the South Jetty project for over 20 years. Since it does not appear this project will be funded by the federal government, the \$750,000 in reserves for this effort has been reassigned to other coastal capital efforts.
3. The Inlet District Partnership program is unfunded in the forecast due to diminishing demand from partners. The program was authorized for limited terms in the 1980's and 1990's, and was reauthorized by Council in 2002 and again in 2009, there have only been three projects funded since that time.

Five Year Forecast Policy Directions

Fund: 120 – Municipal Service District

Policy Direction

The Municipal Service District Fund (MSD) has been using fund balance proceeds from prior years to fund on-going operating expenses. In FY 2014-15, the reserves are estimated to be fully exhausted maintaining the current millage rate of 2.0399.

1. Increase revenues - the forecast for FY2013-14 includes a 5% or .10 mills increase in millage 2.1399 mills.
2. Reduce levels of service and expenditures.

Funding for road repairs and maintenance in unincorporated Volusia County continues to challenge current resources in the Transportation Trust Fund (103).

3. Transfer an increasing portion of the Utilities Tax each year to provide for road repairs and safety-related maintenance in the unincorporated area. The current amount that is transferred is \$3.1 million and increases to \$5.5 million by FY17.

Fund: 130 Economic Development

Policy Direction

The presentation for the forecast for the Economic Development Fund includes an increase of \$682,509 in the annual General Fund contribution. The Economic Development Fund has been using fund balance proceeds from prior years to fund operations and the incentive programs. In FY2015-16 the reserves would be fully exhausted if the increase is not made. Options to address funding for Economic Development would also include:

1. Reduce the level of service.
 - a. Eliminate federal lobbyist - \$72,000
 - b. Eliminate support for Brawl at the Beach - \$20,000
 - c. Eliminate support for LPGA Symetra tour - \$25,000
 - d. Eliminate support for Buy Local program - \$25,000
 - e. Eliminate one-time funding for DBIA Beville Road entrance - \$1,135,734
2. Review countywide financial commitments for economic development.
3. No provisions for expansion or new CRA's.
4. No provisions for large economic development/incentive projects or partnerships.

Five Year Forecast Policy Directions

Fund: 140 Fire Services

Policy Direction

The Fire Fund has been using fund balance proceeds from prior years to fund on-going operating expenses.

1. Millage rate presented flat at 3.6315 mills.
2. Continue implementing a dynamic response model based on demand for service and reduce expenditures, ultimately setting a maximum level of overtime expenditure.
3. Conduct fee assessment analysis.
4. No provision for major station renovations.
5. No provision to relocate stations for greater efficiency.
6. Overtime reduced by \$450K.

Fund: 456 – Volusia Transportation Authority (VOTRAN)

Policy Direction

The Volusia Transportation Authority Fund has been using fund balance proceeds from prior years. In FY2013-14, the reserves are estimated to be fully exhausted. County Council discussed a variety of options to address this shortfall during a mini budget workshop on March 14, 2013 and a fee rate discussion took place on May 16, 2013. Some options considered were:

1. Contribution from the cities
2. The General Fund subsidy in FY14 is \$8,230,307; FY15 \$9,100,840; FY16 \$9,238,492; and FY17 \$9,402,757.
3. Elimination of commuter van. Savings \$120,457
4. Elimination of trolley service. Savings \$81,501
5. Elimination of 1 hour of night service. Savings \$81,740
6. Elimination of holiday service. Savings \$28,840
7. Implement fare increase January, 2014 (9 months of FY13-14). Increase \$173,664

Fund: 475 - Parking Garage

Policy Direction

The Parking Garage Fund has been using fund balance proceeds from prior years. By FY2016-17, the reserves are estimated to be \$184,688, providing less than 1 month of operating expenses, and use of one-time revenues is \$28,430.

1. Establish Revenue Stabilization Fund
2. Consider rate changes to parking garage fees
 - Parking Garage fees were last increased by Council action on 4/10/2010.
 - Recommended changes could generate \$17,260 annually.

Five Year Forecast Policy Directions

Fund: 530 – Group Insurance Fund

Policy Direction

1. Increase revenues by increasing employee premiums or the employer subsidy.
2. Decrease expenditures by increasing employee co-pays.
3. Current health provider contracts end December 31, 2016. The process to consider health insurance options will begin the fall of 2014 with Council decision in spring of 2016. (18 month process)
4. Funding of OPEB

Fund: 440 – Waste Collection

Fund Overview

Volusia County established the Waste Collection fund to account for collection services and mechanisms for solid waste and recycling programs. The unincorporated residential collection non-ad valorem special assessment is billed annually on citizens' property tax bill. On 8/6/2009, the County Council approved a rate cap of \$240, as authorized per 197.3632(6) F.S. and set the rate at \$190. The FY2013-14 special assessment rate remains at \$190 and provides for garbage collection, yard waste collection and recycling collection.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-116

Revenues:

Growth in number of unincorporated residential units increase 0.05% each year FY15-FY17.

Non-Ad Valorem Special Assessment Rate remains at \$190 per unincorporated residential unit throughout the forecast period.

Miscellaneous revenues include investment income, sale of fuels and materials, and sale of recyclables.

Expenditures:

Personal Services:

FY14 and beyond includes new FRS rates and no salary adjustments

FY14 includes transfer of one Compliance Officer position from Solid Waste Fund (450)

Total positions: 3 Funded: 3 Unfunded: 0

Operating Expenses:

FY16 - Haulers contract maximum increase 3% \$225,594 per contract section 5.1.7. based on U.S. Bureau of Labor Statistics Producer Price Index-Commodities (PPI), causing use of reserves.

Assumes haulers will not request a fuel adjustment through the forecast period.

Per contract RFP, Exhibit A, Section 3.13(C)(3), the county may change from a 2-bin recycling program to single-bin program. This forecast assumes a single-stream (one bin) recycling program will not be implemented.

Fuel-Vehicle Maintenance – FY14 increase due to addition of transferred position and therefore, a vehicle from Solid Waste fund (450). FY15, FY16, FY17 increase by 2% each year.

Reserves:

Reserves are being utilized to fund on-going waste collection operations. Beginning FY16, \$30,000 of one-time revenues will be utilized to maintain operations.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 440 - Waste Collection

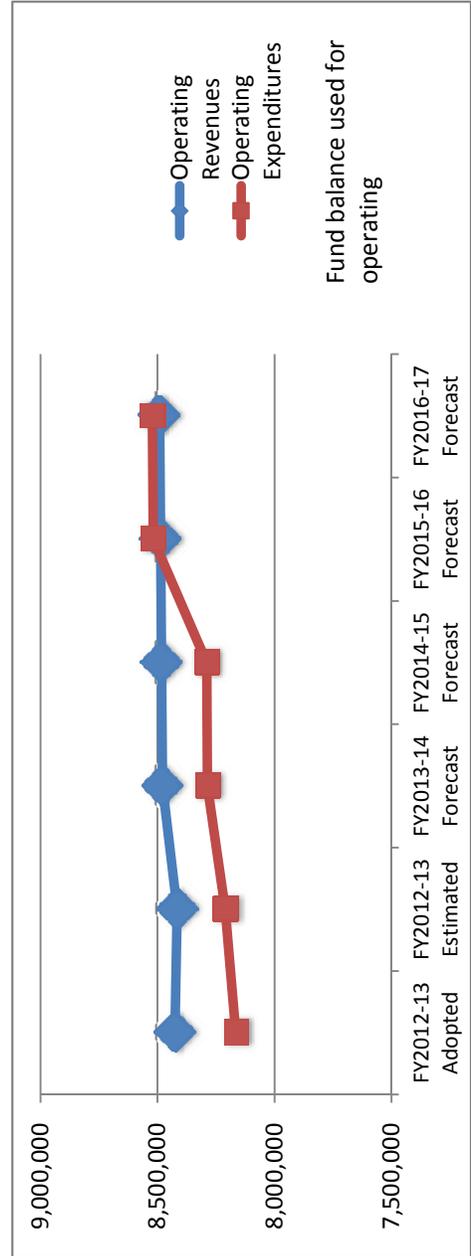
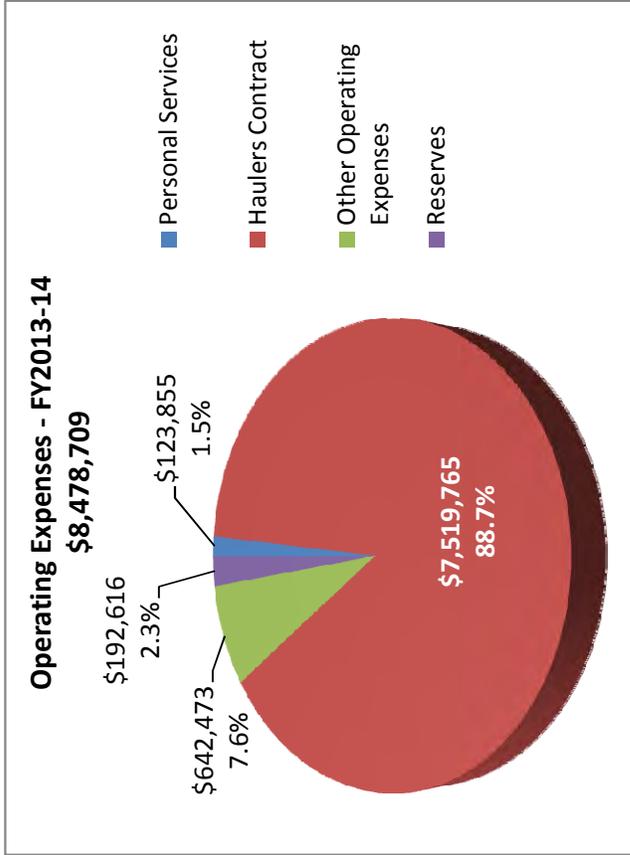
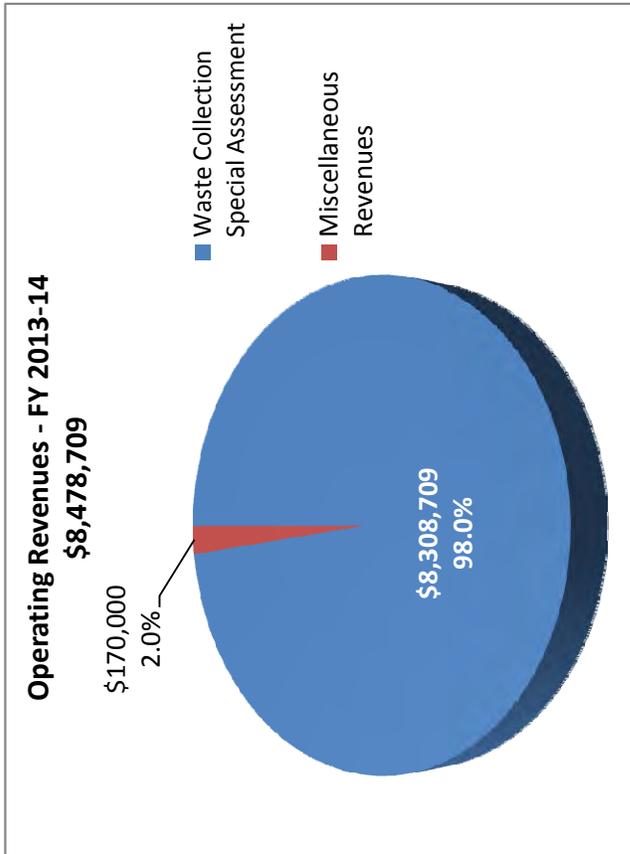
Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Waste Collection Special Assessment	8,240,606	8,240,606	8,308,709	8,312,863	8,317,020	8,321,178
Miscellaneous Revenues	185,000	176,000	170,000	170,000	170,000	170,000
PY Fund Balance One-Time					31,325	30,595
Total Revenue	8,425,606	8,416,606	8,478,709	8,482,863	8,518,345	8,521,773

Expenditures:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Personal Services	83,856	83,765	123,855	123,855	123,855	123,855
Operating Expenses						
Haulers Contract	7,469,337	7,508,102	7,519,765	7,519,765	7,745,358	7,745,358
Other Operating Expenses	613,032	618,894	642,473	645,769	649,131	652,561
Total Expenditures	8,166,225	8,210,761	8,286,093	8,289,389	8,518,344	8,521,774
REVENUES LESS EXPENDITURES	259,381	205,845	192,616	193,474	0	0

1% Increase equals \$689

Reserves	1,341,701	1,459,131	1,651,747	1,845,221	1,813,896	1,783,301
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FUND: 440 Waste Collection



Fund: 450- Solid Waste

Fund Overview

The Solid Waste Division operates under the authority of F.S. § 125.01, chapter 110, article IV, division 2, for municipal service districts and F.S. § 403.706 for local government solid waste management responsibilities. The primary function of the Solid Waste Division is to provide safe and efficient transfer and disposal of solid waste at two facilities: West Volusia Transfer Station and Tomoka Farms Road Landfill. Multiple services include Class I and Class III, Construction and Demolition disposal. Public-private partnership programs include recycling, sludge processing, methane gas recovery to energy and other special wastes services that include household hazardous waste disposal and electronics and fluorescent bulb recycling. Closure Reserves are not included in this forecast. As outlined on page 98 of the most recent Certified Annual Financial Report (CAFR), audited closure reserves are \$9.4 million.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-118

Revenues:

Tonnage remains flat at 450,000 tons

Franchise Fees remain flat at \$360,000 each year

Tipping Fees – no change; remain flat at \$12.5 m each year

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

FY14 - One Compliance Officer moved to Waste Collection Fund (440)

Total Positions: 67 Funded: 64 Unfunded: 3

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Insurance-Liability - 10% in FY15, 8% in FY16 and FY17.

Property Insurance – 10% in FY15, 8% in FY16 and FY17.

Janitorial Services - FY15, FY16 and FY17 increase by 1.5% each year.

Fuel-Vehicle Maintenance - FY15, FY16, FY17 increase by 2% each year.

General Maintenance - FY15, FY16, and FY17 increase by 2% each year

FY14 major equipment and facility maintenance increased significantly for concrete and tunnel repairs, one-time heavy machinery repairs and other items highlighted below.

Bio-Solid Evaluation Study, Riser #2 and #3 engineering, on-call services	\$184,500
Riser #2 and #3 repairs	298,000
Ringhaver total maintenance	158,800
Cat 836h heavy equipment re-life (one-time expense in FY14)	647,500

Assumes GEL contract buy-out clause will not be exercised; contract expires 2014 and is assumed to be extended 7 more years to 2021.

Long-Term Care - 2% increase annually. The County is required to provide long-term care for a period of 30 years for closed disposal sites at the landfill. Projection is based on the current Implicit Price Deflator for Gross National Product published by the US Department of Commerce as included in the Financial Responsibility Closure and Long-Term Care Report, 2012.

Capital Outlay & Capital Improvements - allocated per division's 5 year capital outlay and improvement plans.

Capital Outlay per 5-Year Equipment Replacement Plan

FY14 includes closure of 28 acres

FY16 includes construction of 11 acres

Reserves:

Landfill Reserves and Pollution Remediation Reserves are being utilized to meet closure and maintenance requirements. Landfill reserves will be utilized for capital expenditures related to cell construction,

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 450 - Solid Waste**

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Commercial Haulers Franchise Fee	325,000	367,000	360,000	360,000	360,000	360,000
Landfill Charges - Tipping Fees	11,932,311	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Miscellaneous Revenues	528,357	534,728	462,300	462,300	462,300	462,300
PY Fund Balance One-Time CIP	158,991	-	1,483,551	1,554,537	2,544,341	-
Total Revenue	12,944,659	13,401,728	14,805,851	14,876,837	15,866,641	13,322,300

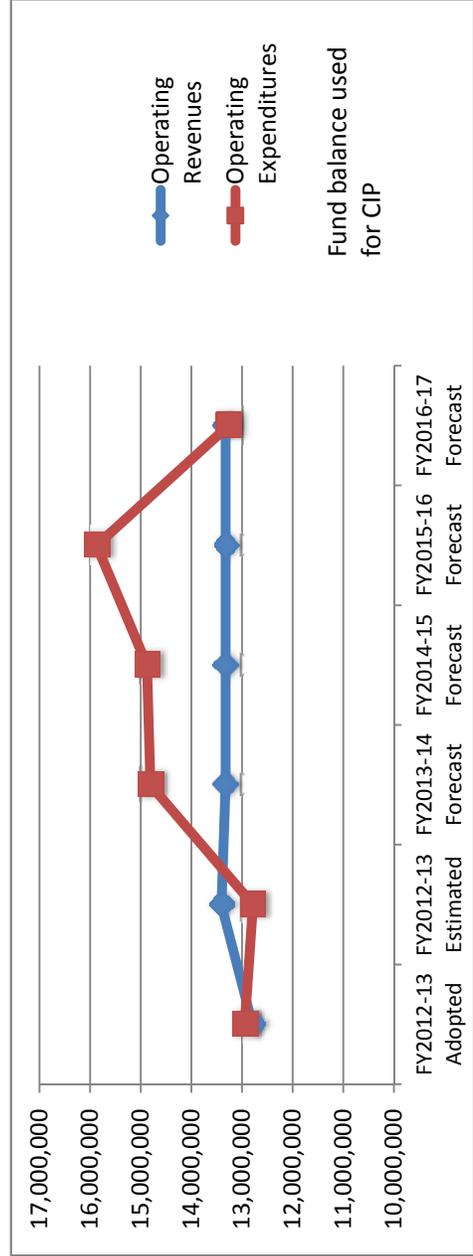
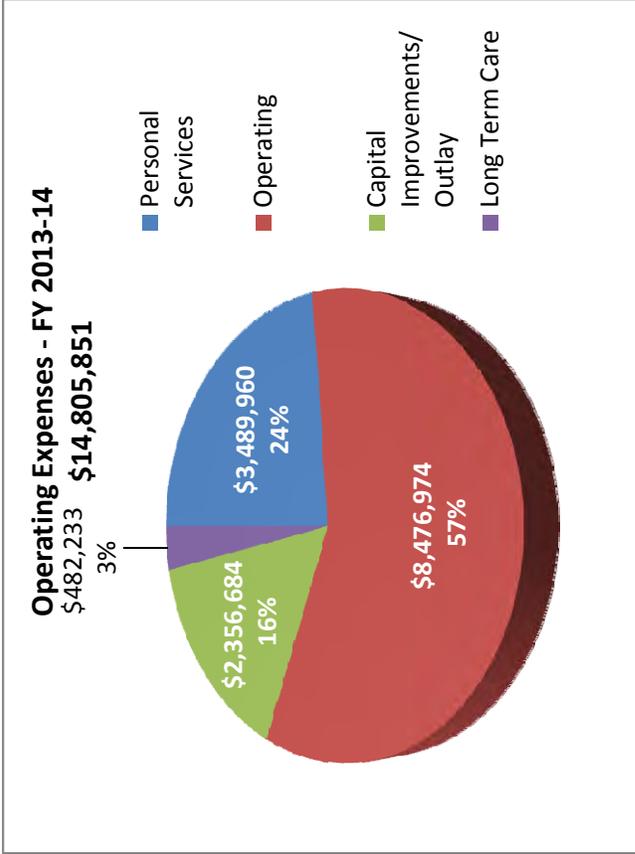
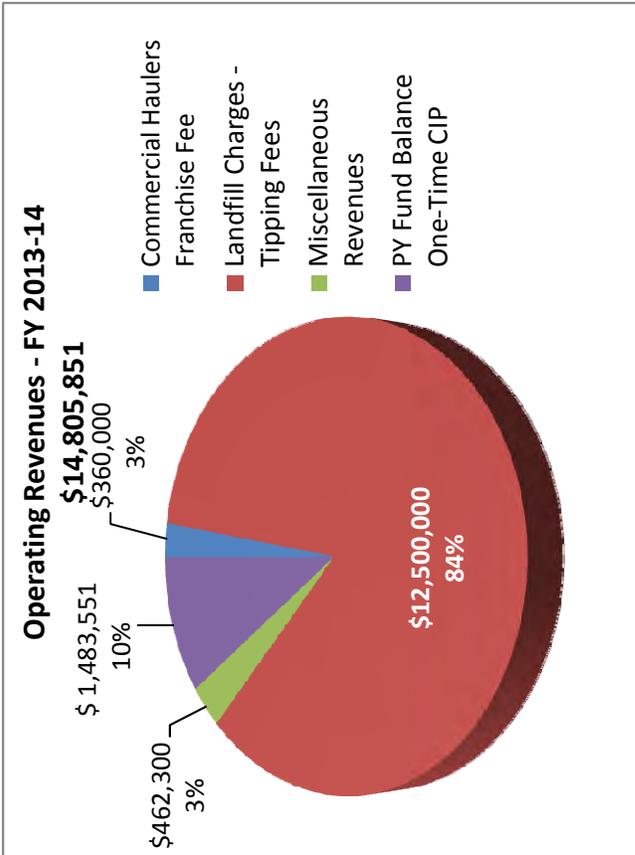
Expenditures:

Personal Services	3,550,627	3,506,457	3,489,960	3,489,960	3,489,960	3,489,960
Operating	7,471,244	7,214,259	8,476,974	7,438,082	7,568,321	7,716,758
Capital Improvements/Outlay	1,441,084	1,579,870	2,356,684	3,456,918	4,306,645	1,547,350
Long Term Care	481,704	481,704	482,233	491,878	501,715	511,750
Total Expenditures	12,944,659	12,782,290	14,805,851	14,876,837	15,866,641	13,265,817
REVENUES LESS EXPENDITURES	0	619,438	0	0	0	56,483

1% increase equals \$29,270

Landfill and Remediation Reserves	13,031,567	15,427,116	13,943,565	12,389,028	9,844,686	9,901,169
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Fund: 450 Solid Waste



Fund: 451 - Daytona Beach International Airport

Fund Overview

Daytona Beach Municipal Airport became part of Volusia County government in 1969, as Daytona Beach Regional Airport. In 1992 a \$46 million expansion transformed the airport to Daytona Beach International Airport (DBIA). The operations are authorized under Chapter 18 of the Volusia County Code. The airport is served by two commercial airlines and seven rental car companies, providing passengers with premiere customer service, convenience and hassle-free travel. Airline fees, passenger fees and rental income generate the operating revenues for the airport. DBIA provides facilities and services to NASCAR, Embry-Riddle Aeronautical University and many other local industries. The terminal also contains space for meetings, banquets and many corporate events. DBIA has leases for land and buildings for hotel, restaurant, office, cargo, hangar, and industrial spaces on airport property. Capital Improvement projects are funded primarily through Federal Aviation Administration and Florida Department of Transportation grants and are appropriated via Council-adopted budget resolutions when the grants are awarded; local match is budgeted in reserves.

Assumptions

FY13 Budget – as outlined in budget document page E-122.

Revenues:

Business Income – building leases and land rentals projected to increase 2% per year per terms of lease agreements, concessions and terminal agreements projected flat. Parking and Ground Transportation projected 3% increase as linked to enplanements.

Passenger Facility Charge - assumed to increase 3% per year, the airlines are operating at near full capacity, growth is limited unless additional air service is established.

State Innovative Financing – annual support from Florida Department of Transportation for debt.

Misc. Revenues – interest and other miscellaneous revenue projected flat.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 46

Total Funded: 44

Total Unfunded: 2

Operating Expenses:

Postage - FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Fuel - FY15, FY16, FY17 increase by 2% each year.

Maintenance projects per Airport maintenance plan FY14 – FY16, use of reserve for projects.

Debt Service:

Bound Document “Airport System Refunding Revenue Bonds, Series 2000”, section22, pages 11-12

Bound Document “Airport System Refunding Revenue Bonds, Series 2012”, section12, page 7

Bound Document “Capital Improvements Revenue Note, Series 2010”, section 15, page 5

Fund: 451 - Daytona Beach International Airport

Reserves:

- Reserves – Equipment Replacement for Bond Requirement - Reserve for equipment replacement of \$250,000. Bound document “Airport System Refunding Revenue Bonds, Series 2012”, section 1, page 10 (master resolution).
- Reserve for maintenance and operations - at 1/6th of operating budget. Bound document “Airport System Refunding Revenue Bonds, Series 2012”, section 1, page 41 (master resolution).
- Reserves - Revenue Stabilization - In the event of loss of a major carrier, the airport would lose approximately \$6 million per year in airline related revenue, including rent, landing fees, parking, rental car and other concessions, and passenger facility charges. As it can take multiple years to recruit new airline service, the airport will hold a minimum of two years of airline related revenue.
- Reserves – Future Capital – Reserves are allocated for capital projects including full cost funding and local match for grant projects.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 451 - Daytona Beach International Airport**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Business Income	10,279,573	10,140,330	10,306,477	10,410,099	10,516,177	10,624,773
Passenger Facility Charge	1,210,000	1,200,000	1,320,000	1,359,600	1,400,388	1,442,400
FAA - Innovative Financing Grant/ Law Enforcement Operating Grant	2,162,460	2,137,460	2,137,460	2,137,460	2,137,460	2,137,460
State Innovative Financing	114,581	114,581	114,581	114,581	114,581	114,581
Miscellaneous	385,968	481,427	486,657	486,657	486,657	486,657
PY Fund Balance Operating	0	578,110	0	1,078,368	88,366	0
Total Operating Revenues	14,152,582	14,651,908	14,365,175	15,586,765	14,743,629	14,805,871

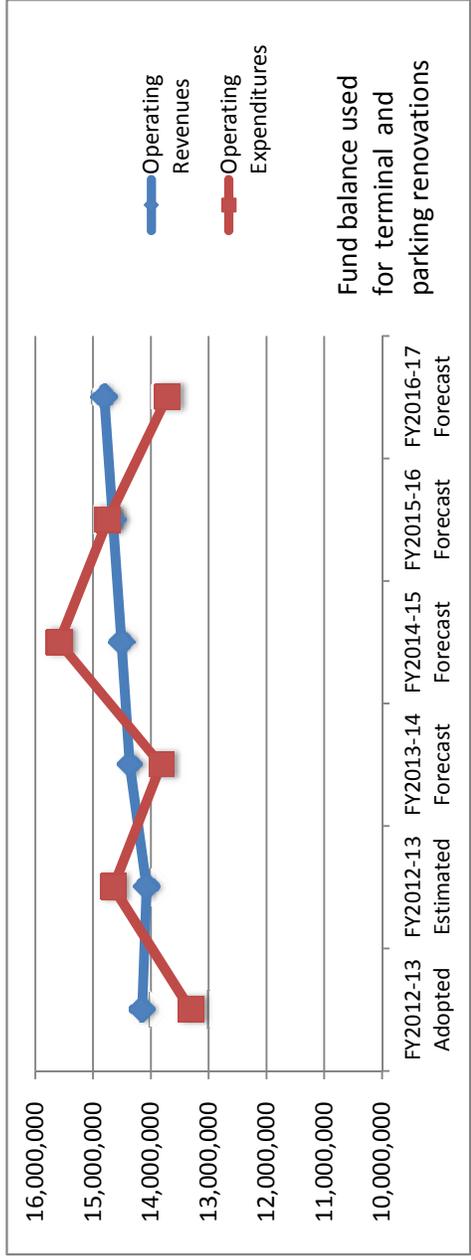
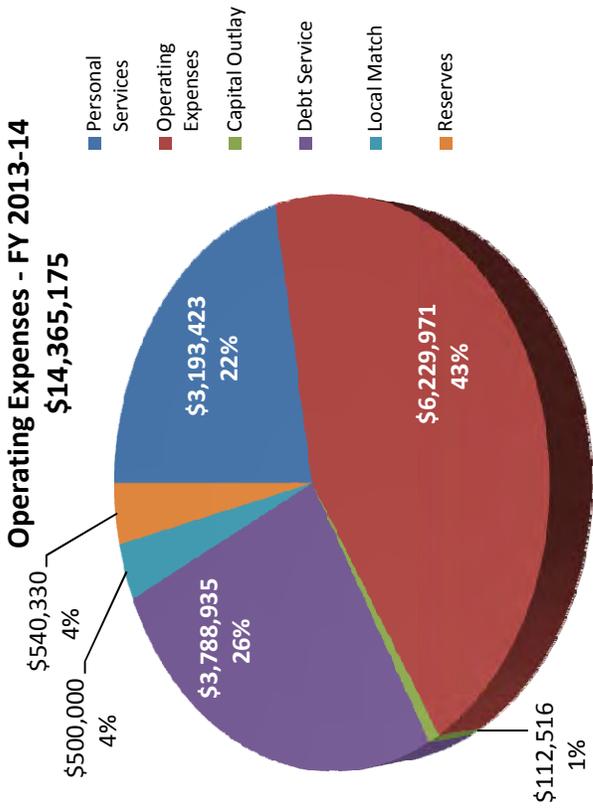
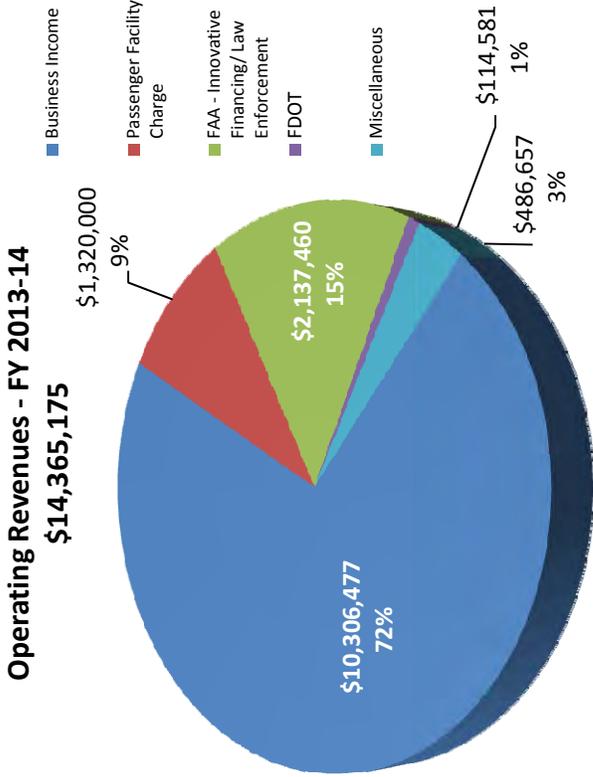
Expenditures:

Personal Services	2,965,978	3,145,525	3,193,423	3,193,423	3,193,423	3,193,423
Operating Expenses	5,852,008	6,160,989	6,229,971	7,883,246	7,155,724	6,193,235
Capital Outlay	138,261	63,180	112,516	285,000	113,000	56,950
Capital Improvements	0	495,071	0	0	0	0
Local Grant Match Annual	500,000	930,395	500,000	500,000	500,000	500,000
Debt Service	3,856,748	3,856,748	3,788,935	3,725,096	3,781,482	3,776,867
Total Operating Expenditures	13,312,995	14,651,908	13,824,845	15,586,765	14,743,629	13,720,475
REVENUES LESS EXPENDITURES	839,587	0	540,330	0	0	1,085,396

1% Salary increase equals \$24,698

Reserves - Equipment Repl. Bond Requirement	250,000	250,000	250,000	250,000	250,000	250,000
Reserves - Debt Maint & Operating Requirement	1,483,290	1,483,290	1,481,172	1,858,120	1,736,866	1,576,451
Reserves - Revenue Stabilization	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Reserves - Future Capital	233,990	965,820	1,508,268	52,952	85,840	1,331,651
Total Reserves	13,967,280	14,699,110	15,239,440	14,161,072	14,072,706	15,158,102

FUND: 451 Daytona Beach International Airport



Fund: 457– Water Utilities

Fund Overview

Water and Sewer Utilities are operated under the authority of Volusia County Code, Chapter 122, Articles II, III and V. The County operates 9 water and 12 wastewater treatment plants, 108 lift stations and 3 reuse water systems providing water and wastewater service to unincorporated parts of the County and some areas in incorporated Volusia County. The department also maintains 12 water systems belonging to other agencies. The utility owns Oak Hill citrus grove, a site approved by the Federal Department of Environmental Protection, for disposing reclaimed water. Revenues are generated through user fees, with large capital improvements financed through bonds and the State Revolving Fund program. This forecast does not anticipate any additional loans for future projects.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-130.

Revenues:

Water, Sewer and Use Fees will increase 2.6% annually FY15, FY16, FY17 based on historical data and annual increase for certain fees per Water Sewer Rate Schedule approved by County Council on 4/21/11.

Expenditures:

Personal Services:

FY14 and beyond includes new FRS rates and no salary adjustments.

Total positions: 61 Funded: 57 Unfunded: 4

Operating Expenses:

Fuel increases FY15, FY16, FY17 2% per year.

Utilities increases FY15, FY16, FY17 2.5% per year.

Postage increases FY15, FY16, FY17 1.5% per year.

Property Insurance- 10% increase FY15, 8% increase FY16 and FY17.

Building Maintenance and Janitorial Service Charges increase 1.5% per year.

Capital Outlay & Capital Improvements – are allocated per 5-year capital outlay and improvement plans.

Debt Service:

Per Bond documents “Water and Sewer Refunding Revenue Bond, Series 2012, Section 8, Page 1.

Florida Department of Environmental Protection State Revolving Fund Loans (SRF) debt schedules.

Reserves:

Reserves are utilized to fund on-going maintenance and future capital improvements. Reserve levels are 5% of current revenues, averaging \$1.0 million over the forecast period for renewal and replacement of water supply, waste water, treatment, distribution, and disposal system elements.

FUND: 457 - Water Utilities

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Water Sales	6,284,000	6,244,150	6,427,780	6,594,902	6,766,370	6,942,295
Other Water Revenues	687,000	592,350	647,940	664,786	682,071	699,805
Sewer Sales	6,278,000	6,463,300	6,657,200	6,830,287	7,007,875	7,190,079
Other Sewer Revenues	74,400	98,450	65,000	66,690	68,424	70,203
Other Revenues	227,000	233,860	197,980	203,127	208,409	213,827
Miscellaneous Revenues	676,024	449,800	427,500	425,000	425,000	425,000
PY Fund Balance One-Time CIP	4,933,684	4,646,125	5,310,226	1,047,733	-	269,695
Total Revenue	19,160,108	18,728,035	19,733,626	15,832,526	15,158,148	15,810,905

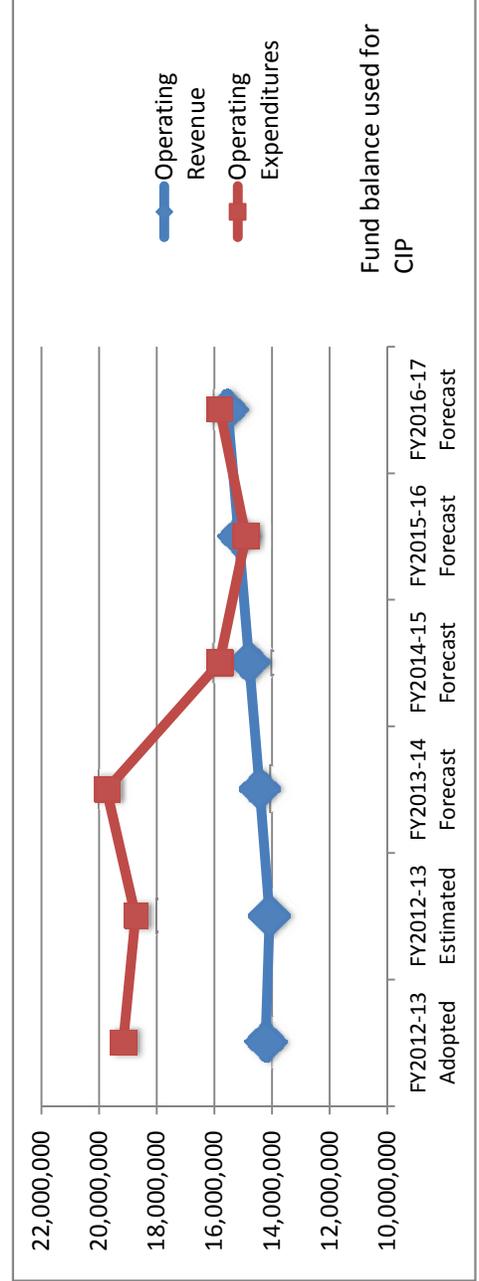
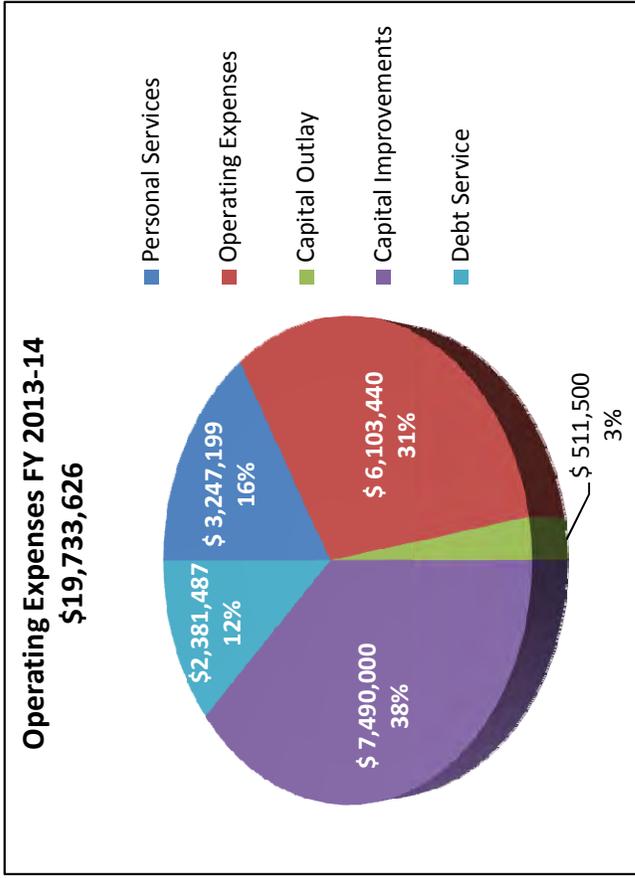
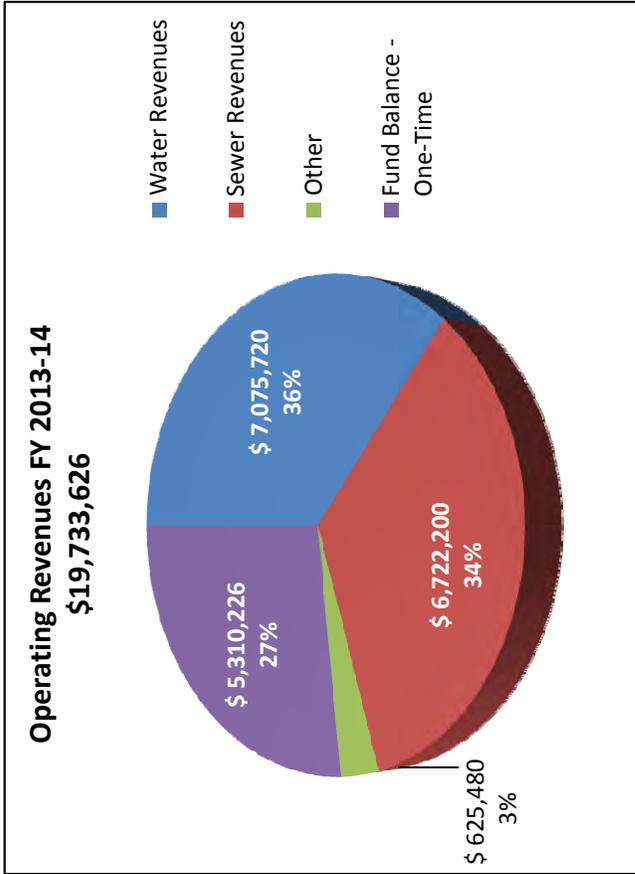
Expenditures:

Personal Services	3,288,355	3,130,398	3,247,199	3,247,199	3,247,199	3,247,199
Operating Expenses	6,183,486	6,352,709	6,103,440	6,065,916	6,106,578	6,149,168
Capital Outlay	311,000	250,667	511,500	500,000	438,000	445,000
Capital Improvements:						
Water Supply	1,271,253	2,878,167	655,000	655,000	655,000	755,000
Water Treatment	2,150,000	1,338,995	1,850,000	1,100,000	0	250,000
Distribution	700,000	615,459	1,950,000	700,000	100,000	1,350,000
Collections	138,683	280,000	410,000	280,000	30,000	530,000
Waste Water Treatment	110,064	0	325,000	0	1,750,000	500,000
Disposal	2,580,000	2,193,813	2,300,000	900,000	200,000	200,000
Debt Service	2,427,267	1,687,827	2,381,487	2,384,412	2,387,095	2,384,537
Total Expenditures	19,160,108	18,728,035	19,733,626	15,832,526	14,913,872	15,810,904
REVENUES LESS EXPENDITURES	0	0	0	0	244,276	0

1% Salary increase equals \$27,932

Reserves	1,973,345	7,057,538	1,747,313	699,580	943,856	674,161
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Fund: 457 Water Utilities



Fund: 475 – Parking Garage

Fund Overview

The Parking Garage was constructed in 2000 and plays an integral role in the development of the Daytona Beach area's Main Street Entertainment District. Full ownership, management and operational responsibilities for the parking facility was transferred from Volusia Redevelopment Parking Corporation to Volusia County in FY2007-08. The major revenue sources for the Parking Garage fund are daily and special event parking receipts. The budget includes principal and interest payments in accordance with the Series 2007 Bond to fulfill debt obligations. Due to unknown timelines of new properties and resorts, economic impacts are not considered in this forecast.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-134.

Revenues:

Trend analysis does not demonstrate growth in Parking Garage revenues. Therefore, a conservative approach is used in this forecast.

FY13 Estimate – based on historical and YTD collections; 5% below budget due to reduced peak-season parking during Bike Week and Biketoberfest.

FY14 Budget – anticipates lower parking activity during peak events.

FY15 - FY17 Forecast - flat with FY14.

Expenditures:

Personal Services:

FY14 and beyond includes new FRS rates and no salary adjustments.

Total positions: 6 Funded: 2 Unfunded: 4

Operating Expenses:

Support staffing provided by contract labor; FY15, FY16, FY17 1.5% increase.

Utilities - FY15, FY16 and FY17 increase by 2.5% each year.

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Property Insurance – FY15 10% increase, FY16 and FY17 increase by 8% each year.

Fuel-Vehicle Maintenance - FY15, FY16, FY17 increase by 2% each year.

Operating maintenance – includes deck 2-6 repairs

Capital Outlay/Improvements:

FY13 Estimate – Elevators

FY14-FY17 – Capital equipment and improvements per 5-Year plan. Deck repairs are included in operating maintenance, above.

Debt Service:

Bound Document “Parking Facility Revenue Bonds, Series 2007 Transcript”, Section 1, Page 16. Included in this document is the Final Amortization Debt Service Schedule, prepared by Public Financial Management. This bond matures April 1, 2024.

Fund: 475 – Parking Garage

Interfund Transfers:

General Fund loan repayment of \$298,655 is spread over 10 years at \$29,866 per year.

Reserves:

Reserves utilized for renewal and replacement of garage equipment and facility. Reserve levels are just over 1 month of operating expenditures.

Fund: 475 - Parking Garage

Policy Direction

The Parking Garage Fund has been using fund balance proceeds from prior years. By FY2016-17, the reserves are estimated to be \$184,688, providing less than 1 month of operating expenses, and use of one-time revenues is \$28,430.

1. Establish Revenue Stabilization Fund
2. Consider rate changes to parking garage fees
 - Parking Garage fees were last increased by Council action on 4/10/2010.
 - Recommended changes could generate \$17,260 annually.

FUND: 475 Parking Garage

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Parking Revenues	2,472,443	2,355,284	2,337,755	2,337,755	2,337,755	2,337,755
Miscellaneous Revenues	5,180	2,102	2,680	2,680	2,680	2,680
PY Fund Balance Operating	337,828	14,972				22,430
PY Fund Balance One-Time CIP	5,800	445,140	34,660	13,028	10,993	6,000
Total Revenue	2,821,251	2,817,498	2,375,095	2,353,463	2,351,428	2,368,865

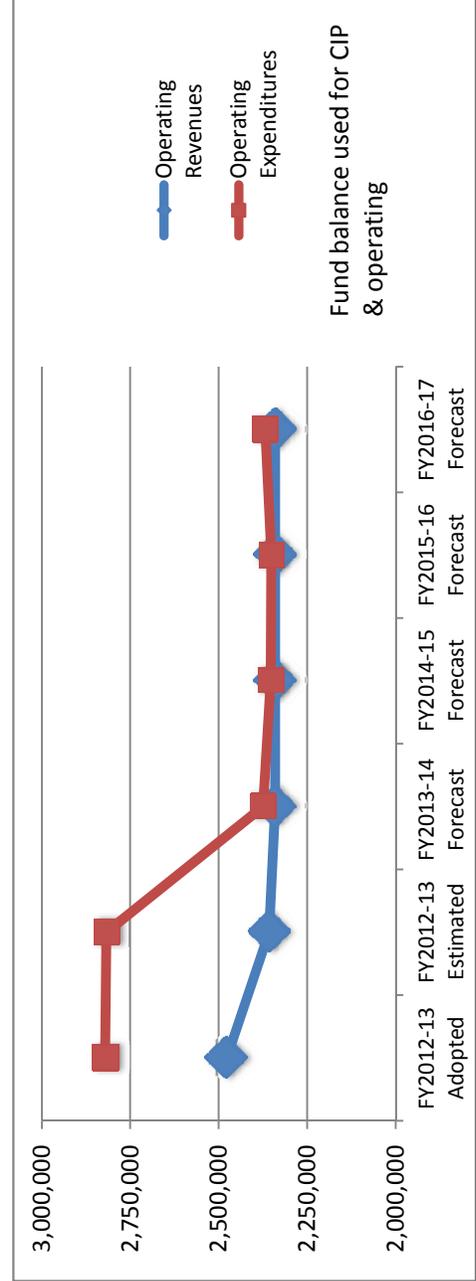
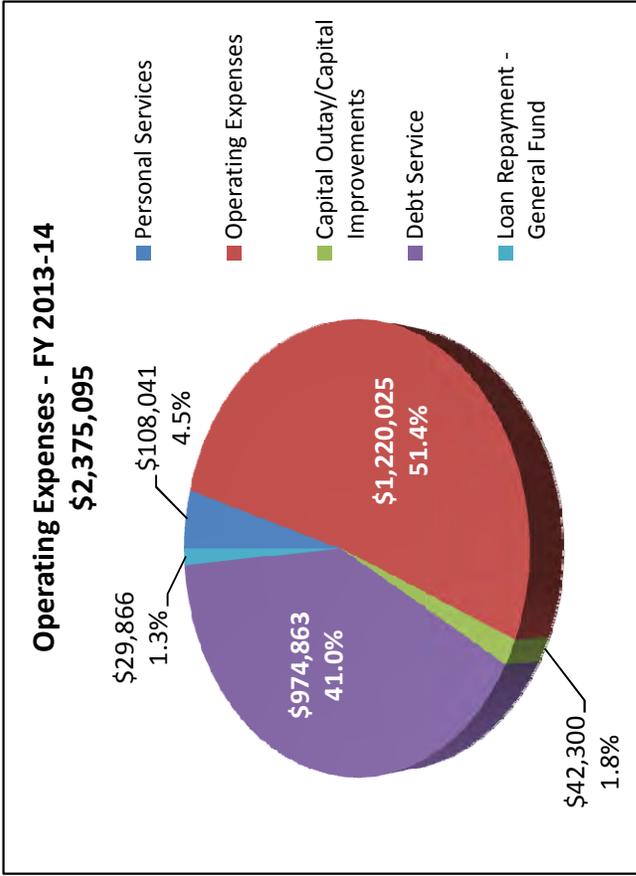
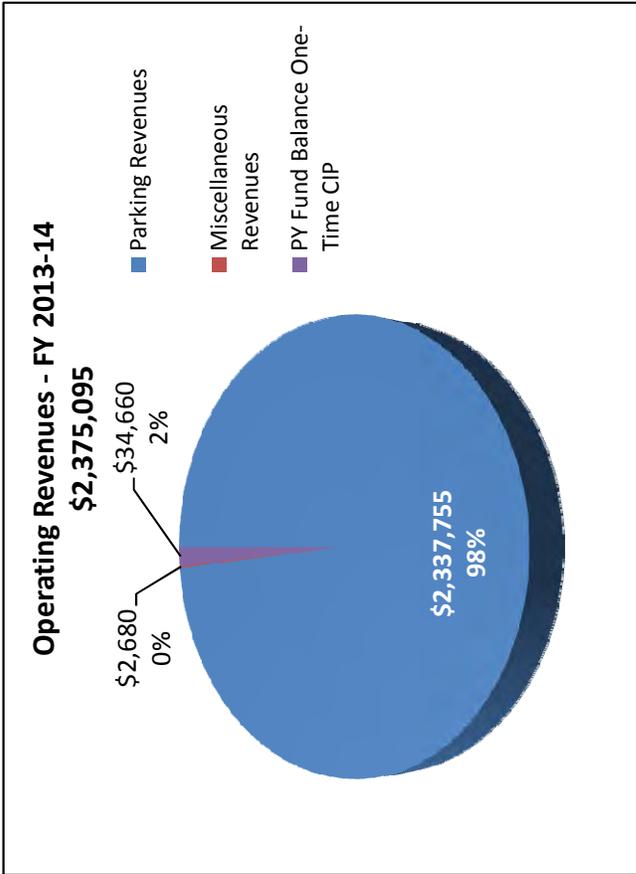
Expenditures:

Personal Services	107,042	108,883	108,041	108,041	108,041	108,041
Operating Expenses	1,439,761	1,292,809	1,220,025	1,185,903	1,175,130	1,234,268
Capital Outlay/Capital Improvements	5,800	445,140	42,300	54,388	54,388	6,000
Debt Service	969,993	970,666	974,863	975,266	984,003	990,691
Loan Repayment - General Fund	298,655	0	29,866	29,866	29,866	29,866
Total Expenditures	2,821,251	2,817,498	2,375,095	2,353,463	2,351,428	2,368,865
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

1% Salary Increase equals \$922

Reserves	0	271,799	237,139	224,111	213,118	184,688
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Fund: 475 Parking Garage



Fund: 106 – Tourist Development Tax

Fund Overview

The Tourist Development/Resort Tax was enacted in 1978 levying a two percent tax on short term rentals of living accommodations for six months or less. On April 24, 2003 the Volusia County Council adopted Ordinance 2003-07 raising the tax to three percent effective July 1, 2003. Revenue from these funds are pledged to secure and liquidate revenue bonds for the acquisition, construction, extension, enlargement, remodeling, repair, improvement, maintenance, operation or promotion of one or more publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums or auditoriums within Volusia County. Of these funds, 2% provides funding for the debt service on the 2002 Tourist Development Tax bond issue for the construction of the Ocean Center. The additional 1% provides funding for the 2004 Tourist Development Tax bond issue on the expansion of the Ocean Center.

Volusia County, as a charter county, was authorized by state statute and local ordinance to do self-collection and administration of the convention development taxes. The service charge for this activity is 2% which is used to collect, process, administration within the Revenue Division.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-34

Revenues:

FY13 Estimate – Flat with FY13 Budget at \$7,624,502 based on historical trend analysis.

YTD collections are 2.7% above FY12 for the same period. However, peak months in Volusia County are March, April and July each year. Collections will be monitored accordingly.

FY14 – FY17 Forecast - 2% growth each year.

2013 Taxable Sales Reported by Transient Rental Facilities, 2% over the prior year.

Source: DOR and the Florida Legislature Office of Economic and Demographic Research

Expenditures:

Interfund Transfers:

Interfund Transfer for Debt Service are based on debt service schedules per bound transcript documents:

- Tourist Development Tax Refunding Revenue Bonds, Series 2002, Section 8, page 22.
- Tourist Development Tax Revenue Bonds, Series 2004, Section 8, page 27.
- Transfer to Capital Improvement Revenue Note, Series 2010 – Ocean Center Expansion Debt Service. This note combined outstanding debt for 5 different Commercial Paper obligations which includes the Ocean Center Expansion. The total debt service schedule is found in the Capital Improvement Revenue Note, Series 2010 bound document, section 4, page 8. Individual segments for budget purposes were prepared by our financial advisor and restated for budget purposes, also found in this document.
- General Fund – 2% to pay for tax collection, processing, and administration fee expenses incurred in the Revenue Division.
- Ocean Center Operations - net of the above debt requirements and General Fund transfer.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 106 - Tourist Development Tax**

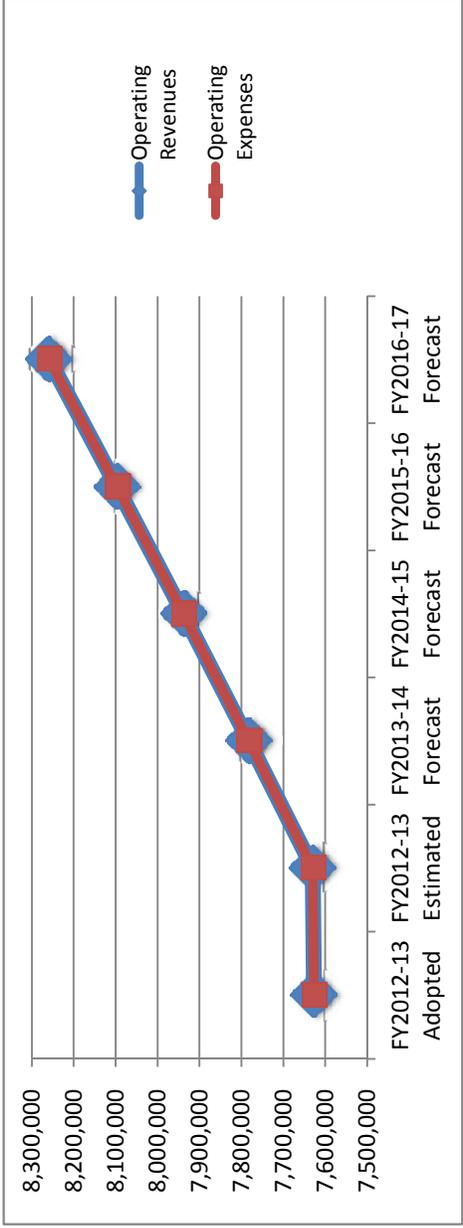
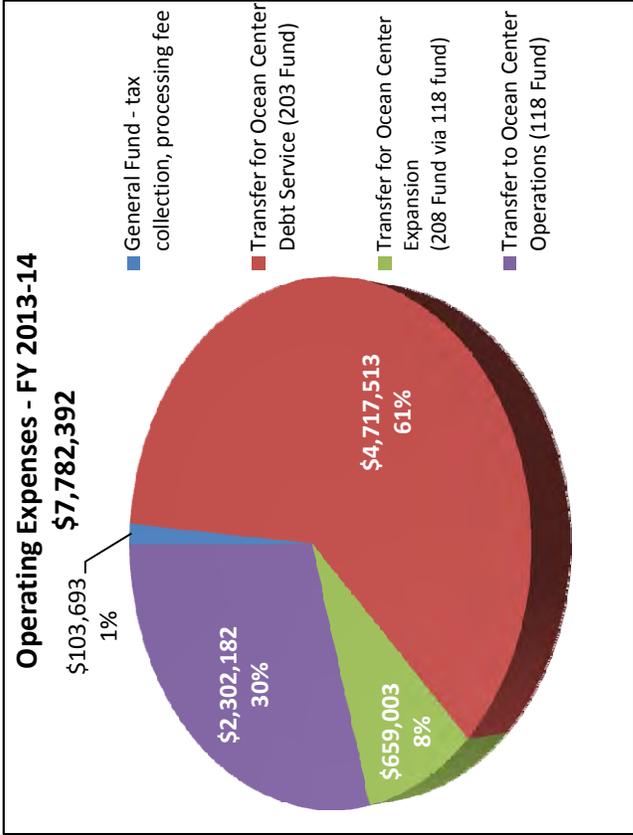
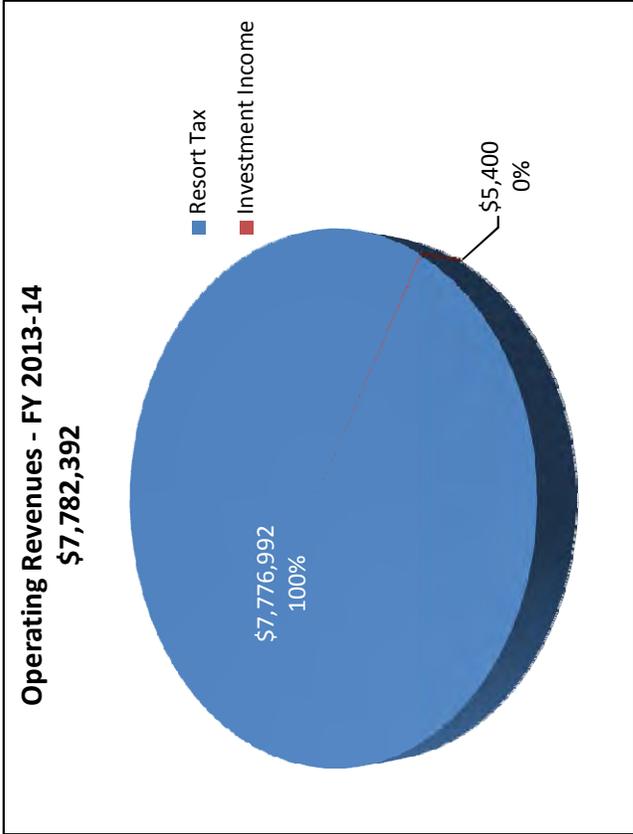
<u>Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Resort Tax	7,624,502	7,624,501	7,776,992	7,932,531	8,091,182	8,253,006
Investment Income	2,392	5,400	5,400	5,500	5,600	5,700
Operating Revenues	7,626,893	7,629,901	7,782,392	7,938,031	8,096,782	8,258,706

Expenditures:

General Fund - tax collection, processing fee	101,660	101,659	103,693	105,767	107,882	110,040
Transfer for Ocean Center Debt Service (203 Fund)	4,731,191	4,731,191	4,717,513	4,655,075	4,655,075	4,655,075
Transfer for Ocean Center Expansion (208 Fund via 118 fund)	659,585	659,585	659,003	659,074	658,783	659,114
Transfer to Ocean Center Operations (118 Fund)	2,134,457	2,137,466	2,302,182	2,518,115	2,675,042	2,834,477
Operating Expenses	7,626,893	7,629,901	7,782,392	7,938,031	8,096,782	8,258,706

REVENUES LESS EXPENDITURES	0	(0)	0	0	0	0
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Fund: 106 Tourist Development Tax



Fund: 108 – Sales Tax Trust

Fund Overview

The primary purpose for the Sales Tax Fund is to record the County's receipt of the Half-Cent Sales Tax that is received from the State on a monthly basis. Funds are authorized by F.S. 212.20(6) and 218.60-.67, for countywide purposes, including debt service. The Half-Cent Sales Tax is allocated based on the county's population. The incorporated population (General Fund) is 76% and the unincorporated population (Municipal District Service) is 24%.

From the amount allocated to the General Fund, revenues are distributed first for Debt Service. Amounts for debt service are transferred to the Subordinate Sales Tax Lien Debt Service Fund (201) for 2008 Series bond, Capital Improvement Fund (204) for 2012 Series bonds and the Capital Improvement Debt Service Fund (297) for the 2009A/2009B Series Bonds. The Ocean Center receives a portion of this revenue totaling \$1,279,979. The remaining amount is distributed to the General Fund.

From the amount allocated to The Municipal Service District Fund, revenues are distributed first for Debt Service. The amount for debt service is transferred to the Capital Improvement Debt Service Fund (297) for the 2009A Series Bond for Sheriff's vehicles and helicopter financing. The remaining amount is distributed to the Municipal Service District Fund.

Assumptions

FY13 Budget – as outlined in budget document page E-36.

Revenues:

Growth of 4% is estimated based on actual history analysis from FY2012-13 to FY2016-17.

Expenditures:

All the expenditures are transfers to:

- Subordinate Lien Sales Tax Revenue Fund (Bond, Series 2008 for Court Facilities projects)
- Sales Tax Bond Fund (Bond, Series 2012 for Justice Center and fund several other projects)
- Capital Improvement Debt Service Fund (Bond, Series 2009A for Sheriff's vehicles & helicopter)
- Capital Improvement Debt Service Fund (Bond, Series 2009B to refinance all Subordinate Lien Sales Tax Revenue Bonds, Series 1998)
- Ocean Center Fund remains flat for tourist-related activities
- Municipal Service District Fund
- General Fund

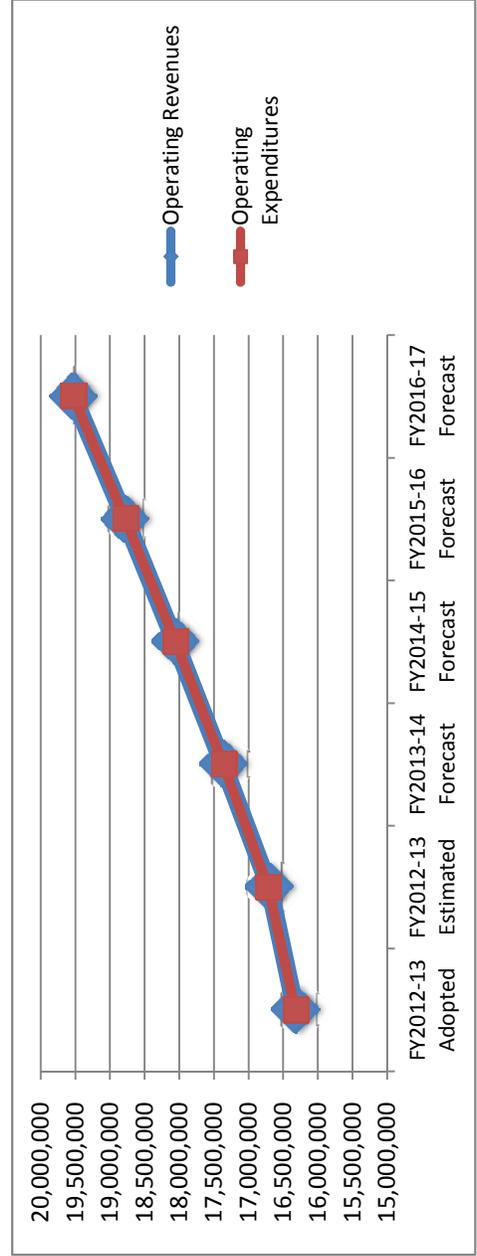
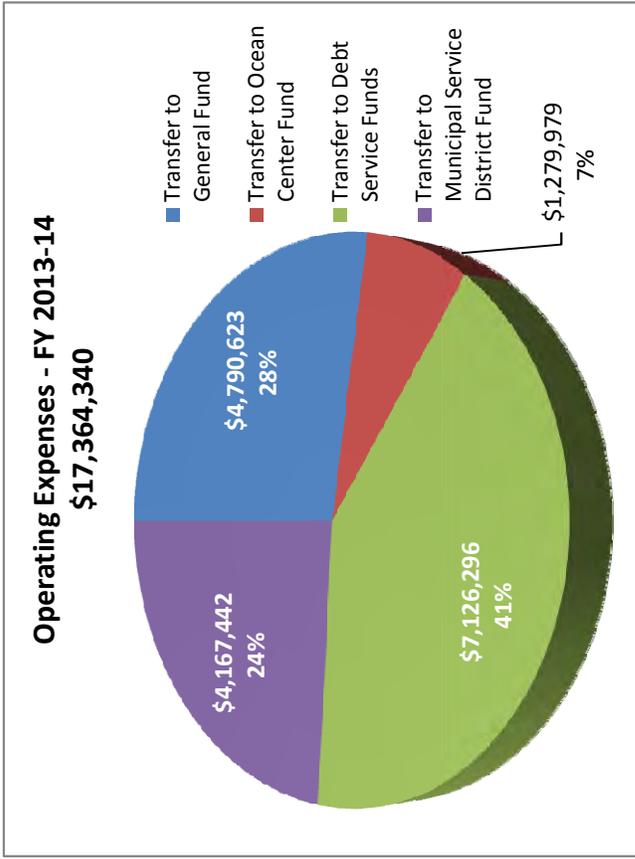
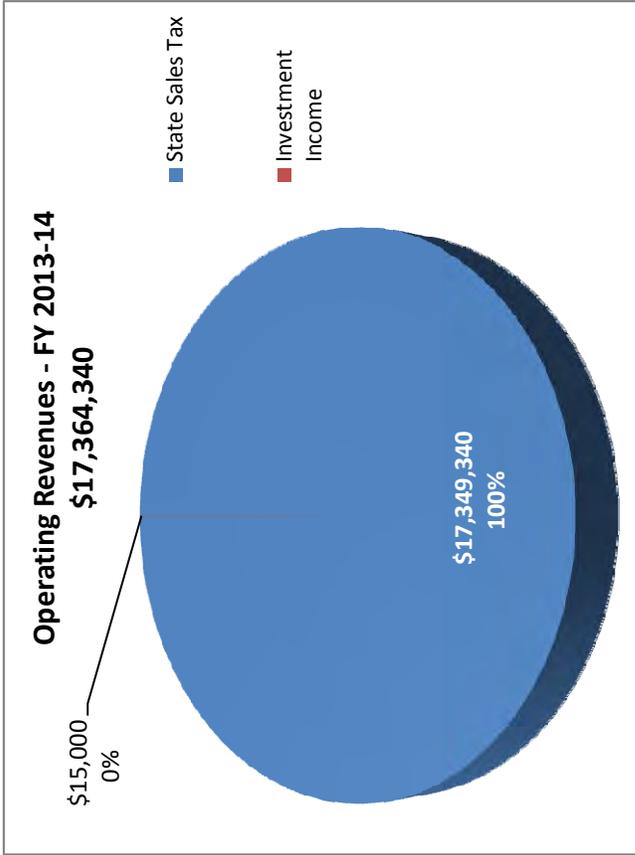
VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 108 - Sales Tax Trust Fund

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
State Sales Tax	16,304,080	16,682,058	17,349,340	18,043,314	18,765,046	19,515,648
Investment Income	20,000	16,382	15,000	15,000	15,000	15,000
Fund Balance	0	19,362	0	0	0	0
Total Revenues	16,324,080	16,717,802	17,364,340	18,058,314	18,780,046	19,530,648

Expenditures:

General Fund Allocation						
Transfer to Debt Service Funds	7,705,010	7,705,010	7,126,296	8,577,685	8,560,121	8,399,464
Transfer to Ocean Center Fund	1,279,979	1,279,979	1,279,979	1,279,979	1,279,979	1,279,979
Transfer to General Fund	3,421,312	3,720,540	4,790,623	3,866,654	4,432,735	5,163,850
Municipal Service District Allocation						
Transfer to Debt Service Fund	324,844	324,844	325,187	0	0	0
Transfer to Municipal Service District Fund	3,592,935	3,687,428	3,842,255	4,333,995	4,507,211	4,687,356
Total Expenses	16,324,080	16,717,802	17,364,340	18,058,314	18,780,046	19,530,648
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

FUND: 108 Sales Tax Trust



Fund: 111 – Convention Development Tax

Fund Overview

The Convention Development Tax is distributed to three advertising authorities to promote and advertise tourism and to fund convention and visitors bureaus in each district.

- The Convention Development Tax (CDT) was originally authorized under Florida Law Chapter 84-324 for the Halifax Advertising Tax District, replacing an ad valorem advertising tax which had been authorized under Florida Law Chapter 26294 (1949).
- The County ended the ad valorem tax with the 1984-85 budget and created the Halifax Area Advertising Authority, authorizing a 1% tax on short term rental accommodations within the district under Florida Statute 212.03 (1983).
- In 1987, the County created the West Volusia Convention Development Tax District, the West Volusia Advertising Authority, the Southeast Volusia Convention Development Tax District, and the Southeast Volusia Advertising Authority and authorized a 1% tax on short term rental accommodations for each district as authorized in Florida Statutes 212.0305.

In 1991, the CDT rate for the three districts was increased from 1% to 2%. In 1995, the rate for Halifax and West Volusia was increased to 3%, while Southeast Volusia remained at 2%. The Southeast Volusia rate was increased to 3% in 2000.

Volusia County, as a charter county, was authorized by state statute and local ordinance to do self-collection and administration of the convention development taxes. The service charge for this activity is 2% which is used to collect, process, administration within the Revenue Division.

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-38.

Revenues:

FY13 Estimate – Based on trend analysis of historic and YTD collections.

Planned FY14 distributions to agencies reflect a 2% increase in CDT: Halifax \$5,896,173, Southeast \$1,379,334 and West Volusia \$321,707.

FY14 – FY17 Forecast – 2% growth each year

2013 Taxable Sales Reported by Transient Rental Facilities, 2% over prior year

Source: DOR and the Office of Economic and Demographic Research, attached

Expenditures:

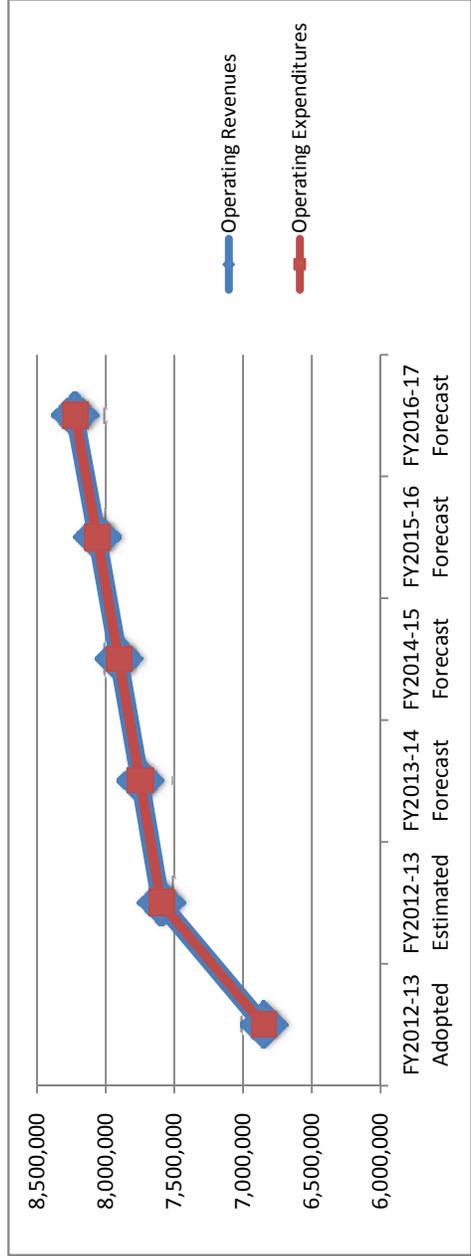
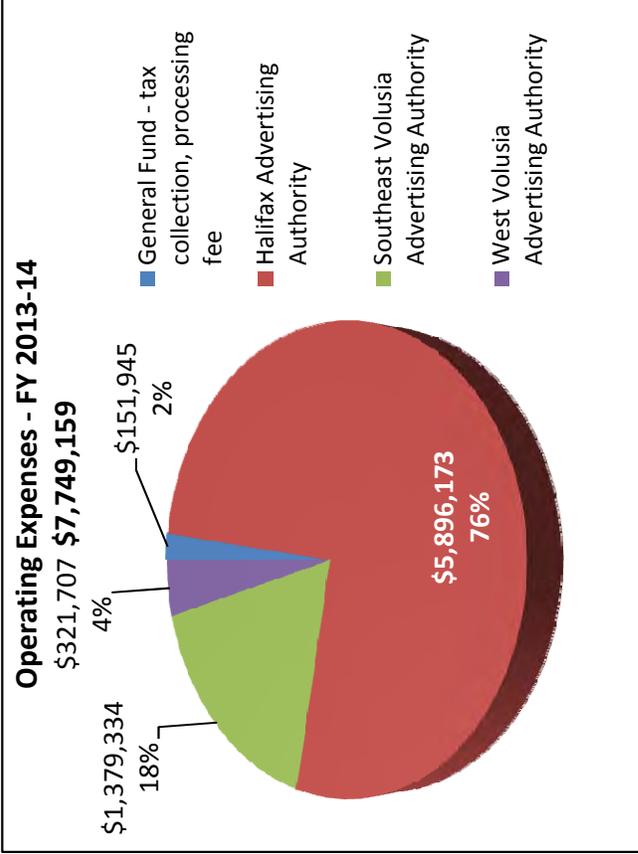
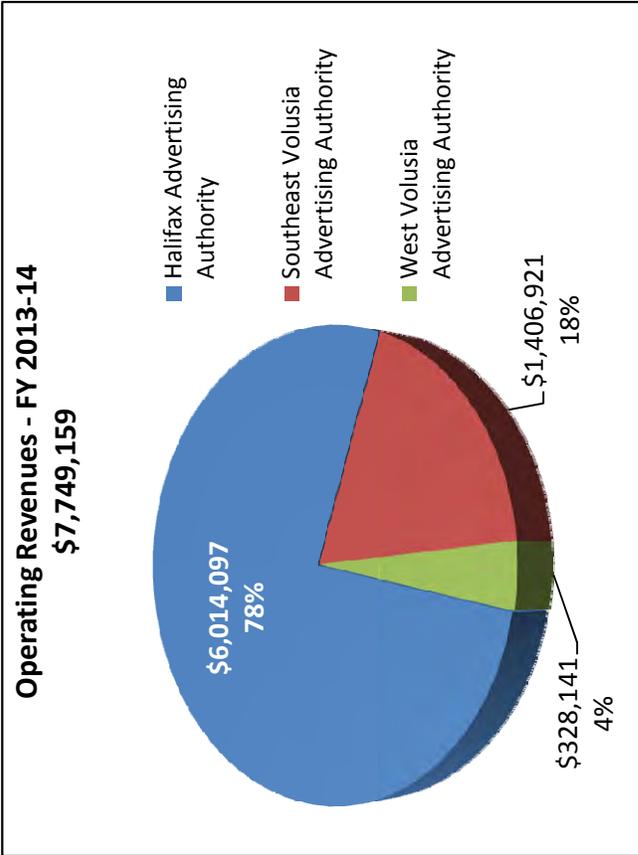
Distributions to the ad authorities are based on collections net of tax collection, processing and administrative fee @ 2% to the general fund for expenses incurred in the Revenue Division.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 111 - Convention Development Tax

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Halifax Advertising Authority	5,338,726	5,896,215	6,014,097	6,134,336	6,256,979	6,382,076
Southeast Volusia Advertising Authority	1,206,651	1,379,343	1,406,921	1,435,051	1,463,743	1,493,009
West Volusia Advertising Authority	306,925	321,710	328,141	334,702	341,393	348,219
Operating Revenues	6,852,302	7,597,268	7,749,159	7,904,088	8,062,115	8,223,303
Expenditures:						
General Fund - tax collection, processing fee	135,270	148,966	151,945	154,982	158,081	161,241
Halifax Advertising Authority	5,233,726	5,780,603	5,896,173	6,014,055	6,134,294	6,256,937
Southeast Volusia Advertising Authority	1,182,521	1,352,297	1,379,334	1,406,912	1,435,042	1,463,734
West Volusia Advertising Authority	300,785	315,402	321,707	328,139	334,699	341,391
Operating Expenses	6,852,302	7,597,268	7,749,159	7,904,088	8,062,115	8,223,303
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

* Revenues include earned interest

Fund: 111 Convention Development Tax



Fund: 115 - E-911 Emergency Telephone System

Fund Overview

The "Florida Emergency Communications Number E911 State Plan Act" (ss. 356.171- 365.173, F.S.), outlines the establishment, use and distribution of "911" fee revenues. Service providers collect the fees levied on subscribers and remit them to the State E911 Board. On a monthly basis, the Board distributes to the counties 67% of the monies collected in the wireless category, and 97% of the monies collected in the non-wireless category. Any county that receives these funds is required to establish a unique trust fund to be used exclusively for the receipt and expenditure of these revenues. Under the guidelines of the Act, the Florida Legislature specifically enumerates allowable expenditures from the fund for costs attributable to the establishment and/or provision of "911 services" per ss. 365.172 (9), F.S.

Assumptions

FY13 Budget – as outlined in budget document page E-44.

Revenues:

Land line & wireless E911 fees are forecasted to remain flat with estimate.

Expenditures:

Allowable expenses in this account are in direct relationship to revenues received.

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 2 Total Funded: 2 Total Unfunded: 0

Operating Expenses:

One time purchase of software \$200,000 included in FY14.

Communications PSAP (Public Safety Awareness Points) payments remains flat based on 5 year trend.

Interfund Transfers:

General Fund - for E-911 services within Office of the Sheriff Communication division (based on formula to include number of calls received)

Municipal Service Fund - GIS support services at \$45,000 annually

Reserves:

Prior year reserves have been reduced during fiscal year 2013 by \$2.4M for dispatch consoles at the new Communication Center. Reserves are being used to fund future year's operations.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 115 - E-911 Emergency Telephone System

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
E911 Landline	850,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
E911 Wireless	1,300,000	1,300,000	1,380,000	1,380,000	1,380,000	1,380,000
Miscellaneous Revenue	41,390	39,390	10,000	10,000	10,000	10,000
PY Fund Balance One-Time	458,028	2,649,769	360,400	157,438	157,666	157,913
Operating Revenues	2,649,418	4,989,159	2,750,400	2,547,438	2,547,666	2,547,913

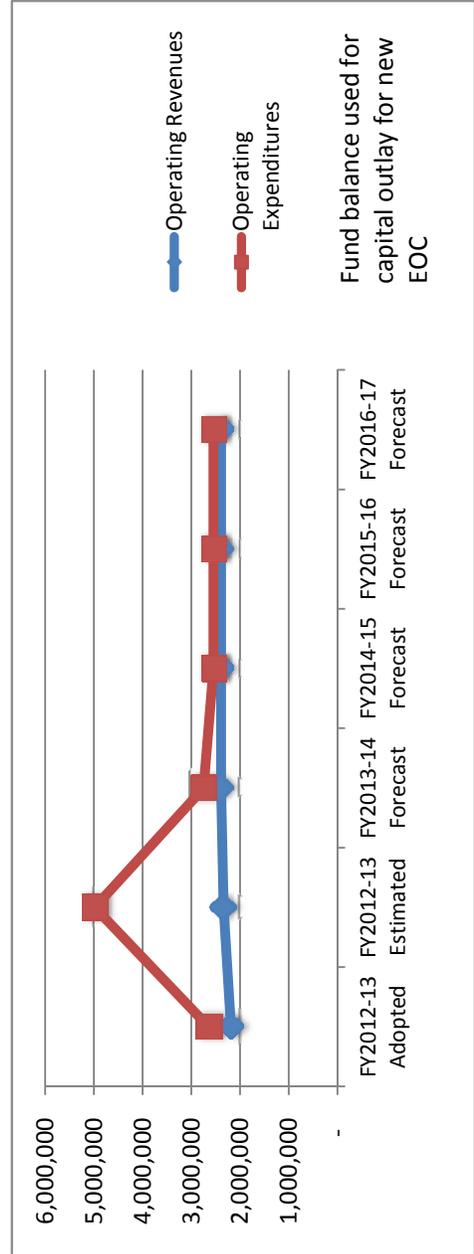
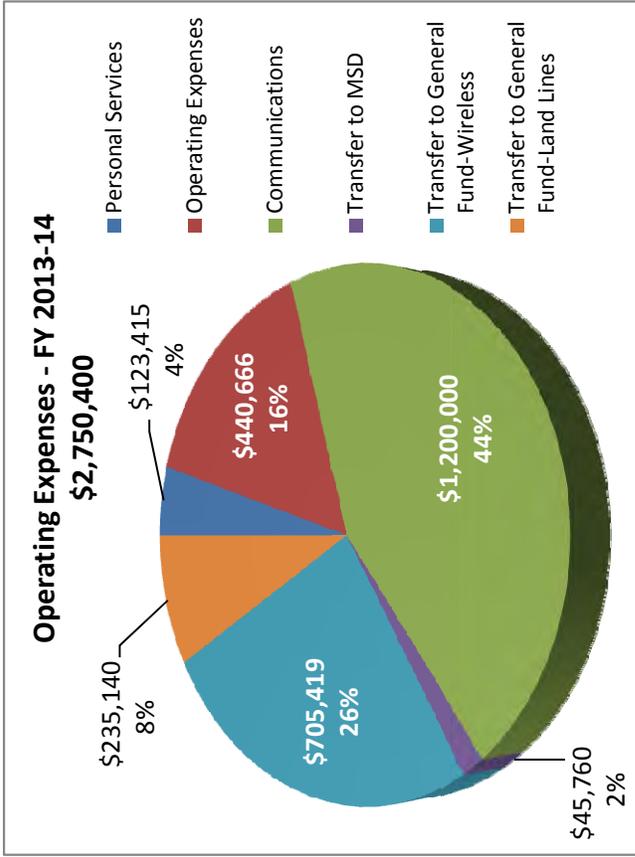
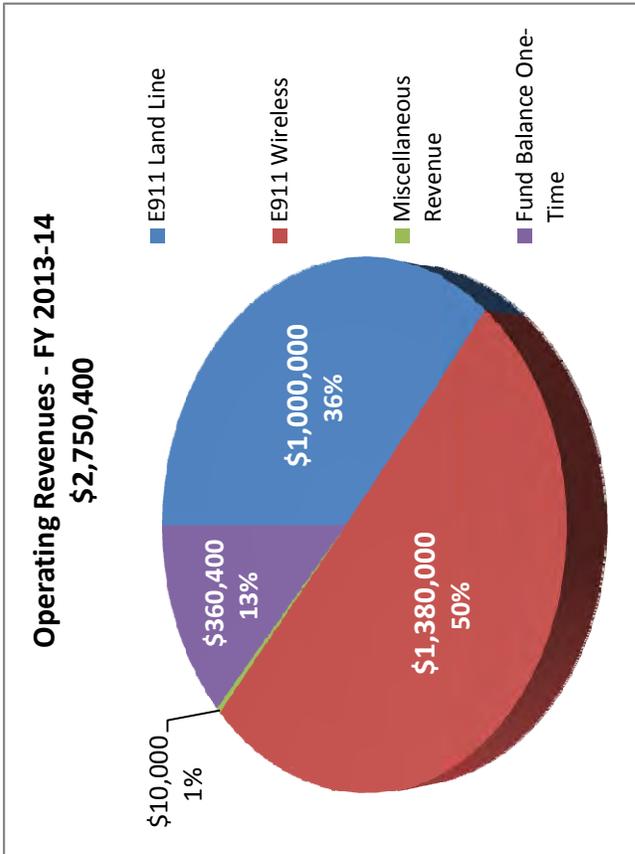
Expenditures:

Personal Services	119,014	120,762	123,415	120,193	120,193	120,193
Operating Expenses	308,151	439,841	440,666	240,926	241,154	241,401
Communications PSAP	1,300,000	1,012,269	1,200,000	1,200,000	1,200,000	1,200,000
Capital Outlay	0	2,494,034	0	0	0	0
Transfers MSD - GIS support	45,760	45,760	45,760	45,760	45,760	45,760
Transfers GF - call support wireless calls	657,370	657,370	705,419	705,419	705,419	705,419
Transfers GF - call support landline calls	219,123	219,123	235,140	235,140	235,140	235,140
Operating Expenses	2,649,418	4,989,159	2,750,400	2,547,438	2,547,666	2,547,913
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

1% Salary increase equals \$1,046

Reserves	438,466	1,246,548	886,148	728,710	571,044	413,131
Total Reserves	438,466	1,246,548	886,148	728,710	571,044	413,131

Fund: 115 E-911 Emergency Telephone System



Fund: 118 – Ocean Center

Fund Overview

The Ocean Center provides convention and tourism visitors with a quality convention, entertainment and sports venue in Volusia County. The Ocean Center mainly funded by the three cent Tourist Development Tax, per F.S. § 125.0104 for the outstanding debt service for the original bonds and for the bonds issued for expansion in FY 2003-04. Taxes available after debt service and service charge requirements are transferred from the Resort Tax Fund to the Ocean Center Fund. In 2009, the County completed a 250,000 square foot addition to the Ocean Center with a new exhibit hall and meeting rooms. The Ocean Center Department is responsible for the overall planning, direction, and control of the Ocean Center and Parking Garage (Fund 475).

Assumptions

FY13 Budget – as outlined in FY2012-13 Adopted Budget on page E-50.

Revenues:

Charges for Services - event-related revenues which include: arena, equipment, conference room, concession fees. FY13 Estimate - Based on historical analysis and YTD collections experience. FY14 - based on anticipated event revenues and participants. FY15 flat; FY16 2% increase; FY17 3% increase.

Transfer from Half Cent Sales Tax - flat each year at \$1,279,979. Since a percentage of sales tax is generated by tourism, this revenue source can assist with the operating expenses of the Ocean Center.

Transfer from Tourist Development Tax - based on anticipated collections, net of debt service and service charges for each year.

Due to unknown timelines of new properties and resorts, economic impacts are not considered in this forecast.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 37 Total Funded: 27 Total Unfunded: 10

Operating Expenses:

Contracted labor FY15, FY16, FY17 increases 1.5% per year.

Fuel increases FY15, FY16, FY17 2% per year.

Utilities increases FY15, FY16, FY17 2.5% per year.

Postage increases FY15, FY16, FY17 1.5% per year.

Property Insurance 10% increase FY15, 8% increase FY16 and FY17.

Building Maintenance and Janitorial Service Charges increase 1.5% per year.

Fund: 118 – Ocean Center

Capital Outlay & Capital Improvements

Per Department's 5-year capital outlay and improvement plans. These include arena sound system upgrade, basketball court resurfacing, arena handrail and floor box replacement, lighting, risers and other event equipment, internet upgrade, refurbishment of air walls, marquee, client signage, carpet replacement, lighting system upgrade to LED, landscaping and water features, metal panels on exterior, and projection equipment.

Interfund Transfers

Transfer to Capital Improvement Revenue Note, Series 2010 – Ocean Center Expansion Debt Service. This note combined outstanding debt for 5 different Commercial Paper obligations which includes the Ocean Center Expansion. The total debt service schedule is found in the Capital Improvement Revenue Note, Series 2010 bound document, section 4, page 8. Individual segments for budget purposes were prepared by our financial advisor and restated for budget purposes, also found in this document.

Transfer to Capital Improvements Fund (318) for HVAC repairs or replacement.

Reserves:

A revenue stabilization fund of 5% of revenues is established beginning FY14, also shown in FY13 Adopted and FY13 Estimated for presentation purposes. Additional reserves will provide for on-going maintenance and capital needs.

FUND: 118 - Ocean Center

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Charges for Services	1,327,600	1,101,468	1,389,075	1,389,075	1,416,857	1,459,362
Miscellaneous Revenues	399,874	348,954	342,227	342,227	342,227	342,227
Transfer from Sales Tax	1,279,979	1,279,979	1,279,979	1,279,979	1,279,979	1,279,979
Transfer from Tourist Development Tax	2,794,042	2,797,051	2,961,185	3,177,189	3,333,825	3,493,591
PY Fund Balance Operating	54,596	118,298	-	-	-	-
PY Fund Balance One-Time CIP	54,500	155,386	276,605	1,325	164,358	191,985
Total Revenue	5,910,591	5,801,136	6,249,071	6,189,795	6,537,245	6,767,144

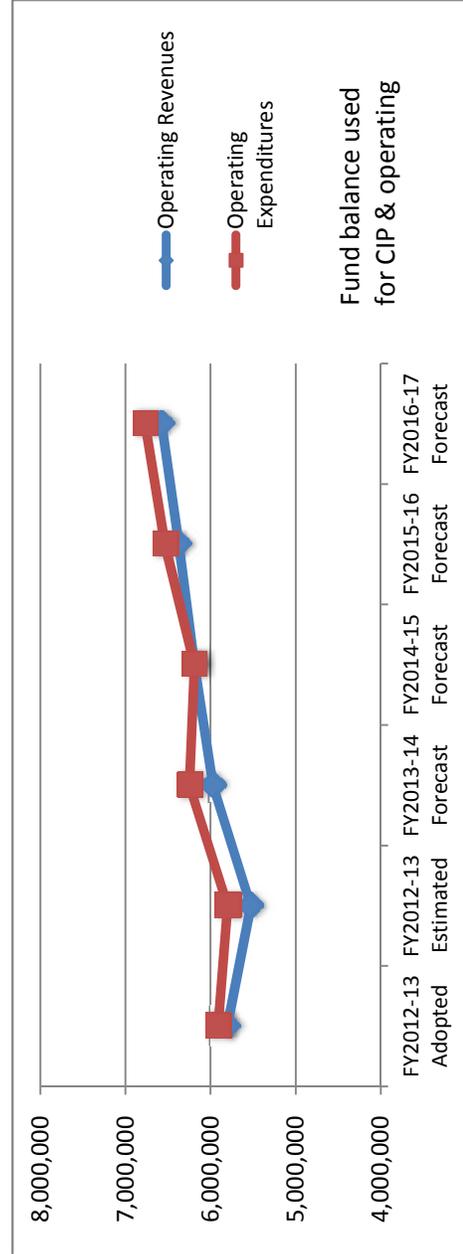
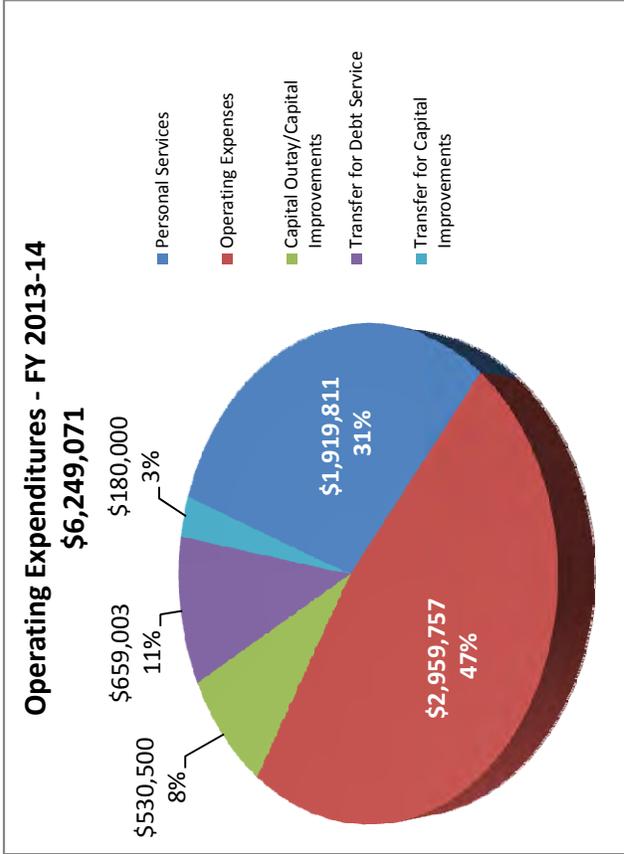
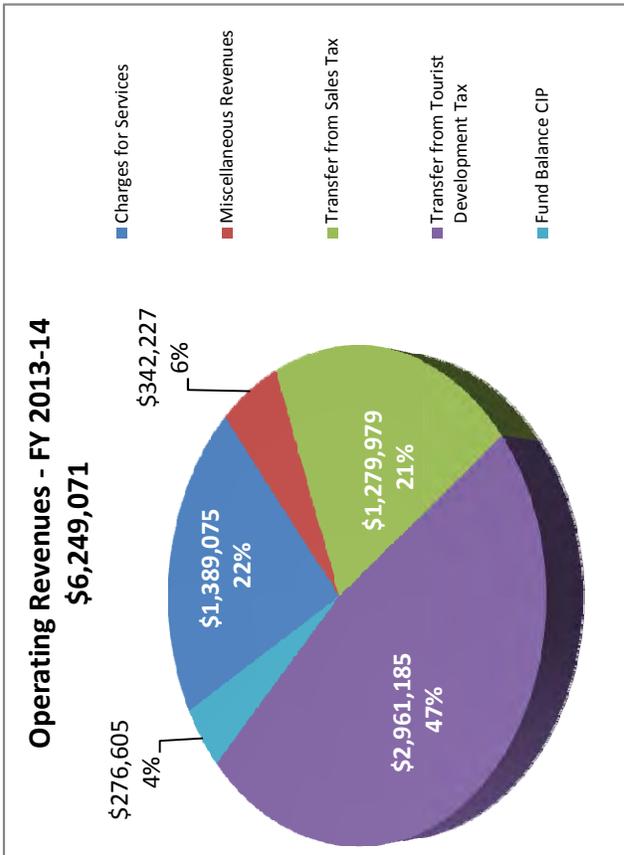
Expenditures:

Personal Services	1,853,005	1,835,689	1,919,811	1,919,811	1,919,811	1,919,811
Operating Expenses	3,162,501	2,969,476	2,959,757	2,912,138	2,991,708	3,043,572
Capital Outlay/Capital Improvements	54,500	155,386	530,500	506,572	774,743	952,447
Transfer for Debt Service	660,585	660,585	659,003	659,074	658,783	659,114
Transfer for Capital Improvements	180,000	180,000	180,000	192,200	192,200	192,200
Total Expenditures	5,910,591	5,801,136	6,249,071	6,189,795	6,537,245	6,767,144
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

1% Salary increase equals \$16,264

Fund Stabilization Reserves	290,075	276,373	298,623	309,424	318,644	309,829
Reserves for Future Capital	420,175	667,729	368,873	356,749	183,170	0
Total Reserves	710,250	944,101	667,497	666,172	501,814	309,829

Fund: 118 Ocean Center



Fund: 121 – Special Assessments

Fund Overview

Volusia County Code Chapter 110, Article III (Special Assessment District (SAD) and Operation) provides guidelines by which property owners desiring certain infrastructure improvements may petition their neighbors for the creation of a special assessment district. The Capri Drive Special Assessment District (SAD) was created on April 1, 2004 through ordinance 2004-02 for the purpose of road construction and paving of Capri Drive including installation of water and sewer utility lines. On December 21, 2006, the County Council approved ordinance 2006-28 creating the West Highlands/Highland Park special assessment district. The ordinance provided for the establishment, construction, repair and maintenance of dirt roads in dedicated right-of-way within the district boundaries.

Outstanding short-term commercial paper debt obligations for improvements in both Capri Drive and West Highlands were refinanced in FY2010-11. Interfund transfers to the Capital Improvement Revenue Note, Series 2010 Debt Service Fund (208) are included in the FY2013-14 budget.

Assumptions

FY13 Budget – as outlined in budget document page E-60.

Revenues:

Special Assessment - Based on actual percent reduction from FY11-FY12 for each district extrapolated out to FY17.

Investment Income - Based on prior year collections then adjusted FY 14-FY17 reserve balance.

Interest Special Assessment - Based on actual percent reduction from FY11-FY12 for each district extrapolated out to FY17.

Expenditures:

Operating Expenses:

Transfer to Debt – based on Debt Service Schedule to service the Capital Improvement Revenue Note, Series 2010 (Fund 208). Debt Service schedule is outlined in bound transcript document, Section 15 (b) – Final Numbers, pages 6, 7, 8 & 9.

Reserves:

Reserves - \$1.7M in reserves will be used to pave dirt roads within special assessment district.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 121 - Special Assessments**

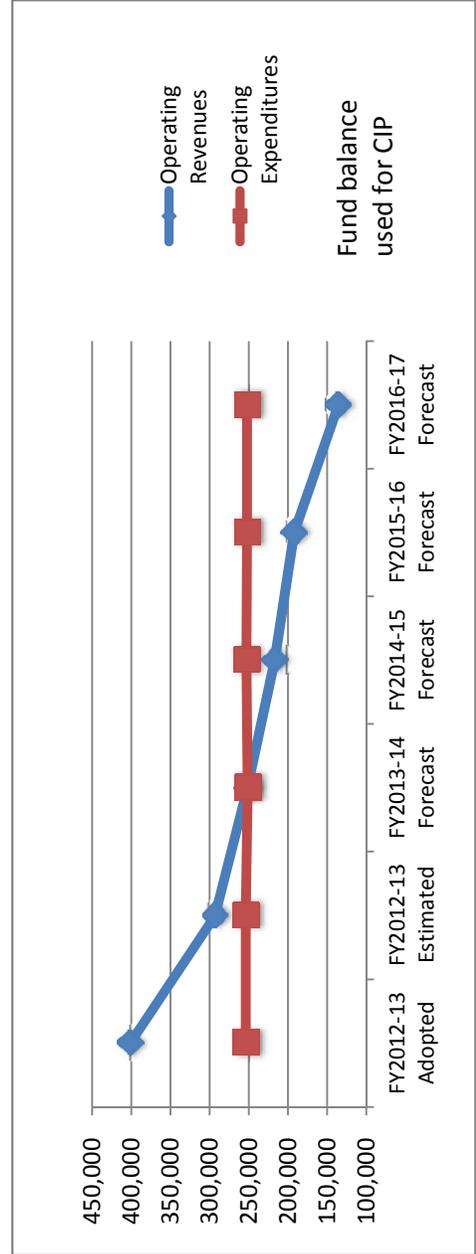
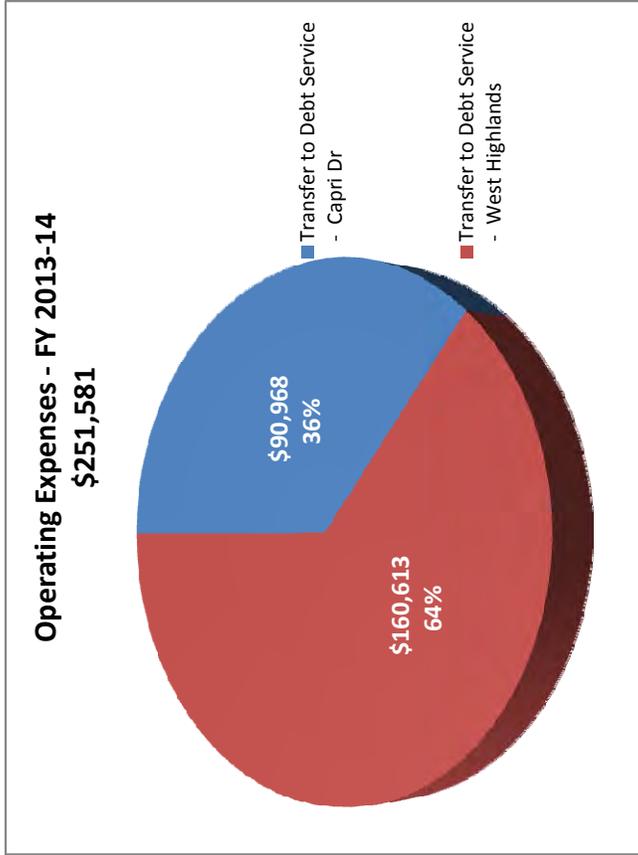
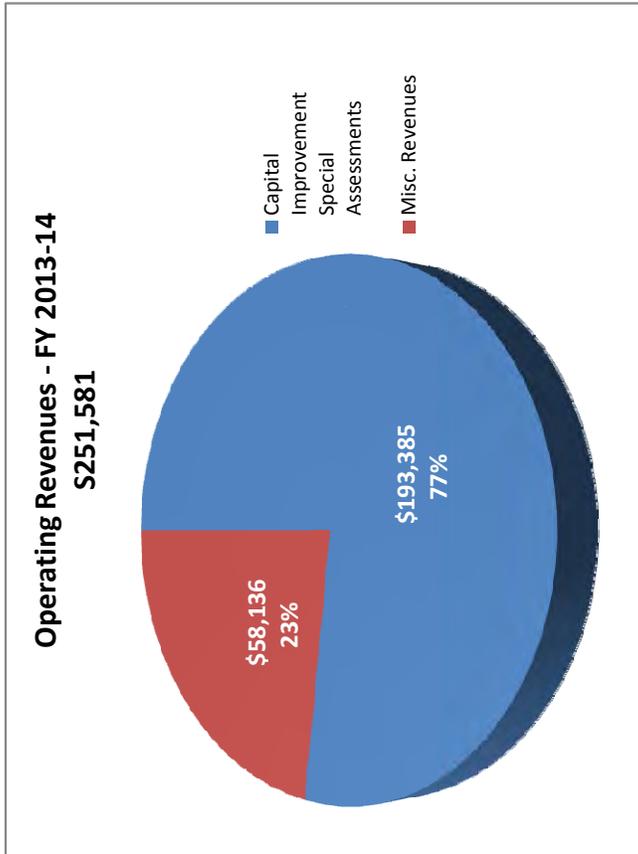
<u>Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Capital Improvement Special Assessments	311,000	222,658	193,385	167,969	150,111	109,338
Misc. Revenues (Rent, sales, interest, etc.)	90,500	70,500	58,136	49,060	41,963	26,259
PY Fund Balance One-Time Capital	-	-	59	35,999	60,190	116,706
Operating Revenues	401,500	293,158	251,581	253,028	252,263	252,302

Expenditures:

Transfer to Debt Service - Capri Dr	92,263	92,263	90,968	91,597	91,151	91,629
Transfer to Debt Service - West Highlands	161,660	161,660	160,613	161,431	161,112	160,673
Operating Expenses	253,923	253,923	251,581	253,028	252,263	252,302
REVENUES UNDER/OVER EXPENDITURES	147,577	39,235	0	0	0	0

Reserves	1,914,534	1,691,242	1,691,183	1,655,125	1,558,936	1,382,041
Total Reserves	1,914,534	1,691,242	1,691,183	1,655,125	1,558,936	1,382,041

FUND: 121 Special Assessments



Fund: 123 – Inmate Welfare Trust

Fund Overview

The Corrections Welfare Trust Fund, commonly referred to as the Inmate Welfare Trust Fund, exists by way of statutory authority (Chapter 951.23(9), F.S.) granted to the Volusia County Division of Corrections in order to establish, maintain and operate certain services to be provided to inmates incarcerated at the county jail. The sales price of articles offered for sale through commissary are fixed with profits from the sales placed into the trust fund. In addition to the revenue generated from commissary sales, commissions received from a telephone service provider used by inmates while incarcerated fall under the statutory authority and are also deposited in the Inmate Welfare Trust Fund.

Proceeds from this fund are used to improve visitation facilities, provide inmates with recreational activities, as well as supply personal care items, law library materials and legal access to indigent inmates.

Assumptions

FY13 Budget – as outlined in budget document page E-64.

Revenues:

FY14 \$95,265 is a one-time use of prior year fund balance. FY15, FY16 and FY17 remain flat. Per contract agreement with McDaniel Supply Company Master Agreement No. 850 8546A-1, this trust receives 39.1% of commissary sales and receives 65.1% on the sale of debit cards per a contract with Securus Technologies Master Agreement No. 520 4731-3.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 1 Total Funded: 1 Total Unfunded: 0

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

In FY14, includes the addition of 12 video visitor stations for the dorm side of the Volusia County Correctional Facility.

Capital Improvements:

In FY14, includes a canopy over the recreation yard.

Reserves:

In FY14, reserves are being utilized to fund the capital improvement needs. Future plans for reserves include adding an additional 15 public visitation stations to the Video Visitation Center and additional inmate visitation stations to inmate housing units 3 – 9 located at the Branch Jail. Other future plans include the introduction of a culinary arts program that will teach employable skills, a dry cleaning/tailoring facility, an inmate gardening program, and closed circuit television system providing educational programs.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 123 - Inmate Welfare Trust**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
<u>Miscellaneous Revenues:</u>						
Commissions	475,000	530,000	520,000	520,000	520,000	520,000
Miscellaneous Revenues	11,815	9,295	8,620	8,620	8,620	8,620
PY Fund Balance One-Time		-	95,265	-	-	-
Total Revenues	486,815	539,295	623,885	528,620	528,620	528,620

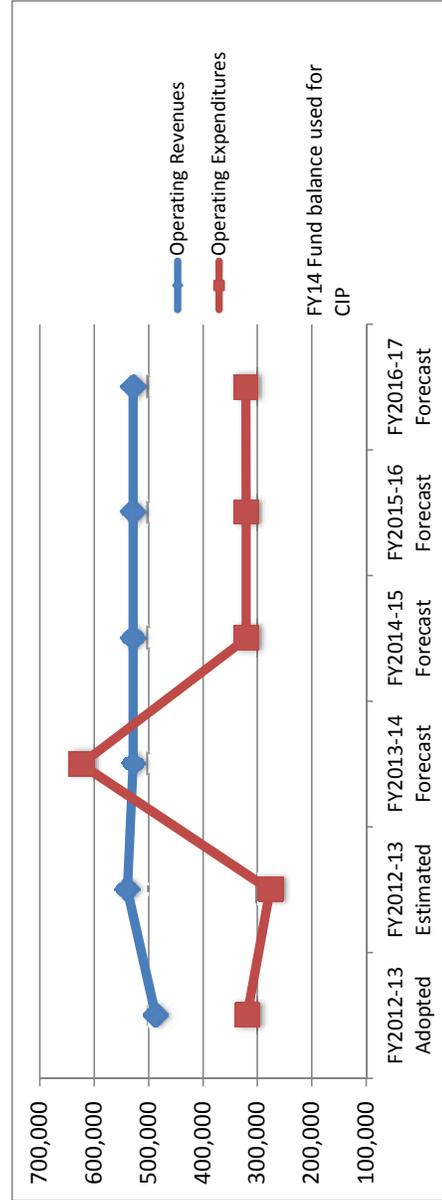
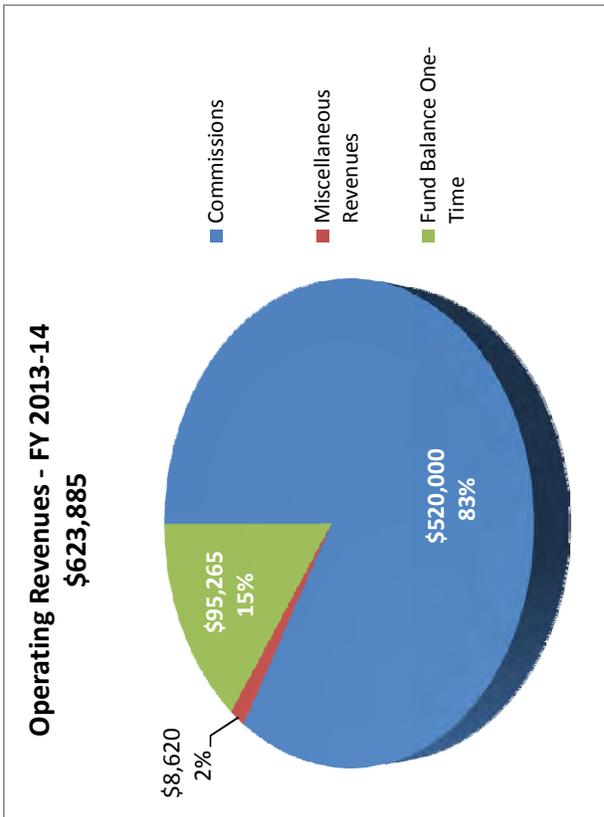
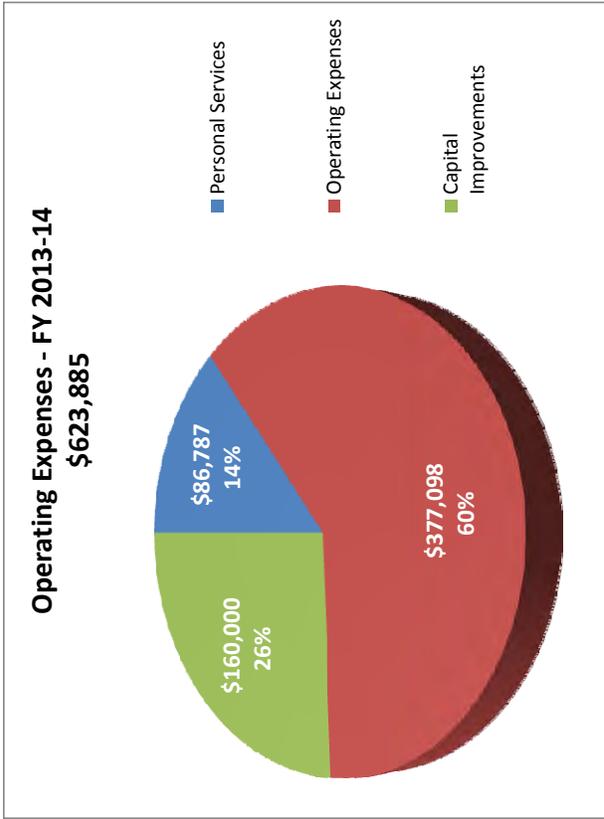
Expenditures:

Personal Services	85,988	83,412	86,787	86,787	86,787	86,787
Operating Expenses	233,216	193,316	377,098	233,752	234,156	234,574
Capital Improvements	0	0	160,000	0	0	0
Total Expenditures	319,204	276,728	623,885	320,539	320,943	321,361
REVENUES LESS EXPENDITURES	167,611	262,567	0	208,081	207,677	207,259

1% salary increase equals \$791

Reserves	1,859,009	1,996,012	1,900,747	2,108,828	2,316,505	2,523,764
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FUND: 123 Inmate Welfare Trust



Fund: 134 - Road Impact Fee

Fund Overview

ROAD IMPACT FEES

The Thoroughfare Road Impact Fees were established by ordinance in 1986, and are incorporated in Chapter 70, Article I and III of the Volusia County Code. The impact fee revenues are collected by zone to pay for the proportionate share of capital improvement needs related to growth. The impact fees apply to both residential and commercial properties. Impact fees are used to fund specific improvements to meet concurrency requirements as adopted in the County's comprehensive plan. The impact fees are subject to review by the County Council at least every four (4) years. In FY2004-05, the County issued \$65 million in bonds to fund the road program. Impact fee revenues collected in Zone 4 (Northwest Zone) are used to pay the debt service on the bonded road projects within the zone, as well as continue with expansion and improvements.

On August 18, 2011 the County Council approved a temporary suspension of impact fees to residential construction. These impact fees will be reestablished incrementally beginning July 1, 2013 and will be collected in full beginning July 1, 2015.

Revenues collected in Zone 4 are estimated to be between \$180-190K less than the debt service payment. This shortfall is projected to continue through the duration of this forecast (FY 2016-17) and beyond, resulting in the eventual need to subsidize the debt service payment with the use of County Transportation Trust funds.

Assumptions

FY13 Budget – as outlined in budget document page E-76.

Revenues:

Impact fees are dependent on development and as a result of the stagnant economy and the temporary suspension of impact fees passed County Council in 2011 the amount collected continues to decrease. The impact fee for FY2013-14 is forecasted to remain at the same level as the Estimate for FY2012-13 and is projected to increase from FY2015-2017 at a modest 1% year-on-year to account for the effect of the incremental reestablishment of the fees.

Investment Income - Based on prior year actual then reduced based upon reduced reserves.

Expenditures:

Road impact fees will be used to service the debt as outlined in the Debt Service schedule for Bonds Series 2002 and 2013 as outlined in bound transcript document, Section 7 – Tax Certificate, Exhibit A – Schedules, page 9; and to fund projects identified by the department of Public Works and approved by County Council.

Reserves:

To be used to cover debt service payments and future capital projects.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 134 Road Impact Fee**

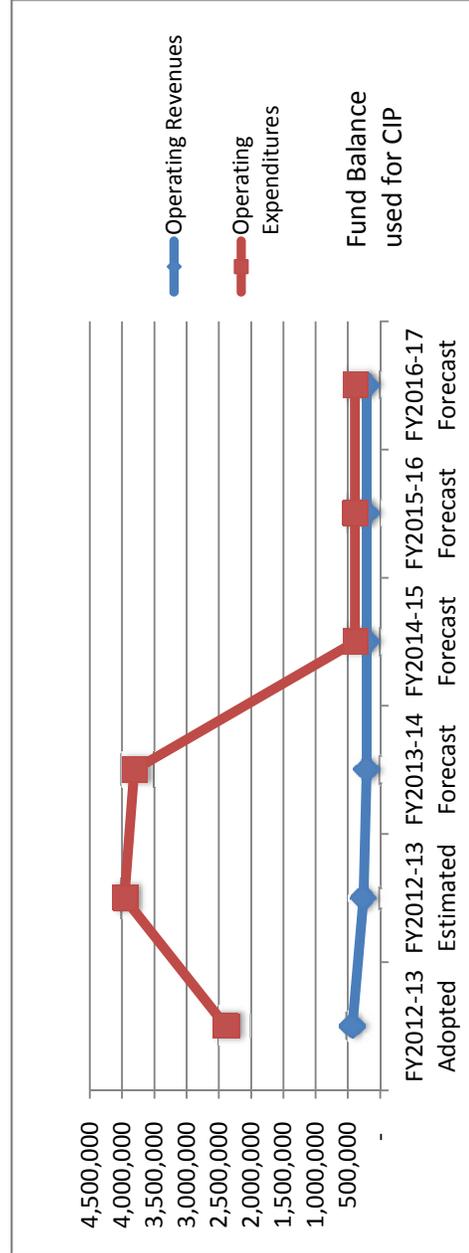
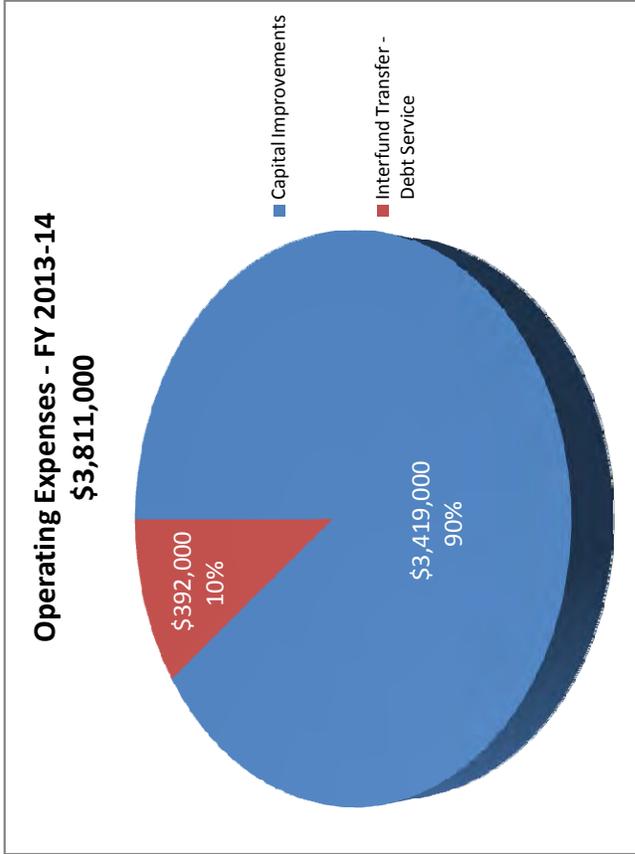
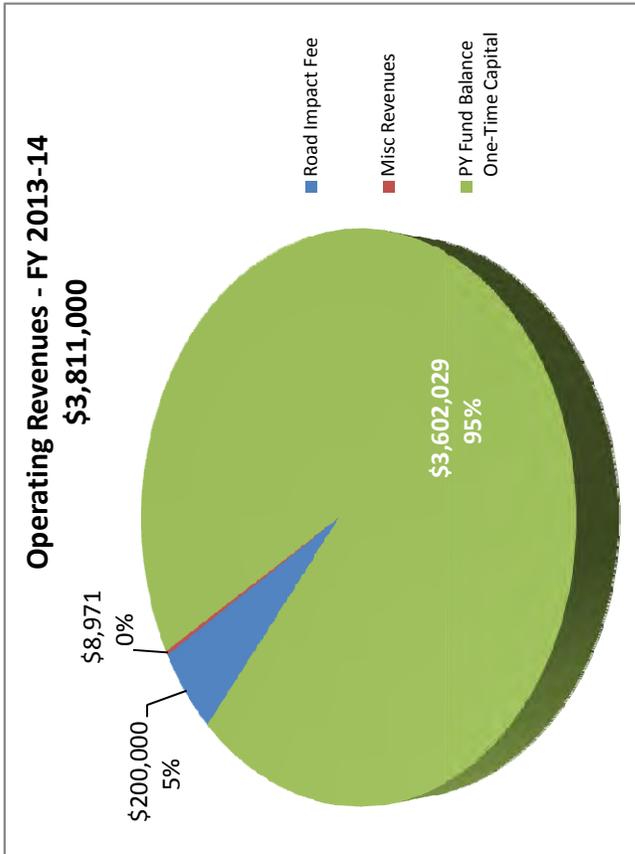
<u>Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Road Impact Fee	350,000	200,000	200,000	202,000	204,020	206,060
Misc Revenues	80,000	60,000	8,971	7,459	5,951	4,447
PY Fund Balance One-Time Capital	1,962,000	3,706,000	3,602,029	181,860	181,489	180,872
Operating Revenues	2,392,000	3,966,000	3,811,000	391,320	391,460	391,380

Expenditures:

Capital Improvements	2,000,000	3,574,000	3,419,000	0	0	0
Interfund Transfer - Debt Service	392,000	392,000	392,000	391,320	391,460	391,380
Operating Expenses	2,392,000	3,966,000	3,811,000	391,320	391,460	391,380
REVENUES UNDER/OVER EXPENDITURES	0	0	0	0	0	0

Reserves	6,071,591	4,681,297	1,079,268	897,408	715,919	535,047
Total Reserves	6,071,591	4,681,297	1,079,268	897,408	715,919	535,047

FUND: 134 Road Impact Fee - Zone 4



Fund: 135 – Park Impact Fees (Countywide)

Fund Overview

The Parks Impact Fee was established by ordinance and is incorporated in Chapter 70, Article IV of the Volusia County Code. The impact fee revenues are collected countywide and by quadrant (zone) for the development of growth related district and local park facilities. Over time, sufficient funds are accumulated for park development. Revenue collected from impact fees by quadrant is used for park improvements within the respective quadrants. The impact fee applies to residential properties and is adjusted annually based on annual percentage changes in the Consumer Price Index (CPI) and become effective on May 1 of each year, based on the index change for the 12 months ending on December 31 of the previous year. The impact fee is subject to review by the County Council no less than once every six years. On August 18, 2011 County Council approved a temporary suspension of impact fees to residential construction. These impact fees will be reestablished incrementally beginning July 1, 2013 and will be collected in full beginning July 1, 2015.

Assumptions

FY13 Budget – as outlined in budget document page E-78.

Revenues:

FY13 \$1,370,881 is a one-time use of prior year fund balance. FY15, FY16 and FY17 remain flat.

Expenditures:

Capital Improvements:

In FY13, includes work at Beck Ranch \$787,685, Trails land acquisition \$150,000 and Trails development [Mansion to Deltona Boulevard] \$453,196.

Reserves:

In FY13, reserves are being utilized to fund the capital improvement needs for Beck Ranch.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 135 - Park Impact Fees (Countywide)**

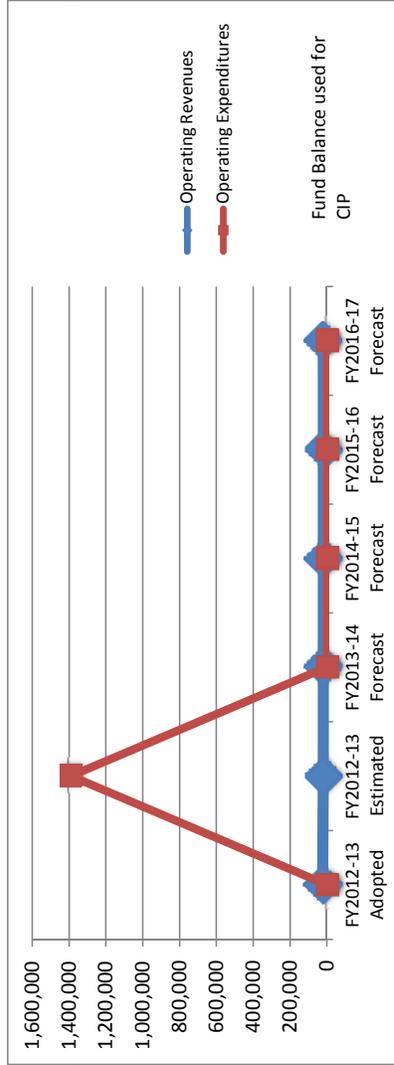
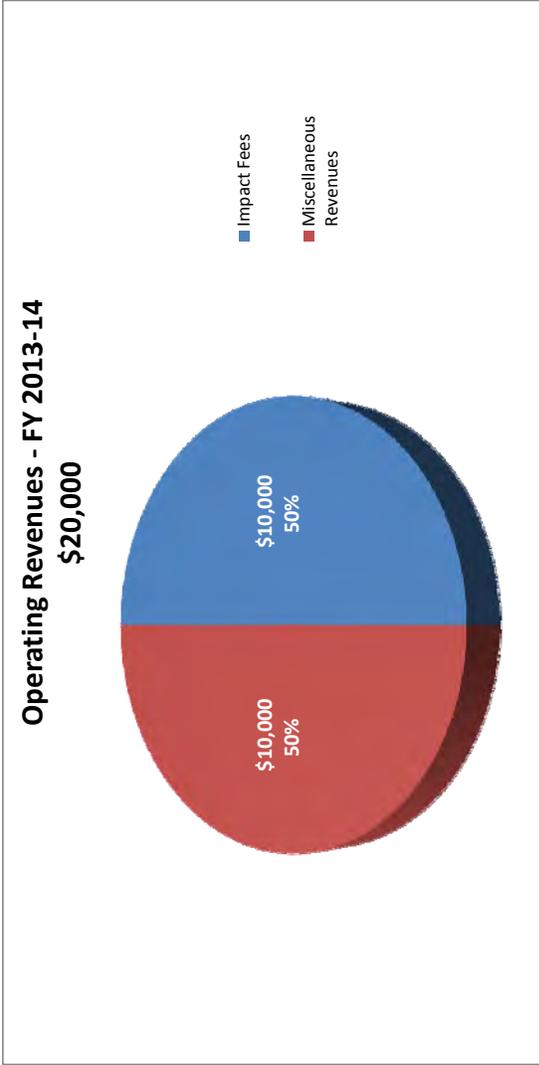
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Impact Fees	9,000	11,000	10,000	10,000	10,000	10,000
Miscellaneous Revenues	13,000	9,000	10,000	10,000	10,000	10,000
PY Fund Balance One-Time	-	1,370,881	-	-	-	-
Total Revenues	22,000	1,390,881	20,000	20,000	20,000	20,000

Expenditures:

Capital Improvements	0	1,390,881	0	0	0	0
Total Expenditures	0	1,390,881	0	0	0	0
REVENUES LESS EXPENDITURES	22,000	0	20,000	20,000	20,000	20,000

Reserves	1,407,716	190,780	210,780	230,780	250,780	270,780
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FUND: 135 Park Impact Fee - County



Fund: 159 - Stormwater Utility

Fund Overview

The Stormwater Utility Fund was established in 1993 and is funded by a special assessment fee on parcels in unincorporated Volusia County. The Stormwater fee was originally assessed in FY1993-94, as established by Ordinance 92-89. The full stormwater authorization is contained in County Code Chapter 122, Article IV. The fee is collected on developed lots or parcels, based on the impervious surface calculated for an Equivalent Residential Unit (ERU). The fee was revised in 2005 to be \$72 per year per ERU. The fee is to fund the stormwater management system which is designed to control discharges from rainfall and runoff, to collect, store, treat or reuse water to prevent or reduce flooding, environmental degradation and water pollution. The Capital Improvements program for FY2013-14 includes \$200,000 for land acquisition, \$220,000 for Total Maximum Daily Load (TMDL) assessments, engineering and construction, \$400,000 for improvements at North Peninsula, \$250,000 for Wilbur by the Sea, and \$800,000 for Rio Way, construction of a retention pond on Beresford Rd, and other local projects. \$5.2M is held in Reserves for the purchase of flood-prone properties and the construction of countywide retention ponds to address flooding and water quality issues.

Assumptions

FY13 Budget – as outlined in budget document page E-104.

Revenues:

Special Assessment Stormwater – Rate of \$72 per equivalent residential unit.

Investment Income – Based on prior year actual then adjusted to reflect change in fund balance.

Sale- Surplus Equipment – Average three year proceeds from sales.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 58 Total Funded: 53 Total Unfunded: 5

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Reimbursements – County Services – services provided to Public Works for roadway mowing, ditch cleaning, stormwater systems on thoroughfare roads, and herbicide applications.

Interfund Transfer - Includes debt service payments for nine-year loan used to purchase equipment from Mosquito Control (six years remain), and the transfer of grant match funds to flood mitigation grant which closes in the current FY.

Capital Outlay & Capital Improvements – are allocated per division's 5 year capital outlay and improvement plans.

Reserves:

Reserves - \$5.2M held in Reserves for the purchase of flood-prone properties and the construction of countywide retention ponds to address flooding and water quality issues.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 159 - Stormwater Utility**

<u>Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Special Assessment Stormwater	4,400,000	4,490,000	4,490,000	4,500,000	4,500,000	4,500,000
Misc. Revenues (Rent, sales, interest, etc.)	98,243	100,198	45,000	106,806	105,367	101,996
PY Fund Balance One-Time Capital	33,020	515,816	143,328	31,123	91,586	164,455
Operating Revenues	4,531,263	5,106,014	4,678,328	4,637,929	4,696,952	4,766,451

Expenditures:

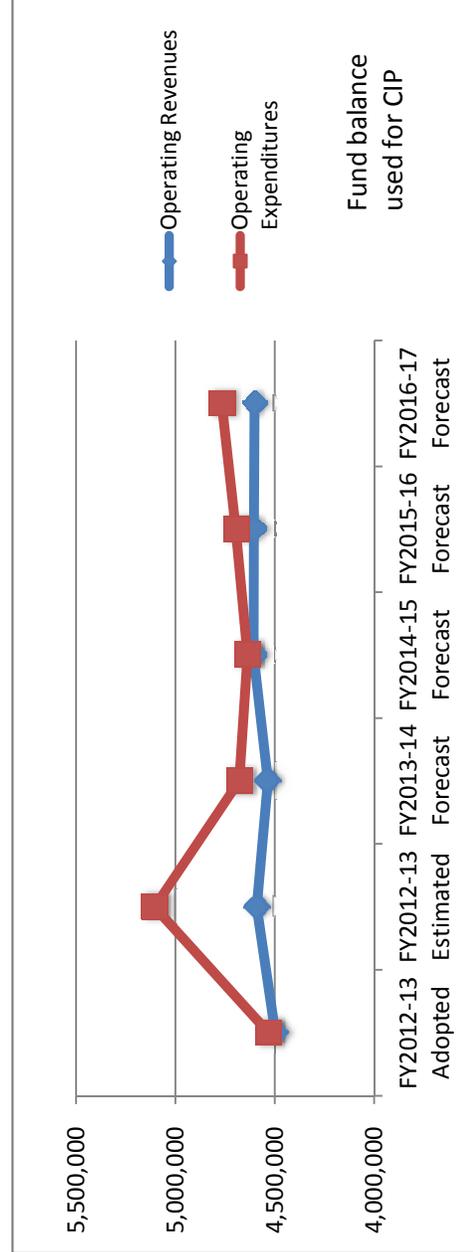
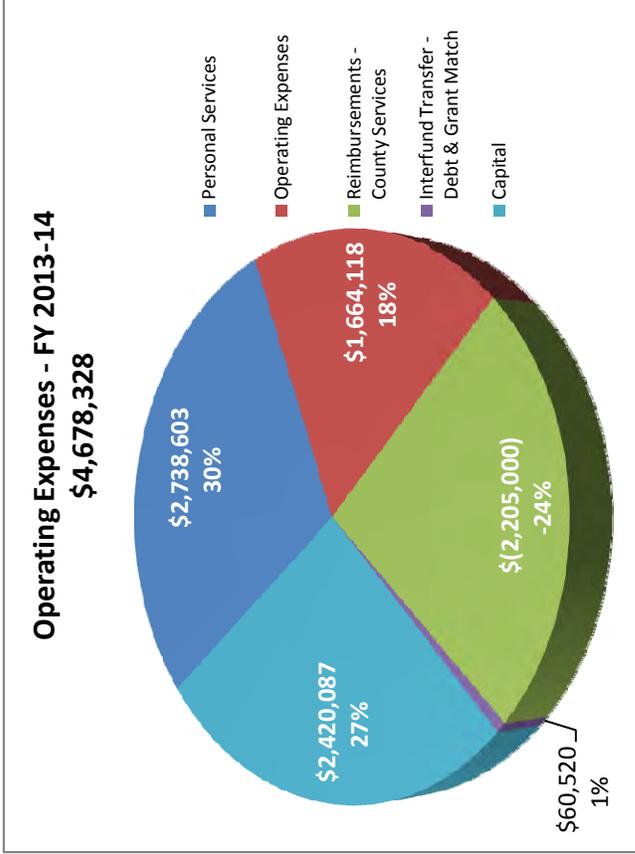
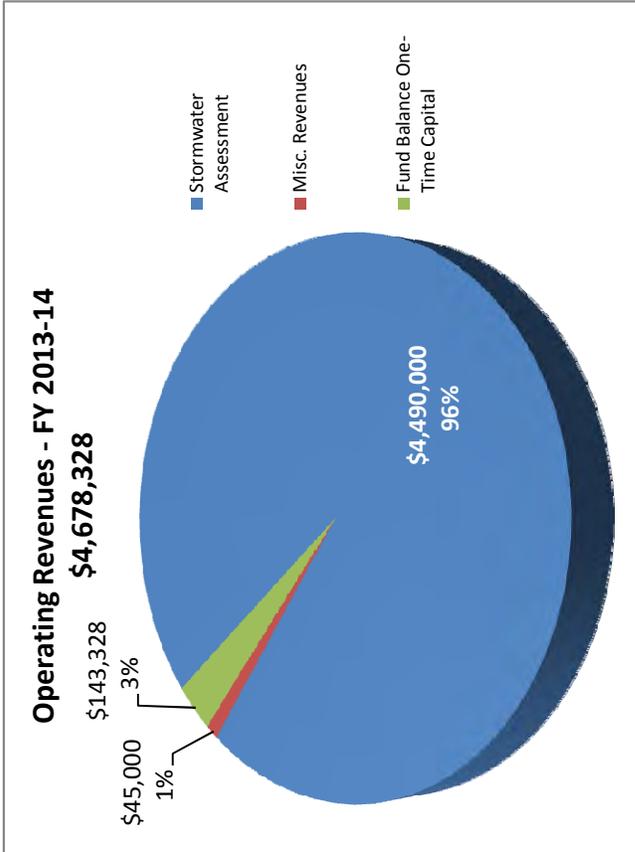
Personal Services	2,752,783	2,630,454	2,738,603	2,738,603	2,738,603	2,738,603
Operating Expenses	1,677,010	1,974,151	1,664,118	1,675,806	1,686,829	1,699,328
Reimbursements - County Services	(2,205,000)	(2,205,000)	(2,205,000)	(2,205,000)	(2,205,000)	(2,205,000)
Interfund Transfer - Debt & Grant Match	60,520	326,059	60,520	60,520	60,520	60,520
Capital	2,245,950	2,380,350	2,420,087	2,368,000	2,416,000	2,473,000
Operating Expenses	4,531,263	5,106,014	4,678,328	4,637,929	4,696,952	4,766,451

REVENUES UNDER/OVER EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$22,652.

Reserves	3,910,926	5,364,364	5,221,036	5,189,913	5,098,327	4,933,872
Total Reserves	3,910,926	5,364,364	5,221,036	5,189,913	5,098,327	4,933,872

FUND: 159 Stormwater Utility



Fund: 172 - Federal Forfeiture

Fund Overview

Pursuant to provisions of the "Florida Contraband Forfeiture Act", ss. 932.701-932.704, F.S. local boards of county commissioners or the governing body of a municipality can establish law enforcement trust funds in which to deposit the proceeds from confiscated property seized during arrests. The funds deposited in this trust fund and any interest earned are to be used only for law enforcement purposes.

These funds may be expended to defray the costs of protracted or complex investigations; to provide additional technical equipment or expertise; to provide matching funds to obtain state and federal grants; or for such other law enforcement purposes as the council deems appropriate, but shall not be a source of revenue to meet normal operating needs of the law enforcement agency.

Assumptions

FY13 Budget – as outlined in budget document page E-112.

Revenues:

Confiscated property - although the confiscated funds collected could vastly vary from year to year, for purposes of this forecast they are projected slightly below FY 13 estimate, using fund balance.

Expenditures:

Expenses within this fund are always in-line with revenues received pursuant to Florida Statute above. These funds will be used as needed for items other than normal operating expenses. The FY13 estimate includes outfitting District 3 Sub-Station, as well as purchase of rifles and various SWAT equipment. The FY 14 budget includes renovation of the old communication center.

Reserves:

Reserves are projected to grow slightly throughout the forecast. Should excess revenue or unspent dollars occur in any year, reserves would be adjusted accordingly then used for future council approved law enforcement proposes other than ongoing operating.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 172 - Federal Forfeiture

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Miscellaneous Revenues	12,000	4,000	4,000	4,000	4,000	4,000
Justice-Confiscated Property	500,000	250,000	200,000	200,000	200,000	200,000
PY Fund Balance One-Time	138,000	322,394	170,071	-	-	-
Total Revenues	650,000	576,394	374,071	204,000	204,000	204,000

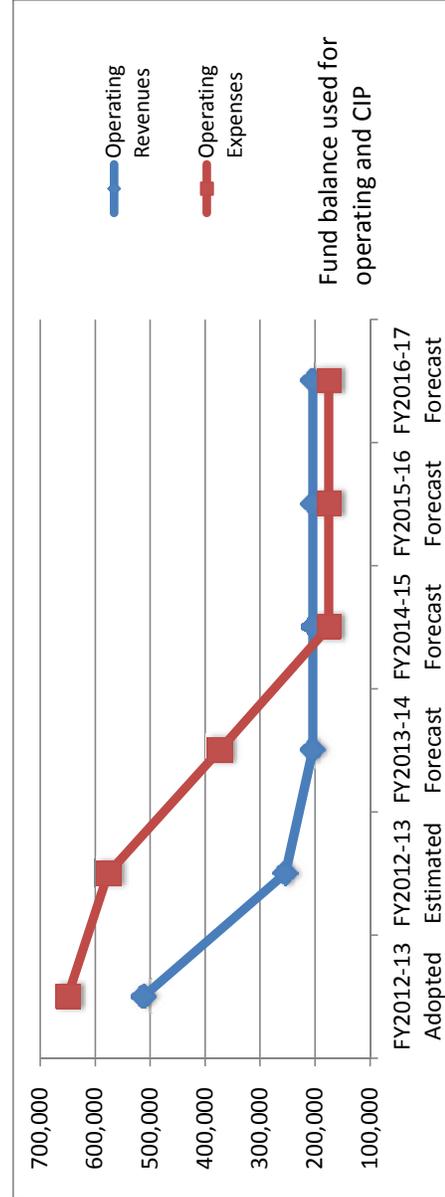
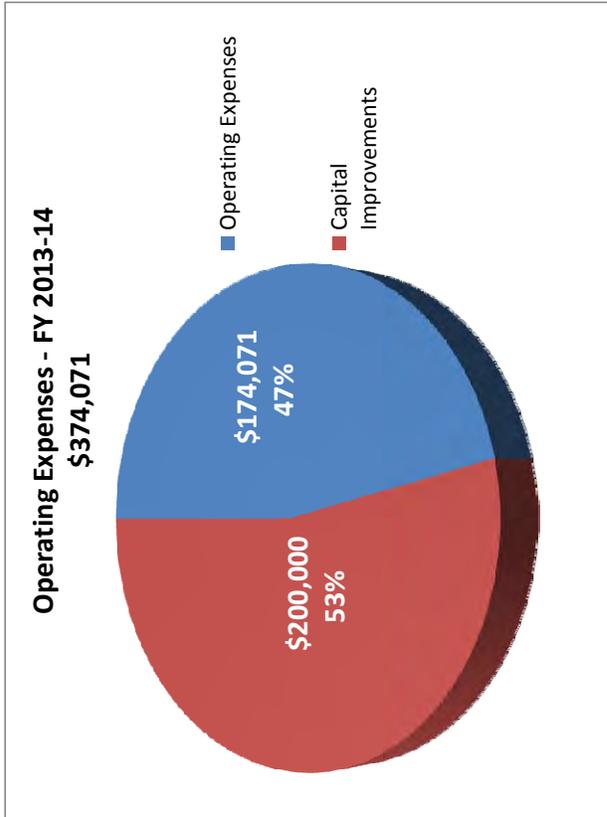
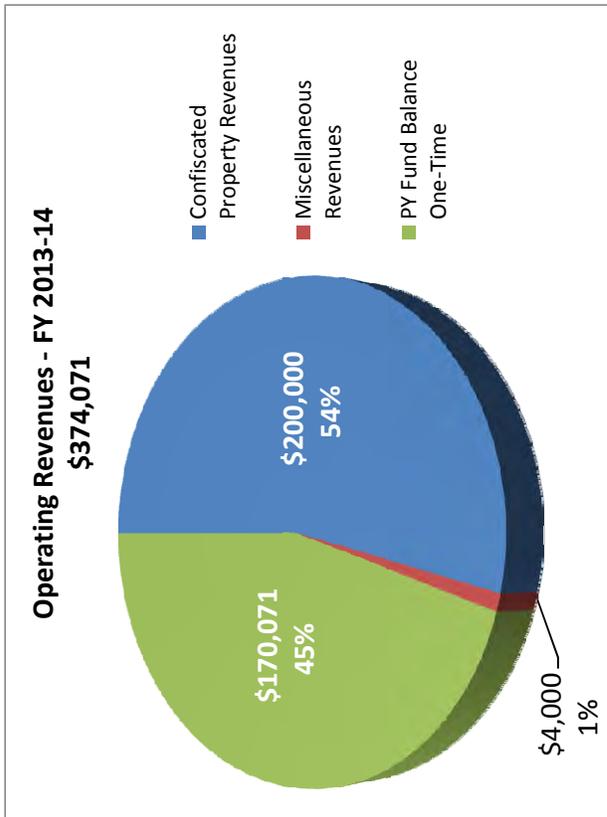
Expenditures:

Operating Expenses	575,000	453,706	174,071	175,000	175,000	175,000
Capital Outlay	75,000	122,688	0	0	0	0
Capital Improvements	0	0	200,000	0	0	0
Total Expenditures	650,000	576,394	374,071	175,000	175,000	175,000

REVENUES LESS EXPENDITURES	0	0	0	29,000	29,000	29,000
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Reserves	671,959	337,371	167,300	196,300	225,300	254,300
Total Reserves	671,959	337,371	167,300	196,300	225,300	254,300

Fund: 172 Federal Forfeiture



Fund: 305 – Capital Outlay

Fund Overview

This fund is used for the construction and upgrade of the 800 MHz public safety radio system. This includes technology upgrades consisting of software, equipment, and radio towers. Annual revenue collected from 800 MHz system traffic fine surcharge is transferred to this fund from the General Fund.

Assumptions

FY13 Budget – as outlined in budget document page I-14.

Revenues:

Traffic fine surcharge revenues projected flat.

Interfund transfers from Municipal Service District, Fire Services and General Fund for the radio replacement.

Expenditures:

This CIP covers activities necessary to maintain and upgrade the County's 800 MHz public safety radio system.

In FY 2013-14, the Regional Mutual Aid System, a group of conventional radio channels used for mutual events and emergencies, will be simulcast to expand radio system coverage and to make dispatch operations more efficient at an estimated cost of \$115,000. In FY 13/14, microwave rectifiers will need to be replaced at seven 800 MHz radio sites as the current products are 20 years old. These rectifiers provide power to the microwave system, which is the transmission facility that connects all of the radio sites into one complete system. The estimated cost is \$100,000.

In FY 2014-15, the five channel event radio system will be upgraded to GPS technology. The event radio system is used by public safety agencies for special events such as Bike Week and the Daytona 500 Nascar races. The project will replace the aging components and bring the event system up to the same technology level as the main 800 MHz radio system. Upgrading this radio system will also provide a test facility for future versions of radio system software like Project (25). The estimated cost is \$40,000.

In FY 2015-16, no expenditures are anticipated.

In FY 2016-17, the county will begin the development of system design specifications for an RFP to upgrade the County's 800 MHz to the next generation of technology. The technology is based on P25, an industry standard that allows radios on different radio systems to communicate with each other regardless of the vendor. The upgrade is necessary to continue support of the system and to maintain reliability. The estimated cost is \$250,000.

Also in this year, the General Fund, EVAC, Municipal Service District and Fire Services radios will be replaced. The estimated cost is \$3.8M. A plan is being developed for the radio replacement of the following funds: Constitutional Gas, Library Services, Mosquito Control, Ocean Center, Water Resources & Utilities, Solid Waste, Airport, Water Resources & Utilities, Parking Garage and Fleet Maintenance.

Fund: 305 – Capital Outlay

Reserves:

The funds in this account are for the upgrade of the back bone system. This upgrade will begin in FY 2017-18 and the estimated cost is \$10.0M.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 305 - Capital Outlay Fund

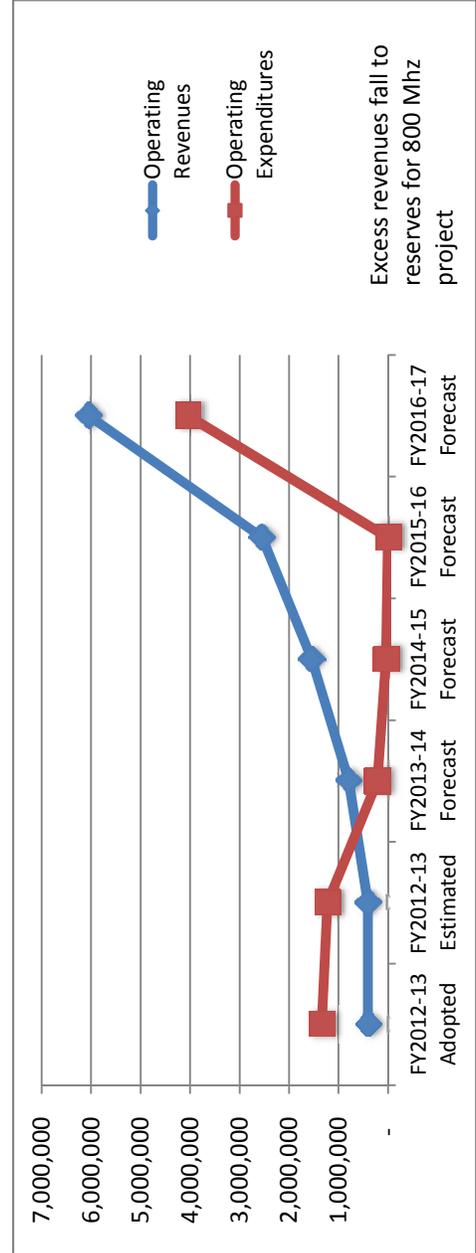
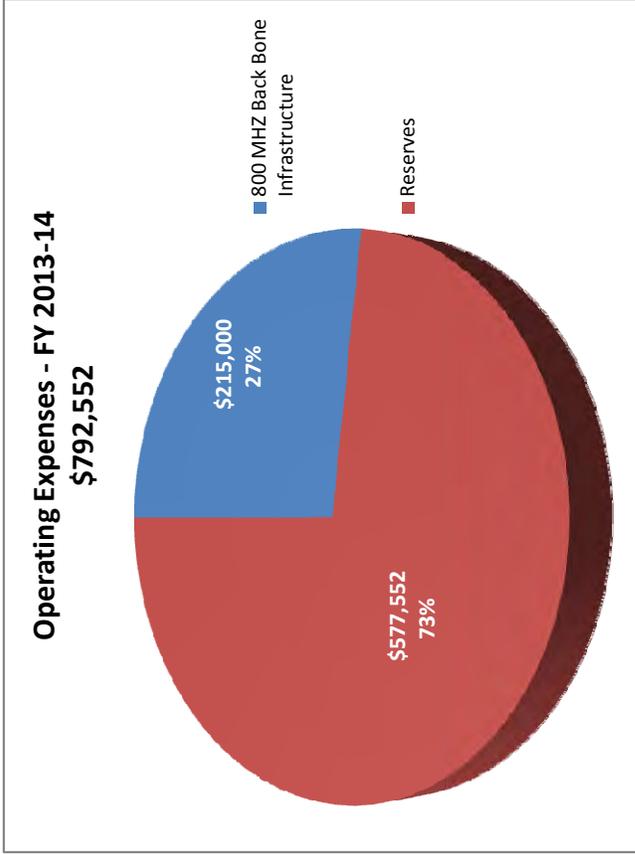
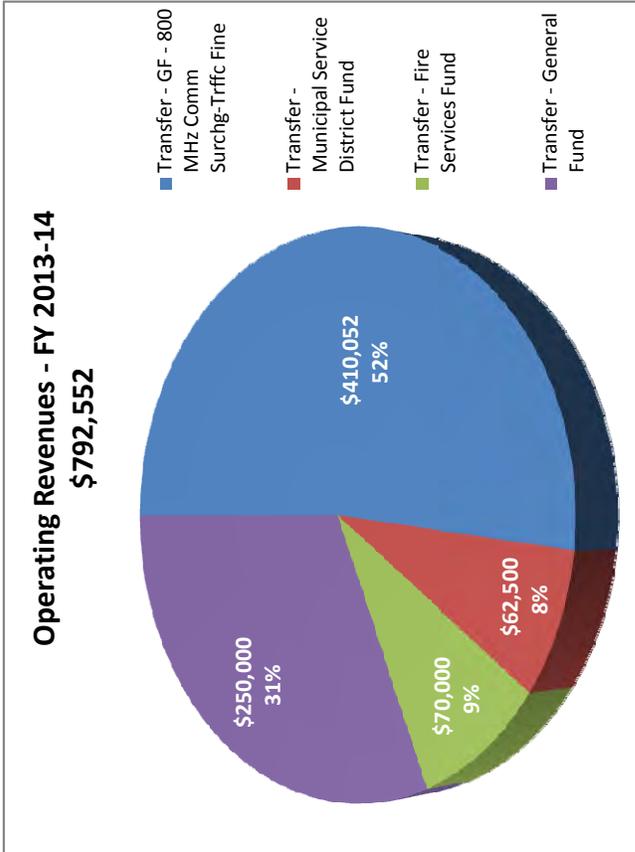
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Transfer - GF - 800 MHz Comm Surchg-Trffc Fine	405,148	410,052	410,052	410,052	410,052	410,052
Transfer - Municipal Service District Fund	0	0	62,500	62,500	62,500	62,500
Transfer - Fire Services Fund	0	0	70,000	70,000	70,000	70,000
Transfer - General Fund	0	0	250,000	1,000,000	2,000,000	5,500,000
PY Fund Balance One-Time	933,313	933,313				
Operating Revenues	1,338,461	1,343,365	792,552	1,542,552	2,542,552	6,042,552

Expenditures:

Transfer to General Fund	933,313	933,313	0	0	0	0
Upgrade Radio System to GPS Simulcast	0	281,075	0	0	0	0
800 MHz Back Bone Infrastructure	405,148	9,202	215,000	40,000	0	250,000
Radio Replacement	0	0	0	0	0	3,785,250
Operating Expenses	1,338,461	1,223,590	215,000	40,000	0	4,035,250
REVENUES LESS EXPENDITURES	0	119,775	577,552	1,502,552	2,542,552	2,007,302

Reserves	0	2,299,039	2,876,591	4,379,143	6,921,695	8,928,997
Total Reserves	0	2,299,039	2,876,591	4,379,143	6,921,695	8,928,997

FUND: 305 - Capital Outlay Fund



Fund: 313 – Beach Capital Projects

Fund Overview

This fund is used to account for various beach related capital projects. Such projects may include the acquisition or construction of off beach parking at multiple locations. Annual revenue collected from 5th Dollar Beach Access Fee is transferred from the General Fund for beach projects by Council direction. This funding was suspended from FY2010-11 to FY2012-13 and it is being reinstated in FY2013-14.

Assumptions

FY13 Budget – as outlined in budget document page I-20.

Revenues:

Annual revenue from 5th Dollar Beach Access Fee projected flat, \$500,000 for each year.

Expenditures:

These CIP projects by fiscal year are the following:

FY 2013-14:

Smyrna Dunes Boardwalk Reconstruction

There is over 10,000 feet of wooden boardwalk located throughout Smyrna Dunes Park. The boardwalk is 30 years old and in need of replacement due to the impacts of wind, salt, rain and sun. This project will expand the boardwalk width from 5' to 8'. Estimated cost \$1.0M.

Primary Ramp Resurface and Landscaping

Resurfacing and restriping of primary beach vehicular access ramps to include decorative landscaping and curbing where appropriate. Estimated cost \$325K.

Core Restroom Renovation

Cosmetic renovation of core ramp restroom facilities to include interior and exterior painting and resurfacing, interior floor and vanity treatment and interior and exterior fixture replacement where appropriate. Estimated cost \$175K.

FY 2014-15:

Toll Booth Replacement

Replacement of toll booths at primary gateway ramps locations. Cosmetic renovation of secondary ramp toll booths to include painting, vinyl rewrap and toll fee menu boards. Estimated cost \$200K.

Beach and Park Sign Replacement

Redesign and renovation of beach and park traffic, informational and education signs. Estimated cost \$225K.

Fund: 313 – Beach Capital Projects

FY 2015-16:

Secondary Ramp Resurface and Landscaping

Resurfacing and restriping of secondary beach vehicular access ramps to include decorative landscaping and curbing where appropriate. Estimated cost \$250K.

Lifeguard Base Towers

Acquisition and installation of lifeguard base towers at strategic high capacity, high profile public beach access sites. Estimated cost \$150K.

FY 2016-17:

Inlet Park Entrance Renovation

Renovation of inlet park toll booth stations, entrance features and signs. Estimated cost \$250K.

Gateway Ramp Electronic Message Boards

Installation of electronic message boards on overhead traffic control structures at primary beach vehicular access ramps. Estimated cost \$250K.

Reserves:

Funding available for council directed future beach access and park improvements.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 313 - Beach Capital Projects**

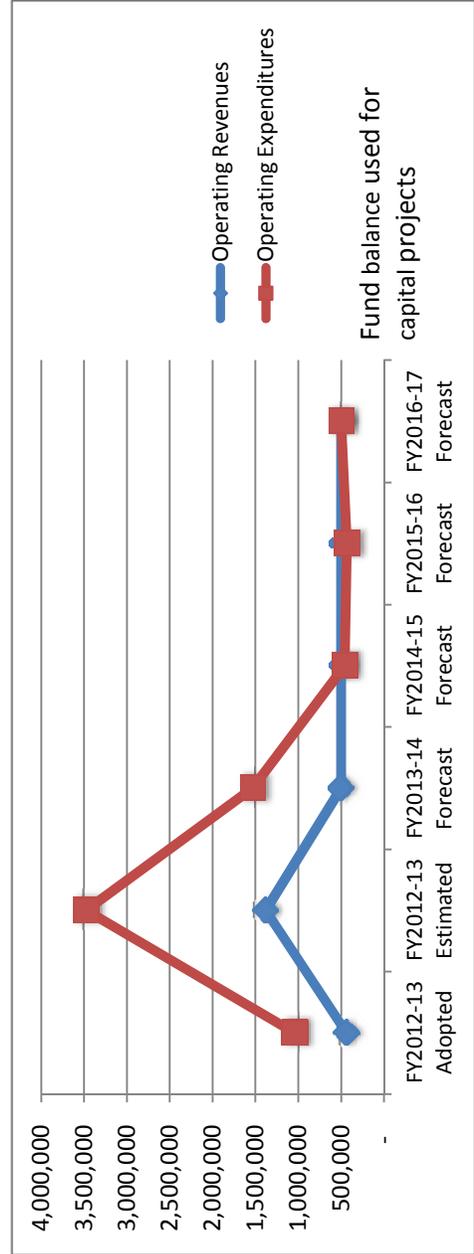
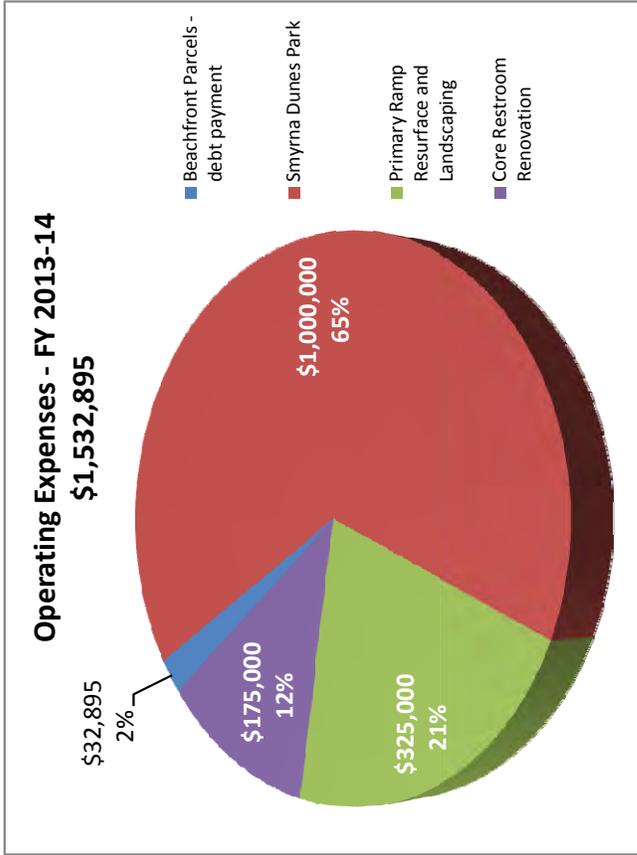
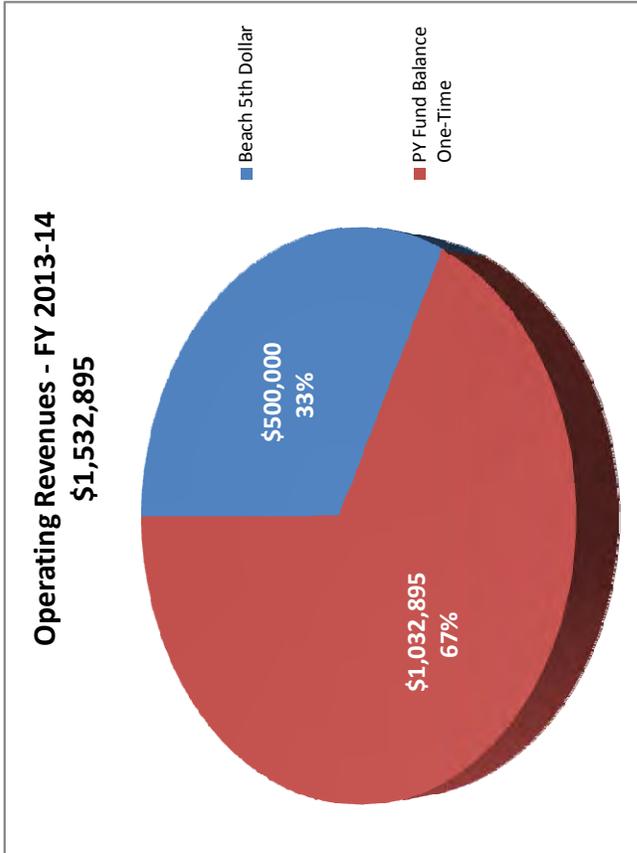
Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Beach 5th Dollar Transfers		339,186	500,000	500,000	500,000	500,000
Transfers - ECHO (160)	435,950	1,040,135				
PY Fund Balance One-Time	605,392	2,098,556	1,032,895			
Operating Revenues	1,041,342	3,477,877	1,532,895	500,000	500,000	500,000

Expenditures:

Interfund Transfer - General Fund	572,461	572,461	0	0	0	0
Beachfront Parcels - debt payment	32,931	32,931	32,895	32,955	33,127	0
Toronita (Wilbur by the Sea)	435,950	1,981,735		0	0	0
Cardinal Ave Lifeguard Station	0	321,750	0	0	0	0
Flagler Ave Lifeguard Station	0	369,000	0	0	0	0
Smyrna Dunes Park	0	0	1,000,000	0	0	0
Ramp Gate Replacement	0	200,000	0	0	0	0
Primary Ramp Resurface and Landscaping	0	0	325,000	0	0	0
Core Restroom Renovation	0	0	175,000	0	0	0
Toll Booth Replacement	0	0	0	200,000	0	0
Beach and Park Sign Replacement	0	0	0	225,000	0	0
Secondary Ramp Resurface and Landscaping	0	0	0	0	250,000	0
Lifeguard Base Towers	0	0	0	0	150,000	0
Inlet Park Entrance Renovation	0	0	0	0	0	250,000
Gateway Ramp Electronic Message Boards	0	0	0	0	0	250,000
Operating Expenses	1,041,342	3,477,877	1,532,895	457,955	433,127	500,000
REVENUES LESS EXPENDITURES	0	0	0	42,045	66,873	0

Reserves	0	3,301,764	2,268,869	2,310,914	2,377,787	2,377,787
Total Reserves	0	3,301,764	2,268,869	2,310,914	2,377,787	2,377,787

FUND: 313 - Beach Capital Projects



Fund: 328 – Trails Projects Fund

Fund Overview

The purpose of this fund is to account for both the East Central Regional Rail Trail and the Spring-to-Spring Trails. County Council has committed \$1 million of ECHO funds, annually, to be used toward debt service and the trail projects. The East Central Regional Rail Trail is expected to be over 50 miles in length and will become part of a five-county, 260 mile loop. The Spring-to-Spring Trail is constructed in multiple phases and will include multi-use, bicycle/pedestrian, and riding trails.

Assumptions

FY13 Budget – as outlined in budget document page I-28.

Revenues:

In July 2004, the County Council dedicated \$1M annually from the ECHO program funds for trail construction.

Expenditures:

These are CIP projects by fiscal year and segments related with the trail programs:

In FY 2013-14:

Spring to Spring Trail (Grand Av) – Segment 7B, limits Lemon St to King St, \$1.4M

Spring to Spring Trail (Dirksen Dr) – Segment 2B, limits Mansion Dr to Deltona Blvd, \$300K

East Central Regional Rail Trail – Segment 3, limits SR415 to Guise Rd, \$400K

East Central Regional Rail Trail, Trailhead S of SR442 to Brevard Co, \$200K

In FY 2014-15

East Central Regional Rail Trail, Trailhead S of SR442 to Brevard Co, \$3.150M

In FY 2015-16

East Central Regional Rail Trail, Trailhead S of SR442 to Brevard Co, \$700K

In FY 2016-17, no projects are anticipated for this year.

Reserves:

Reserves are for future use on trail construction.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 328 - Trails Projects Fund**

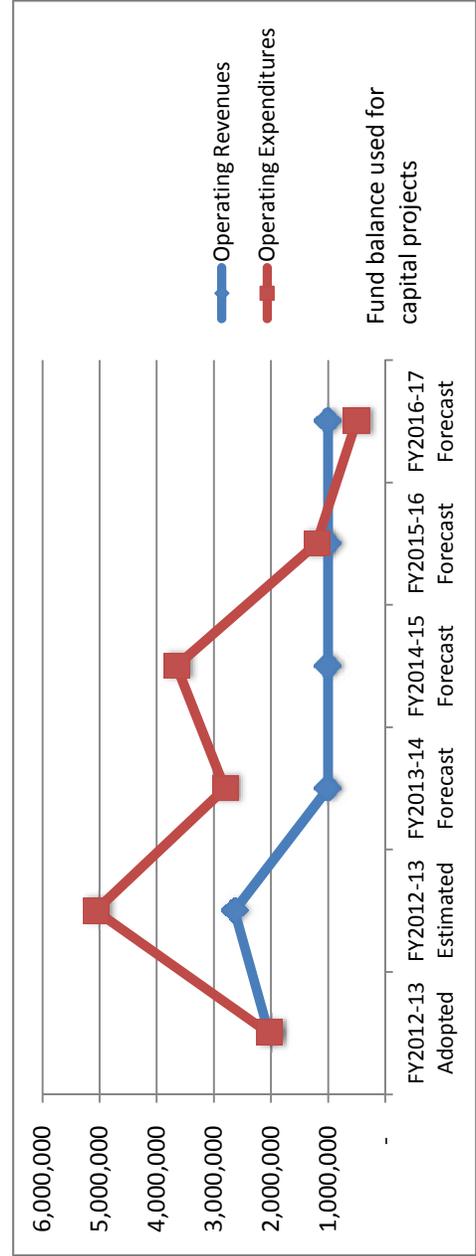
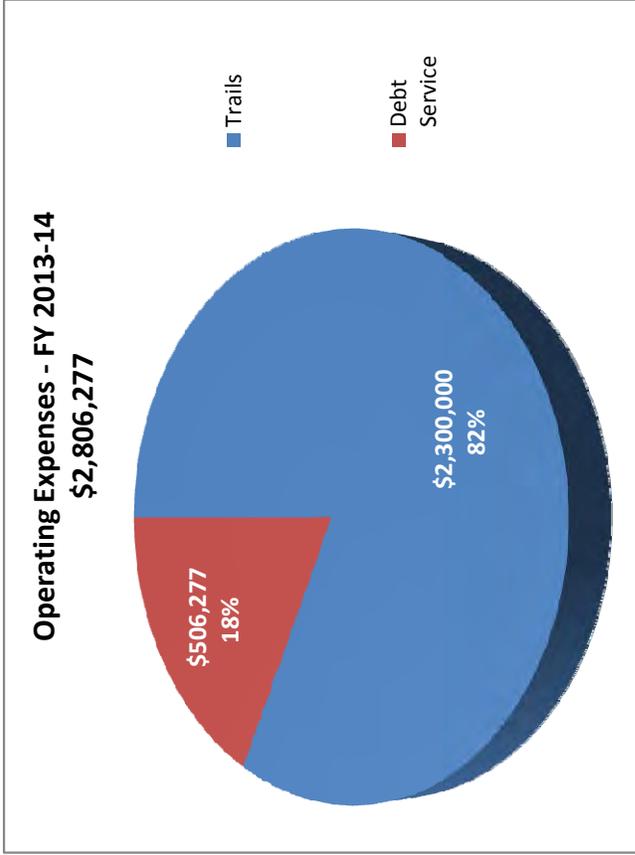
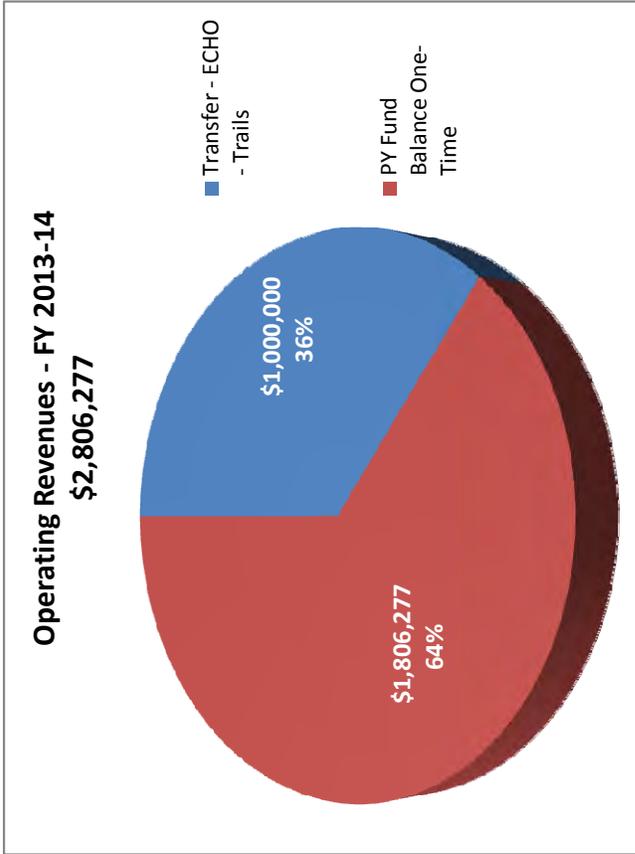
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Transfer - ECHO - Grant Awards	1,039,260	1,639,260	0	0	0	0
Transfer - ECHO - Trails	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PY Fund Balance One-Time		2,432,674	1,806,277	2,655,272	204,921	
Operating Revenues	2,039,260	5,071,934	2,806,277	3,655,272	1,204,921	1,000,000

Expenditures:

Trails	1,532,326	4,565,000	2,300,000	3,150,000	700,000	0
Debt Service	506,934	506,934	506,277	505,272	504,921	505,191
Operating Expenses	2,039,260	5,071,934	2,806,277	3,655,272	1,204,921	505,191
REVENUES LESS EXPENDITURES	0	0	0	0	0	494,809

Reserves	0	4,810,640	3,004,363	349,091	144,170	638,979
Total Reserves	0	4,810,640	3,004,363	349,091	144,170	638,979

FUND: 328 - Trails Projects Fund



Debt Summary

The county takes a planned approach to the management of debt, funding from internally generated capital where appropriate and financing when appropriate. The county's overall debt profile is characterized by good debt service coverage from its pledged revenues and is in conformance with all compliance covenants. All proposed financings are analyzed for their impact on the county's financial picture.

In 2009, the county's outstanding debt was analyzed for potential reduction and/or elimination of ongoing debt service expense with the use of one time revenue. Since that time, more than \$28M in outstanding debt has been eliminated, saving more than \$5.2M in interest. From 2008, refinancing of outstanding debt has saved the county an additional \$8.6M over the life of the bonds.

The credit market's perception of the County's ability to repay debt is the result of extensive, ongoing evaluations by credit professionals who take into account a variety of factors, trends, and parameters. Rating agencies evaluate indicators of the county's economic base, financial management practices and financial condition. The most objective indicator of how the market perceives the County's debt is published ratings of the national services: Fitch, Moody's and Standard and Poor's. The county's implied general obligation rating (Fitch 2012) is "AA". This is a very good rating; affirmed by the county's financial advisor, Public Financial Management. As announced in the Fitch Ratings press release: "Volusia County has an extended history of sound structurally balanced financial operations that contribute to strong current reserves and liquidity. Debt levels are low and future capital needs manageable."

The county's sales tax revenue bonds carry a bond rating of Aa3 (high quality) from Moody's Investors Service and reflects stable financial position, along with coverage levels and reserve levels providing sufficient financial flexibility to mitigate related economic pressures. Sales tax bonds (\$42M issued \$34.9M outstanding) financed new courthouse construction and refurbishment of existing court facilities.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 200 Series Debt Service Funds - Rollup

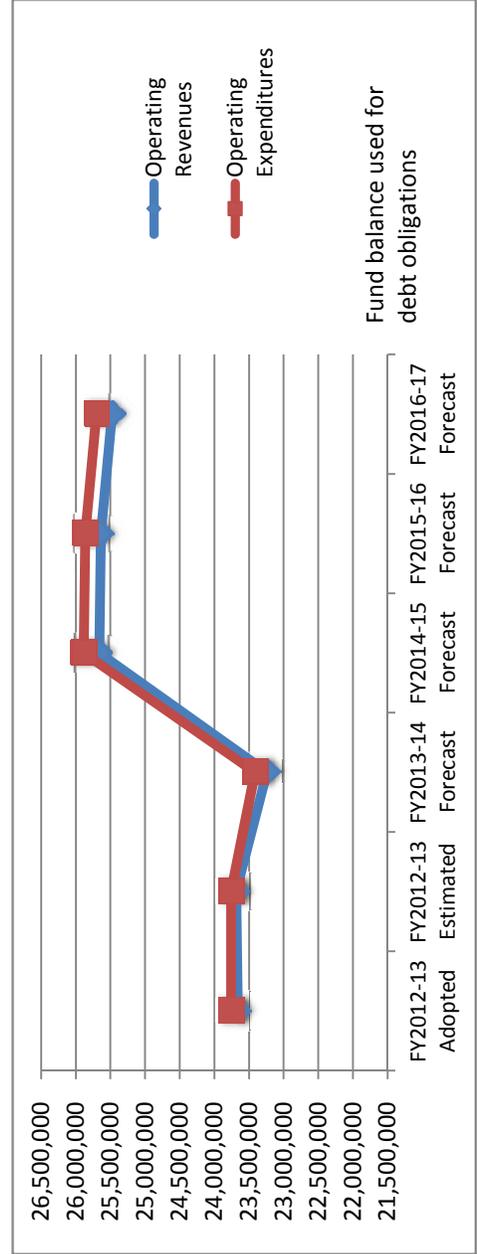
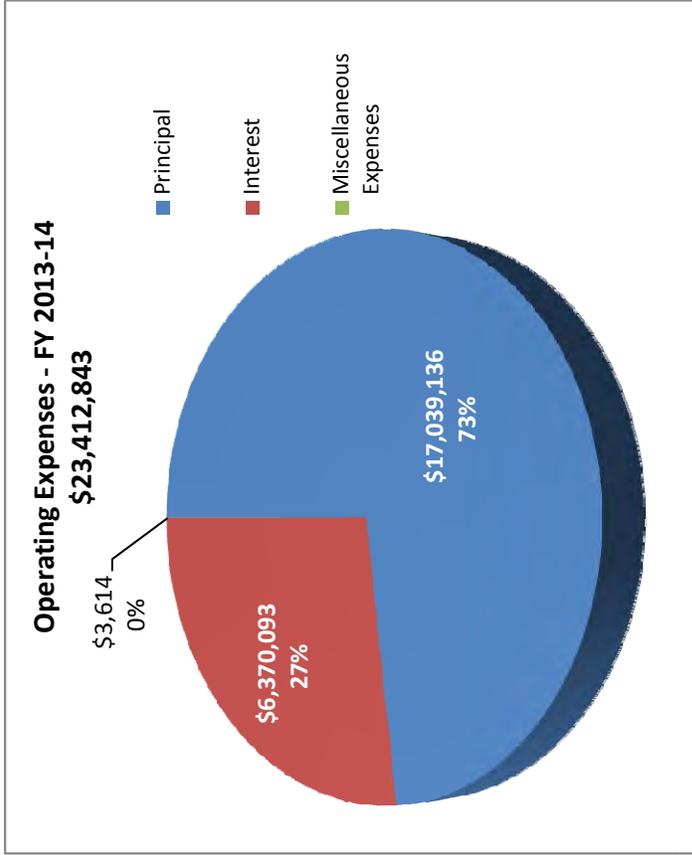
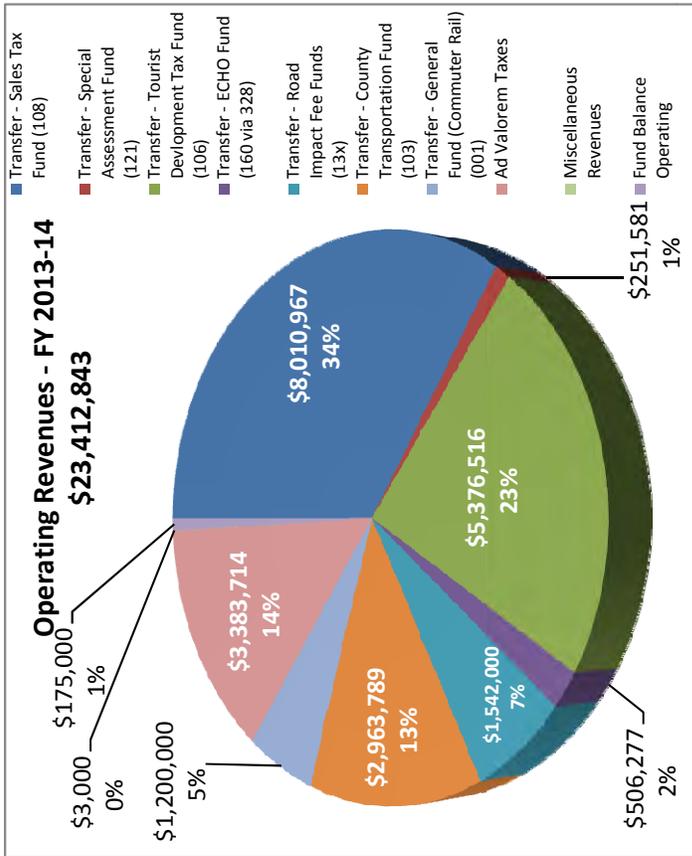
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	3,383,390	3,383,390	3,383,714	3,383,714	3,379,714	3,381,714
Transfer - Sales Tax Fund (108)	8,029,844	8,029,844	8,010,967	8,577,685	8,560,121	8,399,464
Transfer - Special Assessment Fund (121)	253,923	253,923	251,581	253,027	252,262	252,301
Transfer - Tourist Development Tax Fund (106)	5,391,776	5,391,776	5,376,516	5,314,149	5,313,858	5,314,189
Transfer - ECHO Fund (160 via 328)	506,934	506,934	506,277	505,272	504,921	505,191
Transfer - Road Impact Fee Funds (13x)	1,542,000	1,542,000	1,542,000	1,541,319	1,541,460	1,449,436
Transfer - County Transportation Fund (103)	3,352,263	3,352,263	2,963,789	2,967,080	2,966,949	3,057,457
Transfer - General Fund (Commuter Rail) (001)	1,200,000	1,200,000	1,200,000	3,116,000	3,116,000	3,116,000
Miscellaneous Revenues	3,000	26,037	3,000	3,000	3,000	0
PY Fund Balance Operating	111,700	87,202	175,000	225,000	225,000	225,000
Operating Revenues	23,774,830	23,773,369	23,412,843	25,886,246	25,863,285	25,700,752

Expenditures:

Principal	15,834,429	16,764,429	17,039,136	19,104,261	19,552,766	19,889,145
Interest	7,906,323	6,974,323	6,370,093	6,779,122	6,307,655	5,808,743
Miscellaneous Expenses	19,000	19,539	3,614	2,864	2,864	2,864
Operating Expenses	23,759,752	23,758,291	23,412,843	25,886,246	25,863,285	25,700,752
REVENUES LESS EXPENDITURES	15,078	15,078	0	0	0	0

Reserves	3,412,463	3,603,173	3,428,173	3,203,173	2,978,173	2,753,173
Total Reserves	3,412,463	3,603,173	3,428,173	3,203,173	2,978,173	2,753,173

DEBT SERVICE FUNDS



Fund: 201 - Subordinate Lien Sales Tax Revenue

Fund Overview

The Subordinate Lien Sales Tax Revenue Debt Service Fund provides funding for the Sales Tax Refunding Revenue Bonds issues, Series 2008.

Issue Date: 2/27/2008
Par Amount \$42,605,000
Final Maturity 2018

Pledge Source: Local Government Half-Cent Sales Tax. – see Sales Tax Fund (108).

Expenditure purpose: court related capital improvements.

Assumptions

FY13 Budget – as outlined in budget document page G-7.

Revenues:

Interfund transfer from Sales Tax Fund (108) to meet annual debt service obligations.

Expenditures:

Debt Service schedule is outlined in bound transcript document, Section 16 – Tax Certificate, Exhibit A – Certificate of Underwriter, page 17.

Reserves:

The Subordinate Lien Sales Tax Revenue Bond, Series 2003 was refinanced with Bond Series 2012 which eliminated the requirement to maintain a cash reserve. This reserve has been allocated in the next four years, at \$125,000 per year to reduce the debt service payment.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 201 Subordinate Lien Sales Tax Revenue

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Transfer - Sales Tax Fund (108)	5,643,711	5,643,711	5,628,213	7,083,713	7,050,963	7,815,213
PY Fund Balance Operating	61,721	61,721	125,000	125,000	125,000	125,000
Operating Revenues	5,705,432	5,705,432	5,753,213	7,208,713	7,175,963	7,940,213

Expenditures:

Principal Payment	4,015,000	4,015,000	4,190,000	5,855,000	6,115,000	7,185,000
Interest Payment	1,688,432	1,688,432	1,562,963	1,353,463	1,060,713	754,963
Miscellaneous Expenses	2,000	2,000	250	250	250	250
Operating Expenses	5,705,432	5,705,432	5,753,213	7,208,713	7,175,963	7,940,213
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Reserves	572,679	572,679	447,679	322,679	197,679	72,679
Total Reserves	572,679	572,679	447,679	322,679	197,679	72,679

Fund: 203 - Tourist Development Tax Revenue Bond

Fund Overview

The Tourist Development Tax Revenue Bond Fund provides for debt service expenses and reserves for two Tourist Development Tax Revenue Bonds, Series 2002 and Series 2004.

Series 2002 Bond:

Issue Date: 10/3/2002

Par Amount \$22,565,000

Final Maturity 2013

Note: were issued to refund Series 1993 bonds, which refunded 1986 bonds

Pledge Source: 2¢ Tourist Development Tax.– see Resort Tax Fund (106).

Expenditure purpose: construction of the Ocean Center.

Series 2004 Bond:

Issue Date: 09/02/2004

Par Amount \$55,451,336

Final Maturity 2035

Pledge Source: 1¢ Tourist Development Tax– see Resort Tax Fund (106).

Expenditure purpose: Ocean Center expansion and renovations.

Assumptions

FY13 Budget – as outlined in budget document page G-9.

Revenues:

Interfund transfer from Resort Tax Fund (106) to meet annual debt service obligations.

Expenditures:

Debt Service schedule for Bond Series 2002 is outlined in bound transcript document, Section 16 – Tax Certificate, Exhibit A – Schedules, page 8.

Debt Service schedule for Bond Series 2004 is outlined in bound transcript document, Section 16 – Tax Certificate, Exhibit A – Schedules, page 4.

Reserves:

The reserve account is accumulating sinking funds from December to fiscal year end (for principal 10/12 and interest 4/6) to make the payment in the next fiscal year. Any minor differences are related to interest earned in this fund.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 203 Tourist Development Tax Revenue Bond

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Transfer - Tourist Development Tax Fund (106)	4,731,191	4,731,191	4,717,513	4,655,075	4,655,075	4,655,075
PY Fund Balance Debt One-Time	-	-	-	50,000	50,000	50,000
Operating Revenues	4,731,191	4,731,191	4,717,513	4,705,075	4,705,075	4,705,075

Expenditures:

Principal Payment	2,340,000	2,340,000	2,425,000	1,571,666	1,484,980	1,404,849
Interest Payment	2,373,113	2,373,113	2,291,188	3,132,084	3,218,770	3,298,901
Miscellaneous Expenses	3,000	3,000	1,325	1,325	1,325	1,325
Operating Expenses	4,716,113	4,716,113	4,717,513	4,705,075	4,705,075	4,705,075
REVENUES LESS EXPENDITURES	15,078	15,078	0	0	0	0

Reserves	2,754,200	2,769,278	2,769,278	2,719,278	2,669,278	2,619,278
Total Reserves	2,754,200	2,769,278	2,769,278	2,719,278	2,669,278	2,619,278

Fund: 204 – Capital Improvement Refunding Revenue Bond, Series 2012

Fund Overview

The Capital Improvement Refunding Revenue Bond, Series 2012 provides funding for refinancing bonds originally issued to finance capital improvement projects and the purchase of property.

Issue Date: 07/03/2012

Par Amount \$4,780,000

Final Maturity 2021

Note: the refinancing of the outstanding Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003 which refinanced Series 1993, which refunded Series 1991 bonds

Pledge Source: Local Government Half-Cent Sales Tax. – see Sales Tax Fund (108).

Expenditure purpose: Justice Center, acquired 250 N. Beach Street, and other projects.

Assumptions

FY13 Budget – as outlined in budget document page G-11.

Revenues:

Interfund transfer from Sales Tax Fund (108) to meet annual debt service obligations.

Expenditures:

Debt Service schedule is outlined in bound transcript document, Section 13 – Closing Memorandum and Final Numbers, page 6.

The county is the paying agent and will not incur in administrative fees expenditures from anyone.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 204 Capital Improvement, Series 2012

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Transfer - Sales Tax Fund (108)	580,449	580,449	578,967	574,290	589,515	584,251
Operating Revenues	580,449	580,449	578,967	574,290	589,515	584,251
Expenditures:						
Principal Payment	485,000	485,000	495,000	500,000	525,000	530,000
Interest Payment	93,449	93,449	83,967	74,290	64,515	54,251
Miscellaneous Expenses	2,000	2,000	0	0	0	0
Operating Expenses	580,449	580,449	578,967	574,290	589,515	584,251
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Fund: 208 - Capital Improvement 2010 Debt Service Fund

Fund Overview

The Capital Improvement 2010 Debt Service Fund was established during FY 2010-11 to provide for the refinancing of several commercial paper loans.

Ocean Center Expansion:

Issue Date: 12/06/2010
Par Amount \$9,875,000
Final Maturity 2030

Pledge Source: non ad valorem revenues – see Ocean Center Fund (118).

Expenditure purpose: construction of the expansion for the Ocean Center.

Capri Drive & West Highlands Special Assessments:

Issue Date: 12/06/2010
Par Amount \$1,790,000
Final Maturity 2018

Pledge Source: non ad valorem revenues – see Special Assessment Fund (121).

Expenditure purpose: construction of the expansion for the roads in special assessment districts.

Trails:

Issue Date: 12/06/2010
Par Amount \$4,724,000
Final Maturity 2021

Pledge Source: non ad valorem revenues – see ECHO via Trails Projects Fund (328).

Expenditure purpose: construction of a portion of the trails program.

Assumptions

FY13 Budget – as outlined in budget document page G-13.

Revenues:

The pledged sources are Non – Ad Valorem Revenues. Interfund transfer reflects annual requirement to meet debt service obligations.

Expenditures:

Debt Service schedule is outlined in bound transcript document, Section 15 (b) – Final Numbers, pages 6, 7, 8 & 9.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 208 Capital Improvement Revenue Note, Series 2010

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Transfer - Special Assessment Fund (121)	253,923	253,923	251,581	253,027	252,262	252,301
Transfer - Tourist Development Tax (106)	660,585	660,585	659,003	659,074	658,783	659,114
Transfer - ECHO Fund (160 via 328)	506,934	506,934	506,277	505,272	504,921	505,191
Operating Revenues	1,421,442	1,421,442	1,416,861	1,417,374	1,415,966	1,416,606

Expenditures:

Capri Drive						
Principal Payment	75,000	75,000	77,000	80,000	82,000	85,000
Interest Payment	16,263	16,263	13,968	11,597	9,151	6,629
Miscellaneous Expenses	1,000	1,000	0	0	0	0
Ocean Center Expansion						
Principal Payment	378,000	378,000	389,000	401,000	413,000	426,000
Interest Payment	281,585	281,585	270,003	258,074	245,783	233,114
Miscellaneous Expenses	1,000	1,000	0	0	0	0
Trails Program						
Principal Payment	380,000	380,000	392,000	403,000	415,000	428,000
Interest Payment	125,934	125,934	114,277	102,272	89,921	77,191
Miscellaneous Expenses	1,000	1,000	0	0	0	0
West Highlands						
Principal Payment	132,000	132,000	136,000	141,000	145,000	149,000
Interest Payment	28,660	28,660	24,613	20,430	16,112	11,672
Miscellaneous Expenses	1,000	1,000	0	0	0	0
Operating Expenses	1,421,442	1,421,442	1,416,861	1,417,374	1,415,966	1,416,606

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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Funds: 213 and 234 - Gas Tax Revenue Bonds

Fund Overview

A portion of the Local Option Gas Tax Revenue Bond, Series 2004 was refinanced (Series 2013) to realize a lower interest rate.

Gas Tax Revenue Bonds, Series 2004:

Issue Date: 10/19/2004
Par Amount \$64,215,000
Final Maturity 2014

Gas Tax Revenue Bonds, Series 2013:

Issue Date: 01/09/2013
Par Amount \$41,505,000
Final Maturity 2024

Pledge Source: Six Cents Local Option Gas Tax. – see County Transportation Trust (103).

Expenditure purpose: finance acquisition, construction, and reconstruction of roads, bridges, and other transportation improvements.

Assumptions

FY13 Budget – as outlined in budget document page G-15.

Revenues:

The pledged source is Six Cent Local Option Gas Tax. Interfund transfers reflects annual requirement to meet debt service obligations.

Funding sources are provided by the Transportation Trust Fund (103) and the Road Impact Fee funds (131-134).

Expenditures:

Debt Service schedule for Bonds Series 2004 and 2013 are outlined in bound transcript document, Section 7 – Tax Certificate, Exhibit A – Schedules, page 9.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 213 and 234 LOGT Revenue Bonds Series 2004 and Series 2012

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Transfer - Road Impact Fee Funds (13x)	1,542,000	1,542,000	1,542,000	1,541,319	1,541,460	1,449,436
Transfer - County Transportation Fund (103)	3,352,263	3,352,263	2,963,789	2,967,080	2,966,949	3,057,457
Operating Revenues	4,894,263	4,894,263	4,505,789	4,508,399	4,508,409	4,506,893

Expenditures:

Principal Payment	2,875,000	3,805,000	3,570,000	3,685,000	3,760,000	3,835,000
Interest Payment	2,017,263	1,085,263	934,289	822,649	747,659	671,143
Miscellaneous Expenses	2,000	4,000	1,500	750	750	750
Operating Expenses	4,894,263	4,894,263	4,505,789	4,508,399	4,508,409	4,506,893
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Fund: 261 - Limited Tax General Obligation Bonds Series 2005

Fund Overview

On November 7, 2000 voters elected to levy up to 0.2000 mills of ad valorem tax for 20 years to create the Volusia Forever program and authorized the issuance of up to \$40M Limited Tax General Obligation Bonds payable from the tax levy for financing. The purpose of the millage is for land acquisition and improvement of environmentally sensitive, water and resource protection, and outdoor recreation lands. The Limited Tax General Obligation Bonds Debt Service Fund provides for debt service costs and required reserves for the Series 2005 bonds.

Issue Date: 11/10/2005
Par Amount \$39,875,000
Final Maturity 2021

Pledge Source: Limited levy of Ad Valorem Taxes – annual millage rate levied in this fund.

Expenditure purpose: land acquisition and improvement of environmentally sensitive, water and resource protection, and outdoor recreation lands.

Assumptions

FY13 Budget – as outlined in budget document page G-17.

Revenues:

Millage Rate required to meet Fiscal Year 2013-14 debt service requirements is 0.1456.

Expenditures:

Debt Service schedule is outlined in bound transcript document, Section 6 – Official Statement, page 21.

Reserves:

There is no reserve requirement for this bond; however, funds have accumulated due to interest earnings and unanticipated delinquent ad valorem receipts. These funds have been allocated in next four years, at \$50,000 per year which helps reduce the tax rate needed to meet the debt obligation.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 261 Limited Tax General Obligation Bonds, Series 2005

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	3,383,390	3,383,390	3,383,714	3,383,714	3,379,714	3,381,714
Miscellaneous Revenues	0	23,037	0	0	0	0
Millage Rate	0.1487	0.1487	0.1456	0.1421	0.1384	0.1345
PY Fund Balance Operating	49,979	25,481	50,000	50,000	50,000	50,000
Operating Revenues	3,433,369	3,431,908	3,433,714	3,433,714	3,429,714	3,431,714

Expenditures:

Principal Payment	2,405,000	2,405,000	2,500,000	2,600,000	2,700,000	2,810,000
Interest Payment	1,026,369	1,026,369	933,175	833,175	729,175	621,175
Miscellaneous Expenses	2,000	539	539	539	539	539
Operating Expenses	3,433,369	3,431,908	3,433,714	3,433,714	3,429,714	3,431,714
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Reserves	85,584	261,216	211,216	161,216	111,216	61,216
Total Reserves	85,584	261,216	211,216	161,216	111,216	61,216

Fund: 295 - Public Transportation Debt Service

Fund Overview

The Public Transportation Debt Service Fund provides Sunrail funding for the construction, reconstruction, or improvements of transportation and rail facilities. The fund consists of a State Infrastructure Bank (SIB) loan through the State Department of Transportation.

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 commission entered into two agreements with the Florida Department of Transportation who will provide 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 the two west train stations, train sets, and track improvements. Currently, the County has two loans totaling \$12.5 million for Phase I construction approved by the State Infrastructure Bank (SIB). Of this amount the county has drawn \$5,621,000 of the first loan in FY 2011. No additional loans or draws were made in 2012. It is estimated to complete the Phase I draws by the end of the year and begin the Phase II in the spring of 2015.

Assumptions

FY13 Budget – as outlined in budget document page G-19.

Revenues:

The pledged source is Non – Ad Valorem Revenues. An interfund transfer from the General Fund reflects annual requirement to meet debt service obligations.

Expenditures:

Debt Service schedule is outlined in State Infrastructure Bank Loan Agreement, §10.2 - Revision 8.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 295 Public Transportation Debt Service

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Transfer - General Fund (001)	1,200,000	1,200,000	1,200,000	3,116,000	3,116,000	3,116,000
Operating Revenues	1,200,000	1,200,000	1,200,000	3,116,000	3,116,000	3,116,000
Expenditures:						
Principal Payment	1,080,429	1,080,429	1,150,136	2,991,595	3,013,786	3,036,296
Interest Payment	119,571	119,571	49,864	124,405	102,214	79,704
Operating Expenses	1,200,000	1,200,000	1,200,000	3,116,000	3,116,000	3,116,000
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Fund: 297 - Capital Improvement Debt Service 2009A & 2009B

Fund Overview

The Capital Improvement Debt Service Fund provides for Series 2009A and Series 2009B Revenue Bond debt service used to purchase vehicles and replacement of helicopters for the Office of the Sheriff and refinance the remaining portion of the outstanding Sales Tax Bonds 1998. The forecasted years do not include additional borrowing for replacement of equipment within the Office of the Sheriff. The Office of the Sheriff's annual budget has "pay as you go" appropriation for vehicle replacements within the General Fund (001) and Municipal Service Fund (120).

Bond Series 2009A:

Issue Date: 09/10/2009
Par Amount \$3,718,000
Final Maturity 2014

Pledge Source: Local Government Half-Cent Sales Tax. – see General Fund (001) and Municipal Service Fund (120) via the Sales Tax Fund (108).

Expenditure purpose: capital expenditures, including the purchase of Sheriff's vehicles and a helicopter.

Bond Series 2009B:

Issue Date: 09/10/2009
Par Amount \$5,812,000
Final Maturity 2016

Pledge Source: Local Government Half-Cent Sales Tax.

Expenditure purpose: refinance all of the County's outstanding Subordinate Lien Sales Tax Revenue Bonds, Series 1998, originally issued to refund the 1996 Sales Tax Bonds and finance the West Volusia Courthouse.

Assumptions

FY13 Budget – as outlined in budget document page G-21.

Revenues:

The pledged source is Subordinate lien on the Local Government Half-Cent Sales Tax. Interfund transfers reflects annual requirement to meet debt service obligations.

Expenditures:

Debt Service schedule for Bonds Series 2009A and 2009B are outlined in bound transcript document, Section 8 – Tax Certificate, Exhibit A – Attach Schedules, page 4 and 5.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 297 2009A/B Debt Service

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Transfer - Sales Tax Fund (108)	1,805,684	1,805,684	1,803,787	919,683	919,644	0
Miscellaneous Revenues	3,000	3,000	3,000	3,000	3,000	0
Operating Revenues	1,808,684	1,808,684	1,806,787	922,683	922,644	0
Expenditures:						
Principal Payment	1,669,000	1,669,000	1,715,000	876,000	899,000	0
Interest Payment	135,684	135,684	91,787	46,683	23,644	0
Miscellaneous Expenses	4,000	4,000	0	0	0	0
Operating Expenses	1,808,684	1,808,684	1,806,787	922,683	922,644	0
REVENUES LESS EXPENDITURES	0	0	0	0	0	0

Fund: 511- Computer Replacement Fund

Fund Overview

The fund was established in FY2000-01 as a financial vehicle for the planned replacement of computer equipment. In general, desktop, laptop, and tough-book computers for Council-operated departments are in this program. The Public Defender's Office, Judiciary, and Court Administrator's Office also participate in this program. Department computers not in the program are primarily those in the Sheriff's Office, Elections and funded by grants. There are over 2,500 units in the program. The initial program contract deployed PCs on a 3-year replacement cycle. The cost of PC replacement program was reduced by extending the PCs life cycle from 3 to 4 years in FY 2008, at a savings of \$830,708 per 4 year cycle. The Information Technology Division manages the program.

The computers being replaced in FY 2013-14 are 901, in FY 2014-15 are 716, in FY 2015-16 are 196 and in FY 2016-17 are 1,168. The FY 2015-16 dropped due to the conversion, extending the life cycle from 3 to 4 years.

Assumptions

FY13 Budget – as outlined in budget document page H-2.

Revenues:

Service charges are annual allotments for computer replacements. In FY 2013-14 revenues increased by \$202,800 for Library buy-in of 120 computers and in FY 2014-15 increased by \$185,900, also for Library buy-in of 110 computers.

Service charges and interest income projected flat.

Expenditures:

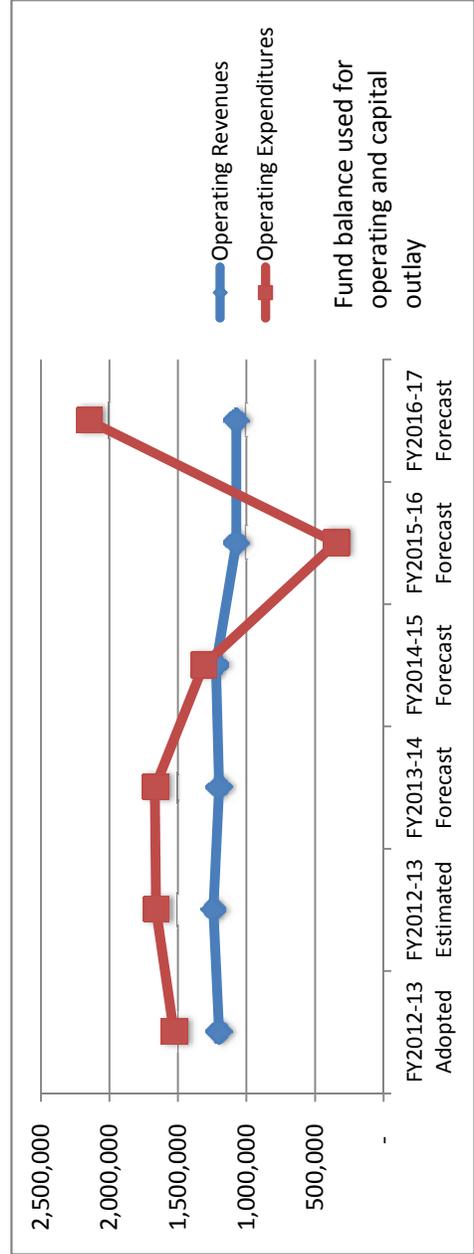
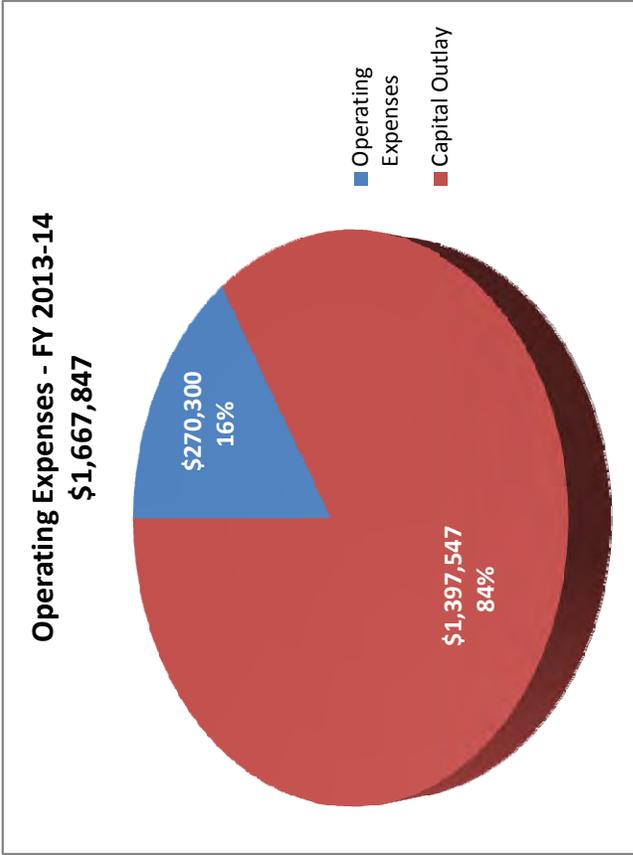
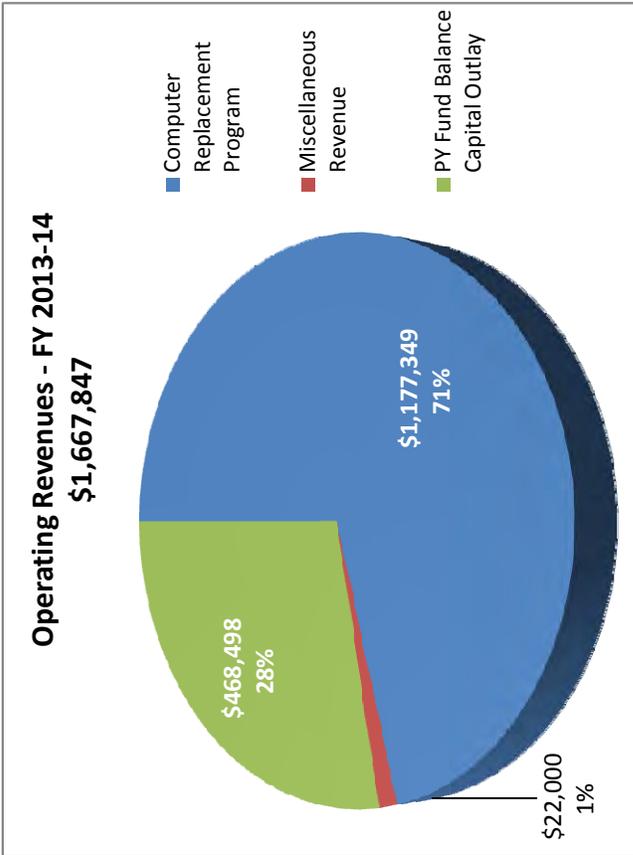
Operating and capital outlay expenses are based on the computer replacement schedule (4-year cycle)

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 511 Computer Replacement Fund**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Service Charge - General Fund	580,863	582,713	538,050	538,050	538,050	538,050
Service Charge - EVAC	12,312	12,312	13,456	13,456	13,456	13,456
Service Charge - County Trans. Trust	51,522	51,522	46,084	46,084	46,084	46,084
Service Charge - Library Fund	325,968	325,968	356,748	380,888	232,608	232,608
Service Charge - Mosquito Control	6,392	41,897	14,822	14,822	14,822	14,822
Service Charge - Port Authority	1,710	3,698	2,972	2,972	2,972	2,972
Service Charge - Ocean Center & Parking	10,360	10,360	10,360	10,360	10,360	10,360
Service Charge - Muncpal Service	48,736	48,736	47,088	47,088	47,088	47,088
Service Charge - Inmate Welfare	2,700	2,700	2,700	2,700	2,700	2,700
Service Charge - Economic Development	4,896	4,896	3,870	3,870	3,870	3,870
Service Charge - Fire	71,046	71,046	77,421	77,421	77,421	77,421
Service Charge - Stormwater	6,428	6,428	10,038	10,038	10,038	10,038
Service Charge - Landfill & Waste Collection	10,792	12,098	11,582	11,582	11,582	11,582
Service Charge - Airport	11,508	11,508	12,310	12,310	12,310	12,310
Service Charge - Utilities	13,990	13,990	13,304	13,304	13,304	13,304
Service Charge - Fleet	12,800	12,800	12,908	12,908	12,908	12,908
Service Charge - Personnel	5,688	5,688	3,636	3,636	3,636	3,636
Miscellaneous Revenue	22,000	22,000	22,000	22,000	22,000	22,000
PY Fund Balance Capital Outlay	330,447	420,157	468,498	90,023		1,074,932
Operating Revenues	1,530,158	1,660,517	1,667,847	1,313,512	1,075,209	2,150,141
Expenditures:						
Operating Expenses	105,000	266,400	270,300	213,300	58,500	347,100
Capital Outlay	1,425,158	1,394,117	1,397,547	1,100,212	289,082	1,803,041
Operating Expenses	1,530,158	1,660,517	1,667,847	1,313,512	347,582	2,150,141
REVENUES LESS EXPENDITURES	0	0	0	0	727,627	0

Reserves	2,783,523	3,134,469	2,665,971	2,575,948	3,303,575	2,228,643
Total Reserves	2,783,523	3,134,469	2,665,971	2,575,948	3,303,575	2,228,643

FUND: 511 Computer Replacement



Fund: 513- Equipment Maintenance

Fund Overview

The Vehicle Replacement Program is used to stabilize and amortize the cost of acquiring and replacing the County fleet. Fleet composition ranges from passenger vehicles to fire engines. Initially the departments purchase vehicles, then the vehicles are enrolled in the Vehicle Replacement Program where they are scheduled for replacement based on vehicle type, age, annual mileage, type of use and other factors. Once a vehicle is added to the program, the Department pays an annual service charge to accumulate funds to replace the vehicle. The division operates a motor pool for use when vehicles are in for repair or for occasional users without assigned vehicles. The division also provides service to outside agencies including: City of Holly Hill, Clerk of the Circuit Court, Department of Forestry (state), New Smyrna Beach Utilities Commission, City of New Smyrna Beach, Volusia County School Board, City of DeBary, and State Attorney.

Assumptions

FY13 Budget – as outlined in budget document page H-8.

Revenues:

Gas and Oil - FY15, FY16, FY17 increased by \$0.16 or 4.57% per gallon (markup) each year based on fuel expenditures. Estimated cost per gallon \$3.50.

Labor Service Charge – FY15, FY16, FY17 projected flat. The calculation is 31 technicians x 1,550 billable hours x \$55 per hour

Parts - FY15, FY16, FY17 increased by 15% (markup) each year based on parts expenditures.

Sublets - FY15, FY16, FY17 increased by 5% (markup) each year based on sublets expenditures.

Replacement Program – based on vehicle replacement program schedule.

Miscellaneous Revenues – interest and other miscellaneous revenue projected flat.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 51.49 Total Funded: 51.49

Operating Expenses:

Postage - FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Fuel - FY15, FY16, FY17 increase by 2% each year.

Parts – FY15 increase by 3.79%, FY16 increase by 7.58% and FY17 increase by 11.36%

Sublets – FY15 increase by 2.27%, FY16 increase by 4.54% and FY17 increase by 6.81%

Replacement Program – based on vehicle replacement program schedule.

Fund: 513- Equipment Maintenance

Reserves:

Reserves are primarily for the acquiring and replacing the County fleet enrolled in the vehicle replacement program. Surplus funds are being used for the upgrade/replacement of fleet equipment and cleanup of tanks.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 513 Equipment Maintenance Fund**

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Gas and Oil	7,419,195	7,419,195	7,286,255	7,431,980	7,580,620	7,732,232
Labor	2,642,750	2,642,750	2,642,750	2,642,750	2,642,750	2,642,750
Parts	2,700,621	2,700,621	2,700,621	2,802,920	3,015,270	3,357,925
Sublets	1,181,089	1,181,089	1,181,089	1,207,900	1,262,739	1,348,731
Replacement Program	4,333,925	4,342,150	4,642,227	5,002,948	5,376,891	5,578,282
Miscellaneous Revenues	247,723	280,560	278,475	278,475	278,475	278,475
Operating Revenues	18,525,303	18,566,365	18,731,417	19,366,974	20,156,744	20,938,395

Expenditures:

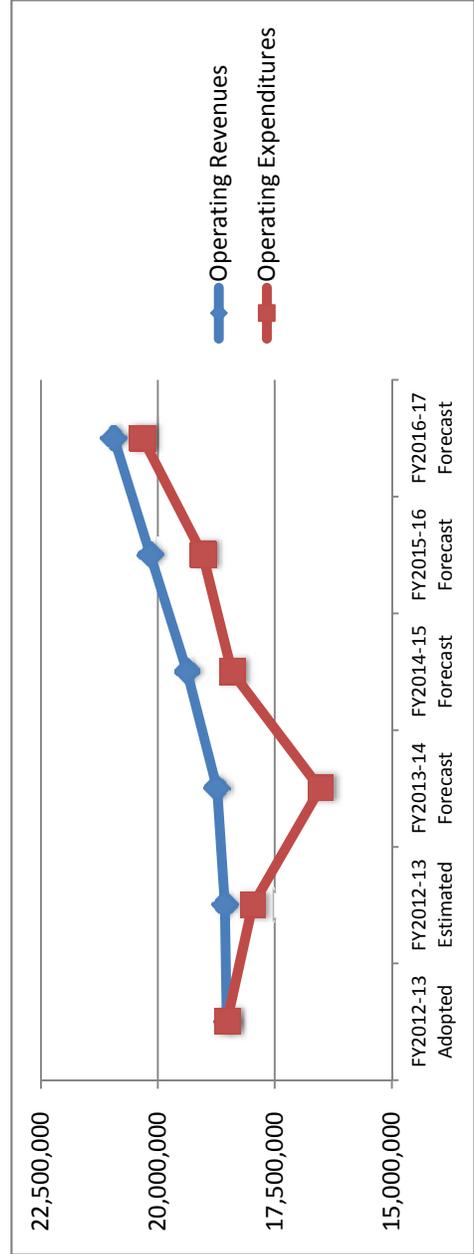
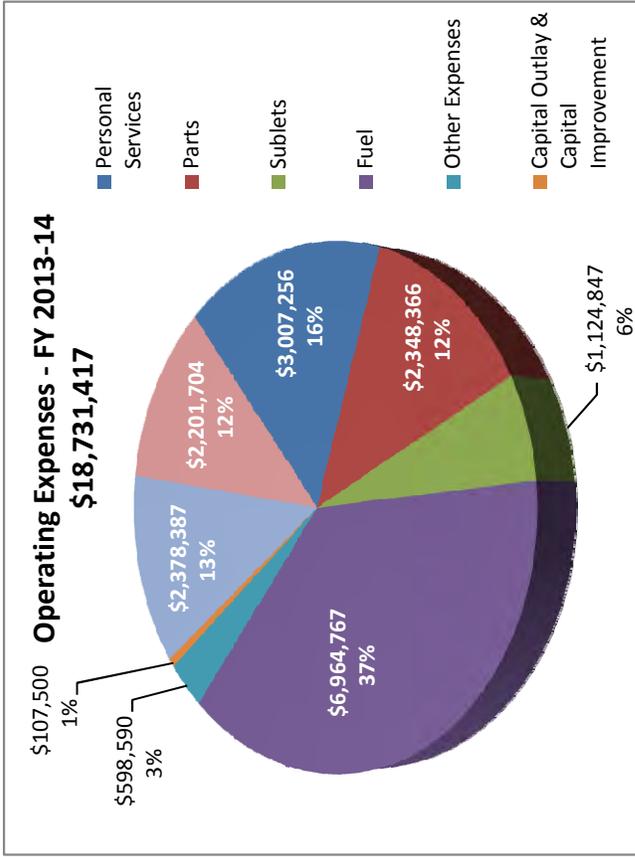
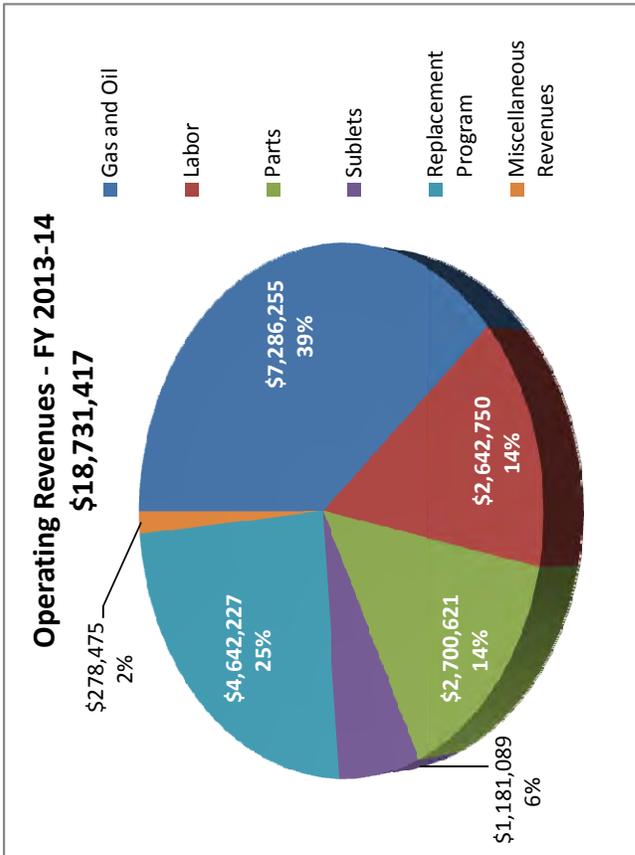
Personal Services	2,965,980	3,016,015	3,007,256	3,007,256	3,007,256	3,007,256
Operating Expenses						
Parts	2,348,366	2,348,366	2,348,366	2,437,322	2,621,974	2,919,935
Sublets	1,124,847	1,124,847	1,124,847	1,150,381	1,202,608	1,284,506
Fuel	7,091,841	7,091,841	6,964,767	7,104,062	7,246,144	7,391,066
Other Expenses	699,469	665,137	598,590	608,768	619,841	631,598
Capital Outlay & Capital Improvement	170,350	219,100	107,500	49,200	73,400	80,500
Replacement Program	4,124,450	3,512,348	2,378,387	4,060,878	4,266,926	5,008,866
Operating Expenses	18,525,303	17,977,654	16,529,713	18,417,868	19,038,149	20,323,727

REVENUES LESS EXPENDITURES	0	588,711	2,201,704	949,106	1,118,595	614,668
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1% salary increase equals \$25,507

Reserves	5,071,751	5,575,472	7,777,176	8,726,282	9,844,877	10,459,545
Total Reserves	5,071,751	5,575,472	7,777,176	8,726,282	9,844,877	10,459,545

FUND: 513 Equipment Maintenance



Fund: 521 - Insurance Management Fund

Fund Overview

Risk Management is part of the Personnel Division. The fund includes the Wellness Centers, the Safety Officer, Insurance Administration, Workers Compensation, Liability, Property Insurance, Commercial Insurance, and Loss Control, which includes the County's medical staff. Risk Management provides pre-employment physicals and drug screening to outside agencies on a cost-recovery basis. The claims and settlement expenses are reviewed by an outside actuary each year to provide the basis for budget projections.

Assumptions

FY13 Budget – as outlined in budget document page H-22.

Revenues:

Charges for Services – Worker's Compensation, projected flat.

Charges for Services – Liability, FY15 increase by 10%, FY16 & FY17 increase by 8% each year

Charges for Services – Physical Damage, FY15 increase by 10%, FY16 & FY17 increase by 8% each year

Commercial Insurance, projected flat

Miscellaneous Revenues, projected flat

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 13.0 Total Funded: 12.0 Total Unfunded: 1.0

Operating Expenses:

Claims Expense – based on actuarial study (table 2B) dated 06/04/13.

Commercial Insurance - FY15, FY16 and FY17 increase by 10% each year.

Postage - FY15, FY16 and FY17 increase by 1.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Fuel - FY15, FY16, FY17 increase by 2% each year.

Reserves:

The County maintains a reserve for property losses resulting from Named Storms (named hurricanes & tropical storms) in the amount of \$10M. The County's property insurance policy limits coverage to \$20M per occurrence for damage resulting from Named Storms. The County's property value totals \$617,413,932. Of that, in excess of \$180M of property values are less than 1 mile from the ocean.

The County maintains a property insurance policy for damage to structures. The purpose of the property reserves is to provide funding for the deductibles under the insurance policy as well as for losses that exceed the limits of the insurance policy due to named storms.

Fund: 521 - Insurance Management Fund

Reserves – Workers Compensation - A \$5M worker's compensation & liability loss reserve has been established to protect the County from variances between the actuary's estimated loss projections vs. actual losses incurred. The County's actuary provides estimated loss projections at the 75% confidence level. There is a 25% chance in a given year that losses will exceed the projected and budgeted amount. In recent history, the County maintained an excess worker's compensation policy with a self-insured retention (SIR) of \$400,000. Due to market changes, this policy is no longer available with a SIR less than \$1M per claim.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 521 Insurance Management**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Charges for Services - Workers' Compensation	3,650,965	3,650,965	3,650,910	3,650,910	3,650,910	3,650,910
Charges for Services - Liability	3,388,844	3,388,844	3,388,844	3,727,728	4,025,947	4,348,022
Charges for Services - Physical Damage	2,664,586	2,664,586	2,664,586	2,931,045	3,165,528	3,418,770
Commercial Insurance	507,500	140,000	187,335	187,335	187,335	187,335
Miscellaneous Revenues	200,957	195,339	183,000	183,000	183,000	183,000
PY Fund Balance Operating	1,557,793					
Operating Revenues	11,970,645	10,039,734	10,074,675	10,680,018	11,212,720	11,788,038

Expenditures:

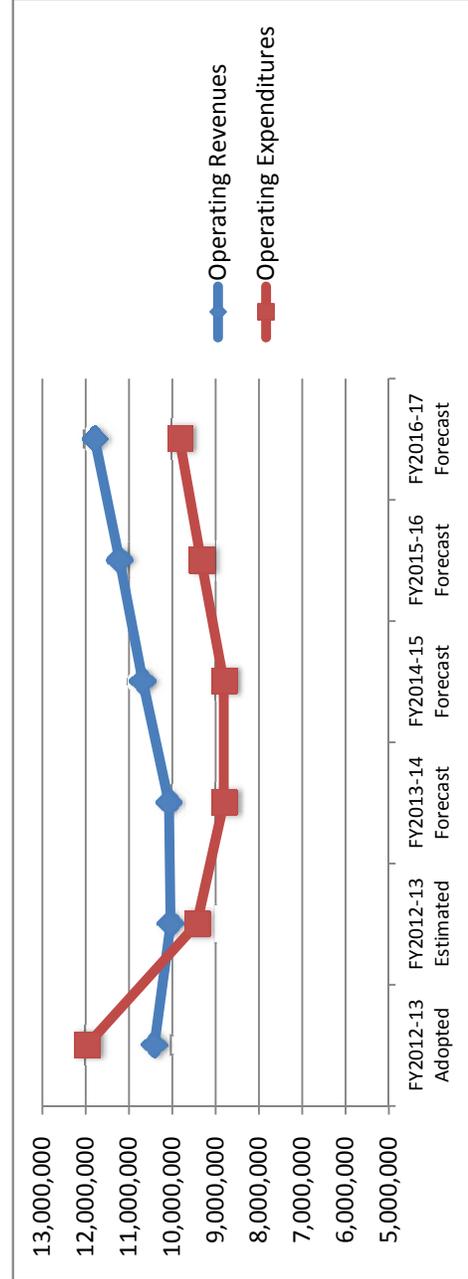
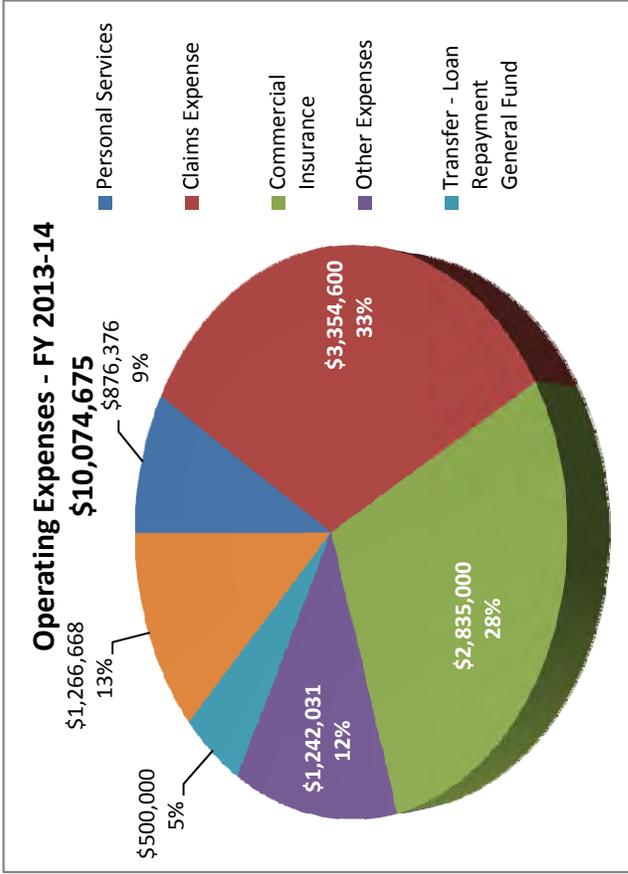
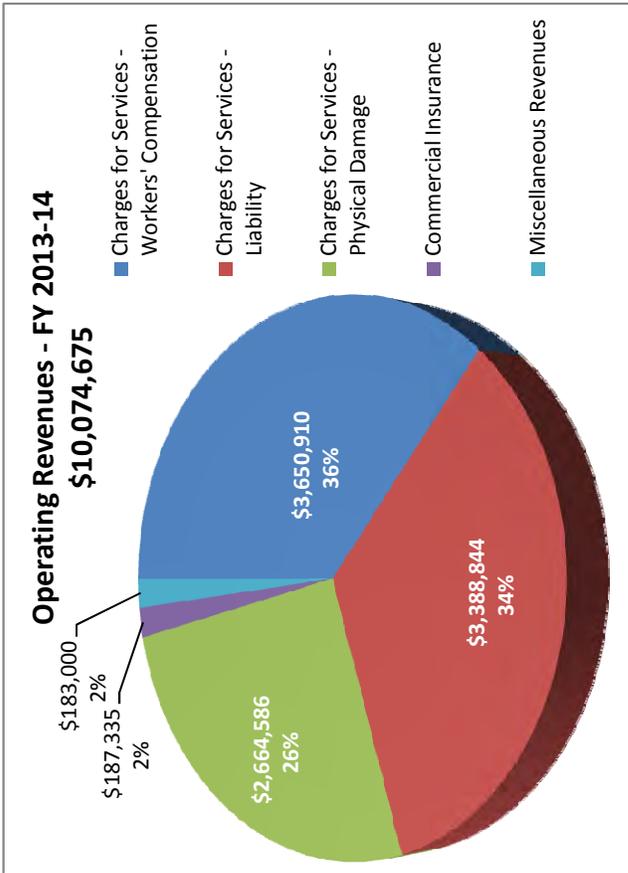
Personal Services	889,217	862,827	876,376	876,376	876,376	876,376
Operating Expenses						
Claims Expense	4,480,000	3,670,800	3,899,600	4,013,000	4,130,800	4,251,800
Recoveries	0	(1,273,542)	(545,000)	(440,000)	(354,000)	(318,000)
Commercial Insurance	4,121,000	3,889,346	2,835,000	3,118,500	3,430,350	3,773,385
Other Expenses	1,480,428	1,284,502	1,242,031	1,244,214	1,246,138	1,248,215
Transfer - Loan Repayment General Fund	1,000,000	1,000,000	500,000	0	0	0
Operating Expenses	11,970,645	9,433,933	8,808,007	8,812,090	9,329,664	9,831,776

REVENUES LESS EXPENDITURES	0	605,801	1,266,668	1,867,928	1,883,055	1,956,261
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1% salary increase equals \$7,623

Federal Claims	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Workers Comensation & Liability	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Storm Damage	5,887,148	8,881,573	10,148,241	12,016,169	13,899,225	15,855,486
Total Reserves	11,887,148	14,881,573	16,148,241	18,016,169	19,899,225	21,855,486

FUND: 521 Insurance Management



Fund: 530- Group Insurance Fund

Fund Overview

The Employee Benefits Group Insurance Fund reflects both employer, employee, and retiree health plan contributions (premiums) and payment of claims. The Employee Benefits program includes employee-paid options such as dependent health coverage, dental, vision, and various other insurance plans. Employees who meet the required wellness standards established by the County are granted up to \$300 annually to help offset health insurance costs. Employees who meet certain low family income thresholds may also receive a biweekly stipend to help offset premium costs. The Wellness program overseen by Personnel has ongoing educational events to educate employees about the value of maintaining healthy lifestyles to help control health care costs.

Assumptions

FY13 Budget – as outlined in budget document page H-34. Governmental Accounting Standards Board, Statement 45, requires Other Postemployment Benefits (OPEB) to be reflected on the county financial statements. OPEB is not a budgeted account; for demonstration purposes it has been shown. The value is based upon projections made by an actuary.

Revenues:

Health Insurance Employer – budgeted and forecasted at \$8,040 per employee participating in the health plan (has not changed since 2009).

Health Insurance Cobra /Retirees – budgeted and forecast based on the number of retirees and rate by category.

Health Insurance Dependant Coverage – budgeted and forecast based on the number of employees and rate by category.

Life Insurance – payroll deduction of employee policy contribution. Revenues projected flat.

Health Insurance Vision - payroll deduction of employee policy contribution. Revenues projected flat.

Miscellaneous revenues (investment income and flex benefits) are projected flat.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 1.0 Total Funded: 1.0

Operating Expenses:

Postage - FY15, FY16 and FY17 increase by 1.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Claims Expense – the increase is based on an average of claims paid in the last five years for large and normal claims. The large claims average is 30% of the total claims and normal claims is 70%. Normal claims for FY15, FY16 and FY17 increase by 2.76% each year and large claims increase by 9.6% each year. FY13 budget was understated based upon prior trends. Claims costs for FY12 was \$30.6 million which was used as the basis to recalculate FY13 estimate.

Interfund Transfer for FY13 – allocation of prior year’s contribution by fund, totaling \$2.1M.

Fund: 530- Group Insurance Fund

Reserves:

Reserve –Meets the Florida Office of Insurance and Regulations recommendations of 60 days as well as meeting cash flow coverage and close out payments should a change in policy be implemented.

Reserves for OPEB adjustment – The Governmental Accounting Standards Board (GASB) requires the reporting of Other Post Employment Benefits (OPEB) on the financial statements. An actuarial accrued liability for OPEB can result from an implicit rate subsidy (i.e. retirees pay the same rate as active employees, even though their age adjusted premium would be higher). The State of Florida will not allow the county to charge retirees more than active members. Claims of retirees must be comingled with claims from active employees to determine the rate that can be charged.

In the case of OPEB arising in connection with an implicit rate subsidy, the level of benefits for retirees will mirror changes in active employee benefits. This is important because employers may make changes to health care benefits for active employees in response to the budgetary challenges of health care costs. (ex. Increases in deductibles, co pays, premiums or changes in covered services). Such changes would reduce the OPEB. However, accounting standards (GASB) requires actuaries to assume that the current health care benefit levels will remain unchanged for purposes of calculating the actuarial accrued liability. It is extremely unlikely that plans will not change over the life of an employee and thus OPEB can be overstated.

GFOA recognizes that maintaining a pay-as-you-go funding (Volusia County's' method) or prefunding a lower OPEB adjustment may be appropriate given the greater likelihood that benefit levels will be adjusted over time to counter balance at least in part health care increases. The county currently has funded the actuary determined net OPEB obligation of \$15,672,606 thru 9/30/2012.

Fund: 530- Group Insurance Fund

Policy Direction

1. Increase revenues by increasing employee premiums or the employer subsidy.
2. Decrease expenditures by increasing employee co-pays.
3. Current health provider contracts end December 31, 2016. The process to consider health insurance options will begin the fall of 2014 with Council decision in spring of 2016. (18 month process)
4. Funding of OPEB

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 530 Group Insurance Fund**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Health Insurance - Employer	24,599,484	24,603,458	24,479,227	24,479,227	24,479,227	24,479,227
Health Insurance Dependant Coverage - Employee	4,351,921	4,351,921	4,574,478	4,574,478	4,574,478	4,574,478
Health Insurance Cobra /Retirees - Employee	1,985,545	2,462,178	2,461,855	2,461,855	2,461,855	2,461,855
Life Insurance - Employee	327,979	560,515	560,515	560,515	560,515	560,515
Health Insurance Vision - Employee	220,000	232,000	232,000	232,000	232,000	232,000
Miscellanoues Revenues	530,849	425,244	235,071	235,071	235,071	235,071
Operating Revenues	32,015,778	32,635,316	32,543,146	32,543,146	32,543,146	32,543,146

Expenditures:

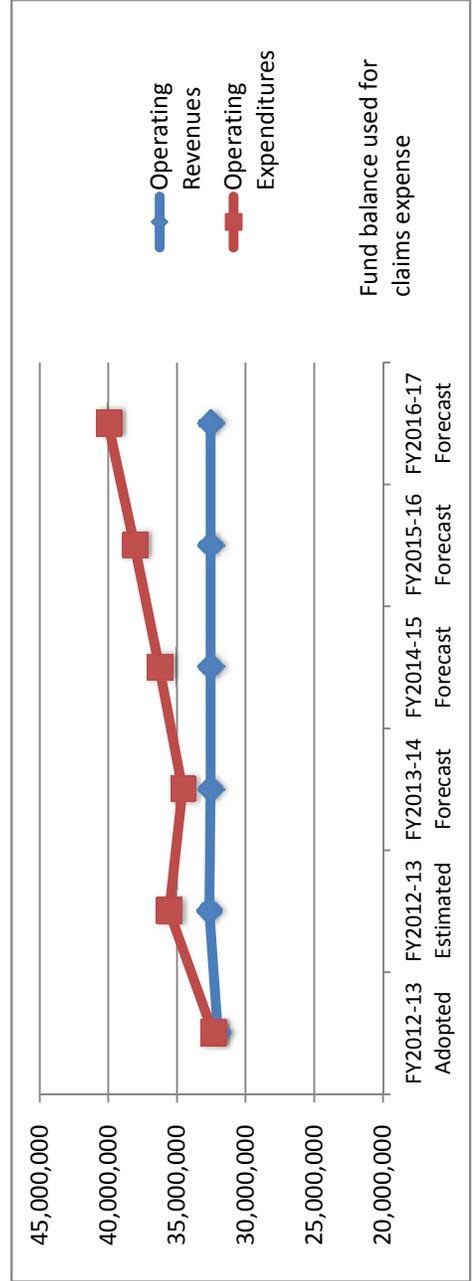
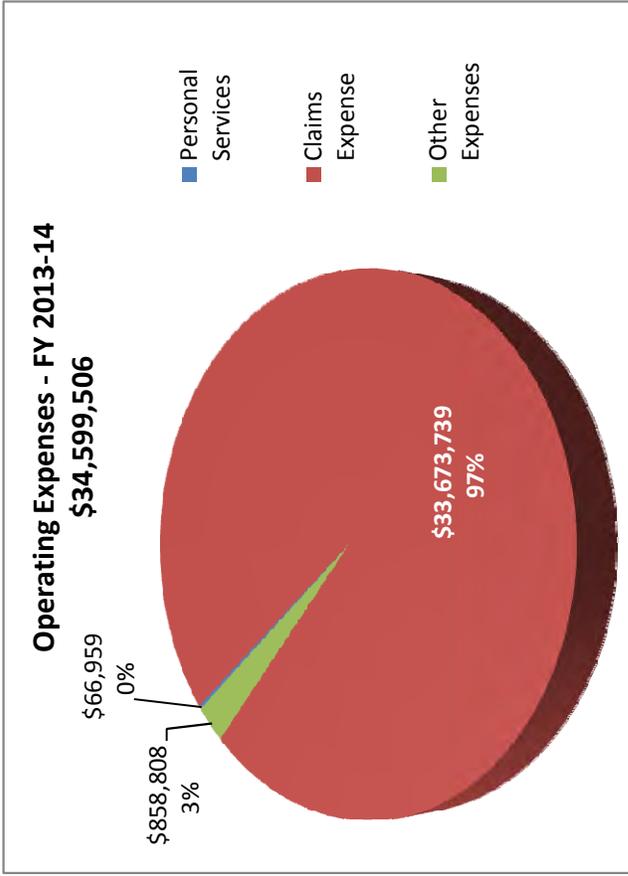
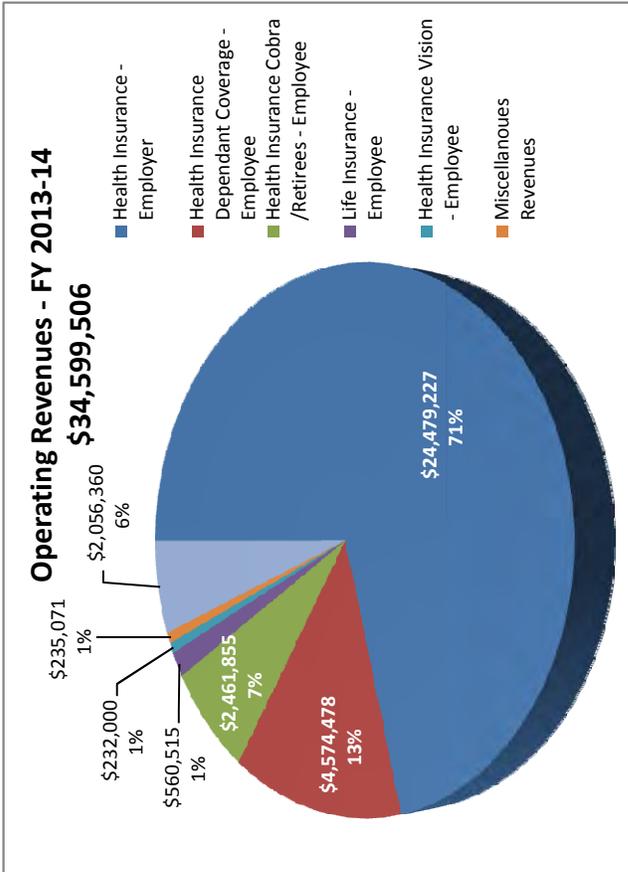
Personal Services	66,317	66,778	66,959	66,959	66,959	66,959
Operating Expenses						
Claims Expense	29,325,602	32,384,480	33,673,739	35,358,017	37,161,250	39,093,678
Other Expenses	840,016	970,889	858,808	858,966	859,112	859,267
Transfer Out	2,136,019	2,136,019	0	0	0	0
Operating Expenses	32,367,954	35,558,166	34,599,506	36,283,942	38,087,321	40,019,904

REVENUES LESS EXPENDITURES

	(352,176)	(2,922,850)	(2,056,360)	(3,740,796)	(5,544,175)	(7,476,758)
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Fund Balance	30,709,799	29,959,657	27,036,807	24,980,447	21,239,651	15,695,476
Less 90 days reserves requirement	7,331,401	8,096,120	8,418,435	8,839,504	9,290,313	8,820,297
Balance - net 90 day reserves	23,378,398	21,863,537	18,618,372	16,140,943	11,949,339	6,875,180
Operating Shortfall	352,176	2,922,850	2,056,360	3,740,796	5,544,175	7,476,758
subtotal	23,026,223	18,940,687	16,562,012	12,400,147	6,405,164	(601,578)
Net OPEB Obligation	15,672,606	18,046,569	20,514,055	23,012,098	25,596,977	28,444,466
Reserve Balance	7,353,617	894,118	(3,952,043)	(10,611,951)	(19,191,813)	(29,046,044)

FUND: 530 Group Insurance



Fund: 104 – Library

Fund Overview

Volusia County's public library system includes six regional libraries, seven community branch libraries and one support/training facility. A countywide Library Fund millage rate of 0.5520 accounts for the tax revenues. Volusia County earns State Aid grant funds based on a match of up to \$0.25 on local funds expended centrally by the library and the Friends of the Library groups. The library also expects to receive revenue from fines, library endowment interest. Expenditures are forecast to maintain the current system and hours of service.

Assumptions

FY13 Budget – as outlined in budget document page E-14.

Revenues:

Ad valorem taxes - FY14 taxable value increased by 2.36% and a reduced millage rate of (8.3%) or, (.05) mills to 0.5520, FY15 and FY16 taxable value increased by 2.5%, FY17 taxable value increase by 3%.

State Aid remains flat through FY17, outlined in F.S.257.

Contributions – City of Deltona – Agenda Item VC-1186499476055-A dated August 23, 2007 and the Interlocal Agreement for Library Expansion and Maintenance dated August 23, 2007.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 193 Funded Positions: 168 Unfunded Positions: 25

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Janitorial Services - FY15, FY16 and FY17 increase by 1.5% each year.

Computer Replacement charge - increased in FY14 and FY15 due to 330 computers coming into the system then levels out in FY16 and FY17.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Interfund Transfer – General Fund – this Interfund transfer includes the salary and benefits for two positions at the Lyonia Environmental Center plus the debt service payments for DeBary and New Smyrna Beach libraries. Debt service for both libraries [New Smyrna Beach @ \$164,378 and DeBary @ \$28,587] will be paid in full in FY 2015-16.

Capital Outlay & Capital Improvements – are allocated per division's 5 year capital outlay and improvement plans.

Reserves:

Reserves are being utilized to fund capital outlay and capital improvements: \$2 million for self-service check in/out program and associated equipment; \$3 million for an additional auditorium in Port Orange for adult, teen and juvenile programs and teen service area; \$250,000 to expand downloadable audio/video/electronic book collection; \$750,000 to expand the children's area at the DeBary library.

Fund: 104 – Library

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes an 8.3% or .05 mills reduction in millage to 0.5520 mills. This reduction is to help offset the increased rate within the general fund.

VOLUSIA COUNTY 5 YEAR FORECAST

FUND: 104 - Library

Millage Rate Reduced by 0.05 Mills

FY2012-13 Adopted FY2012-13 Estimated FY2013-14 Forecast FY2014-15 Forecast FY2015-16 Forecast FY2016-17 Forecast

Revenues:

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	13,727,381	13,727,381	12,858,164	13,178,868	13,507,590	13,911,917
Millage Rate	0.6020	0.6020	0.5520	0.5520	0.5520	0.5520
State Aid to Library	397,493	425,985	425,985	425,985	425,985	425,985
Charges for Services	173,000	173,000	173,000	173,000	173,000	173,000
Fines and Forfeitures	450,000	425,000	425,000	425,000	425,000	425,000
Miscellaneous Revenues	271,463	226,293	222,493	222,493	222,493	222,493
Transfers	130,285	120,285	110,000	10,000	10,000	10,000
Contributions & Donations	85,000	50,000	50,000	50,000	50,000	50,000
Contributions (City of Deltona)	250,000	250,000	250,000	250,000	250,000	250,000
PY Fund Balance - CIP	725,240	1,559,699	590,240	635,240	595,240	485,240
PY Fund Balance One-Time	338,060	262,437	1,132,893	1,006,661	595,998	72,516
Total Revenues	16,547,922	17,220,080	16,237,775	16,377,247	16,255,306	16,026,152

Expenditures:

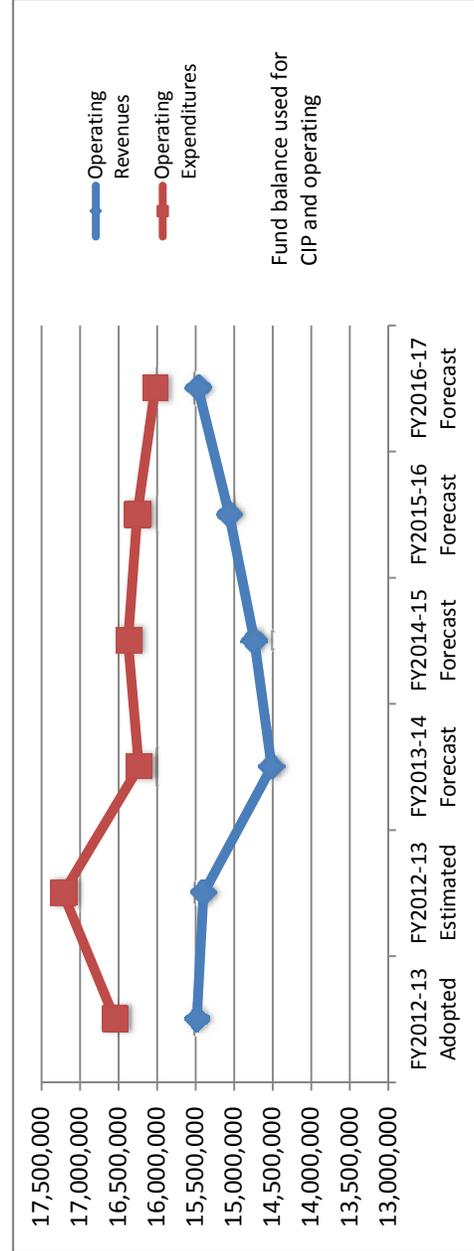
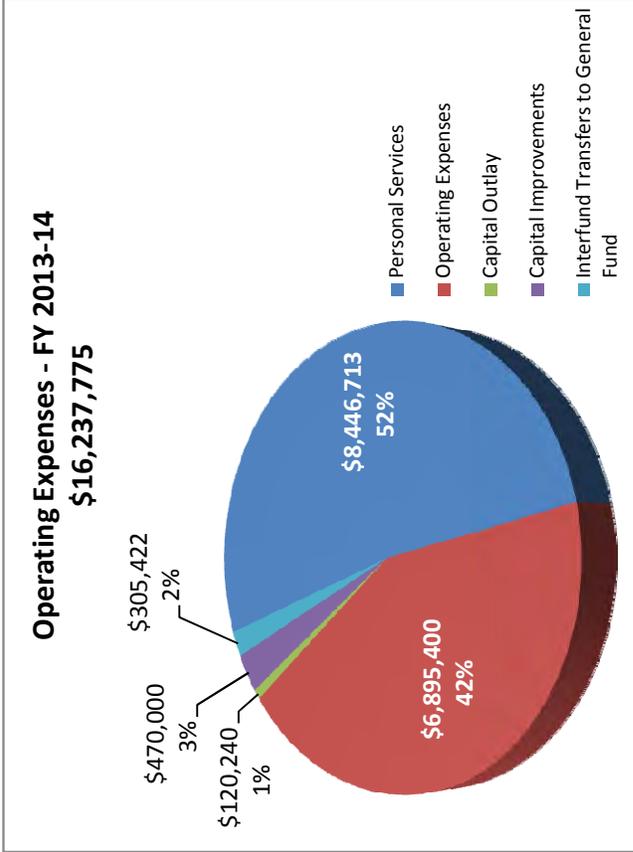
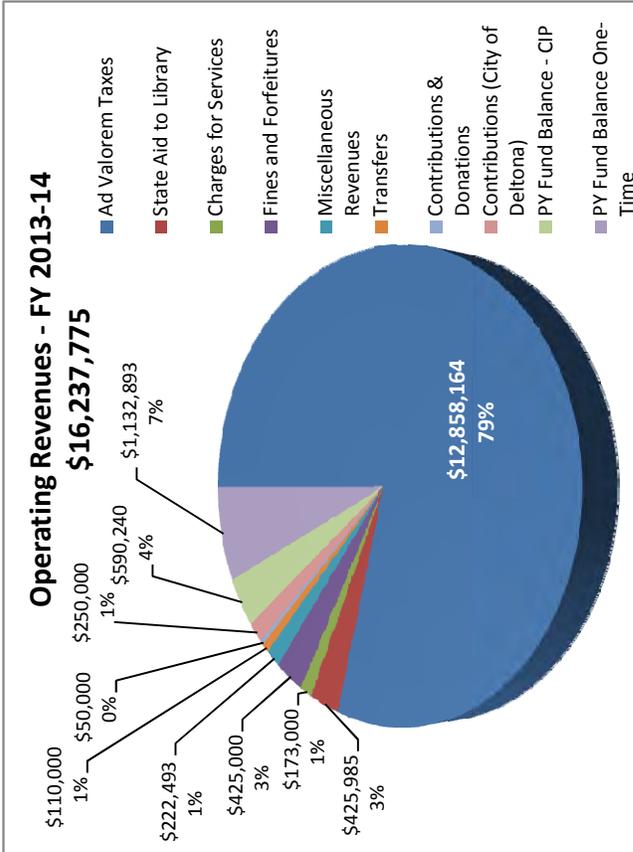
Personal Services	8,703,240	8,715,822	8,446,713	8,446,713	8,446,713	8,446,713
Operating Expenses	6,813,808	6,638,925	6,895,400	6,989,522	6,906,579	6,980,390
Capital Outlay	180,240	138,000	120,240	120,240	120,240	120,240
Capital Improvements	545,000	1,421,699	470,000	515,000	475,000	365,000
Interfund Transfers to General Fund	305,634	305,634	305,422	305,772	306,774	113,809
Total Expenditures	16,547,922	17,220,080	16,237,775	16,377,247	16,255,306	16,026,152

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% salary increase equals \$74,791

Emergencies Reserves @ 8%	1,234,065	1,234,065	1,204,391	1,225,647	1,248,745	1,272,291
Reserves	5,734,633	6,691,166	4,997,707	3,334,550	2,120,215	1,538,912
Total Reserves	6,968,698	7,925,231	6,202,098	4,560,197	3,368,959	2,811,203

FUND: 104 Library



VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 104 - Library Reduced by 0.05 Mills

FY2012-13 Adopted FY2012-13 Estimated FY2013-14 Forecast FY2014-15 Forecast FY2015-16 Forecast FY2016-17 Forecast

Revenues:

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	13,727,381	13,727,381	12,885,158	13,206,537	13,535,951	13,941,129
Millage Rate	0.6020	0.6020	0.5520	0.5520	0.5520	0.5520
State Aid to Library	397,493	425,985	425,985	425,985	425,985	425,985
Charges for Services	173,000	173,000	173,000	173,000	173,000	173,000
Fines and Forfeitures	450,000	425,000	425,000	425,000	425,000	425,000
Miscellaneous Revenues	271,463	226,293	222,493	222,493	222,493	222,493
Transfers	130,285	120,285	110,000	10,000	10,000	10,000
Contributions & Donations	85,000	50,000	50,000	50,000	50,000	50,000
Contributions (City of Deltona)	250,000	250,000	250,000	250,000	250,000	250,000
PY Fund Balance - CIP	725,240	1,559,699	590,240	635,240	595,240	485,240
PY Fund Balance One-Time	338,060	262,437	1,405,398	1,280,219	1,095,005	572,481
Total Revenues	16,547,922	17,220,080	16,537,274	16,678,474	16,782,674	16,555,328

Expenditures:

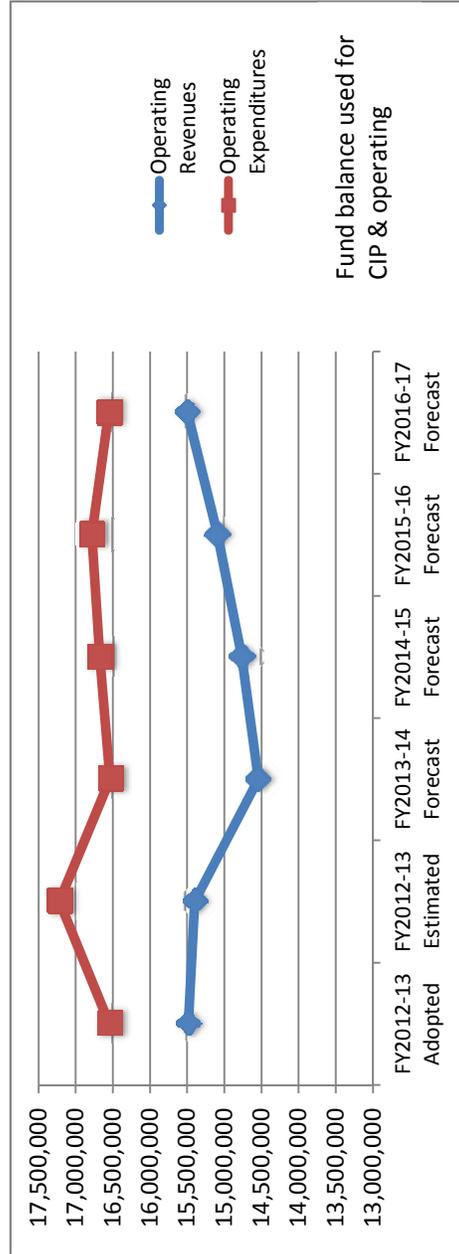
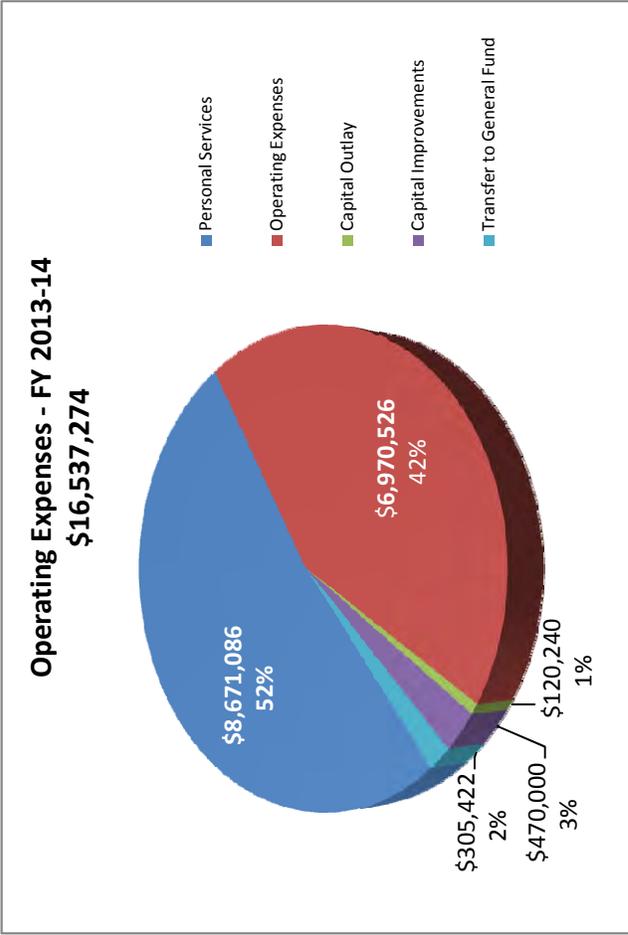
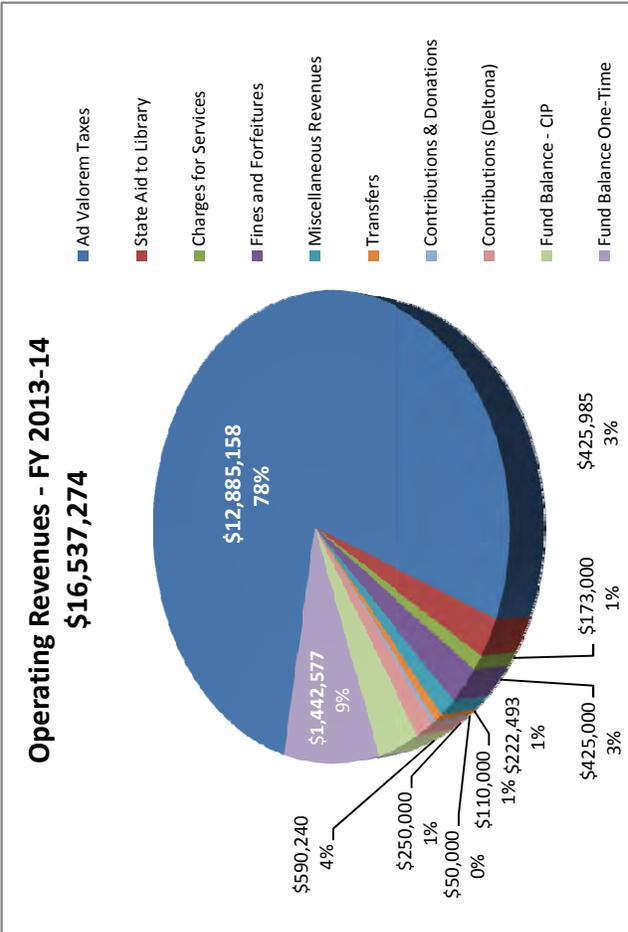
Personal Services	8,703,240	8,715,822	8,446,713	8,446,713	8,446,713	8,446,713
Operating Expenses	6,813,808	6,638,925	6,895,400	6,989,522	6,906,579	6,980,390
Capital Outlay	180,240	138,000	120,240	120,240	120,240	120,240
Capital Improvements	545,000	1,421,699	470,000	515,000	475,000	365,000
Interfund Transfers to General Fund	305,634	305,634	305,422	305,772	306,774	113,809
Operating Account - adjusted by CPI (2.3%)			75,126	76,854	78,622	80,430
Pay adjustment (FY14 3%; FY16 3%)			224,373	224,373	448,746	448,746
Total Expenditures	16,547,922	17,220,080	16,537,274	16,678,474	16,782,674	16,555,328

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$74,791

Emergency Reserves @ 8%	1,234,065	1,234,065	1,206,550	1,227,860	1,251,014	1,274,628
Reserves	5,734,633	6,691,166	4,723,043	2,786,274	1,072,876	(8,459)
Total Reserves	6,968,698	7,925,231	5,929,593	4,014,135	2,323,890	1,266,169

FUND: 104 Library



Fund: 105 – East Volusia Mosquito Control

Fund Overview

Under the authority of F.S. Title XXIX, Chapter 388, Volusia County Mosquito Control (VCMC) is responsible for nuisance and disease mosquito control in Volusia County. To achieve its major goal of reducing mosquito production, VCMC must mitigate the mosquito production sites and control immature mosquitoes before they develop into adult mosquitoes. Funding for VCMC is provided primarily through the ad valorem millage rate of 0.1850 for FY2013-14 for the East Volusia Mosquito Control Special District. Revenue is also realized from services provided to municipalities outside the District, St. John's River Water Management (marsh restoration) and the City of Sanford (midge control). The Florida Department of Agriculture and Consumer Services which has provided limited state funds in the past, filed HB-7087 which would further reduce the funding to Districts with budgets of \$1 million or greater.

Assumptions

FY13 Budget – as outlined in budget document page E-30.

Revenues:

Ad valorem taxes - FY14 taxable value provided by the Property Appraisers' Office and a reduced millage rate of 11% to 0.1850, FY15 and FY16 increase by 2.5%, FY17 taxable value increase by 3%.

The department receives Intergovernmental Revenues from grants awarded by agencies outside Volusia County government, i.e., State, Water Management District, etc. to perform special projects related to mosquito control, surveillance, and educational programs.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 30 Total Funded: 25 Total Unfunded: 5

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Janitorial Services - FY15, FY16 and FY17 increase by 1.5% each year.

CRA Payments – FY14 reduction associated with reduction in millage rate, FY15 and FY16 increase by 2.5%, FY17 increase by 3%.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Capital Outlay & Capital Improvements – are allocated per division's 5 year capital outlay and capital improvement plans.

Reserves:

Reserves - \$2.0M for Mosquito Control's portion of the construction of Public Works proposed eastside service center. \$3.2M for the replacement of vehicles and equipment as required to ensure efficient and safe operations; \$2.0M for the replacement of a helicopter.

Fund: 105 - East Volusia Mosquito Control

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes an 11% reduction to 0.1850 mills. This reduction is to help offset the increased rate within other taxing funds.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 105 - Mosquito Control**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	3,413,462	3,413,462	3,098,828	3,176,299	3,255,707	3,353,378
Millage Rate	0.2080	0.2080	0.1850	0.1850	0.1850	0.1850
Delinquent Ad Valorem	20,000	15,000	15,000	15,000	15,000	15,000
Intergovernmental Revenues	283,500	347,576	321,200	321,200	321,200	321,200
Charges for Services	50,000	50,000	50,000	50,000	50,000	50,000
Misc. Revenues (Rent, sales, interest, etc.)	249,800	258,954	175,008	181,619	181,619	181,619
PY Fund Balance One-Time	1,446,605	421,945	29,963	-	-	427,366
Operating Revenues	5,463,367	4,506,937	3,689,999	3,744,119	3,823,526	4,348,563

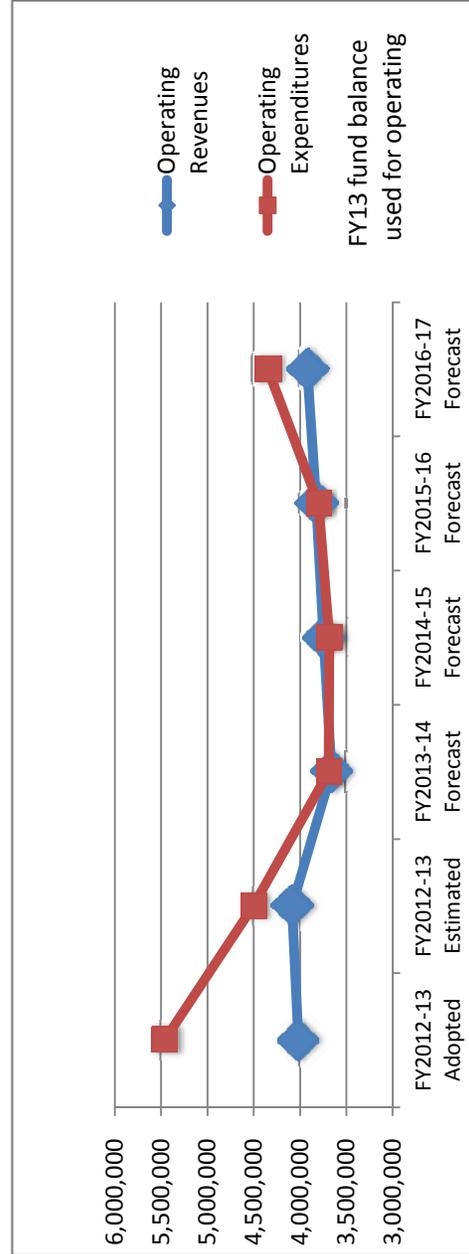
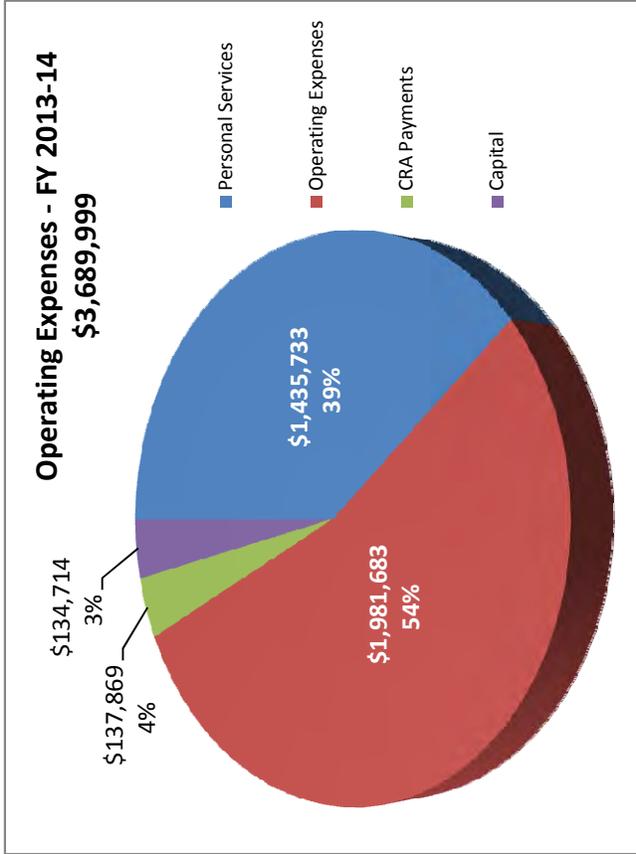
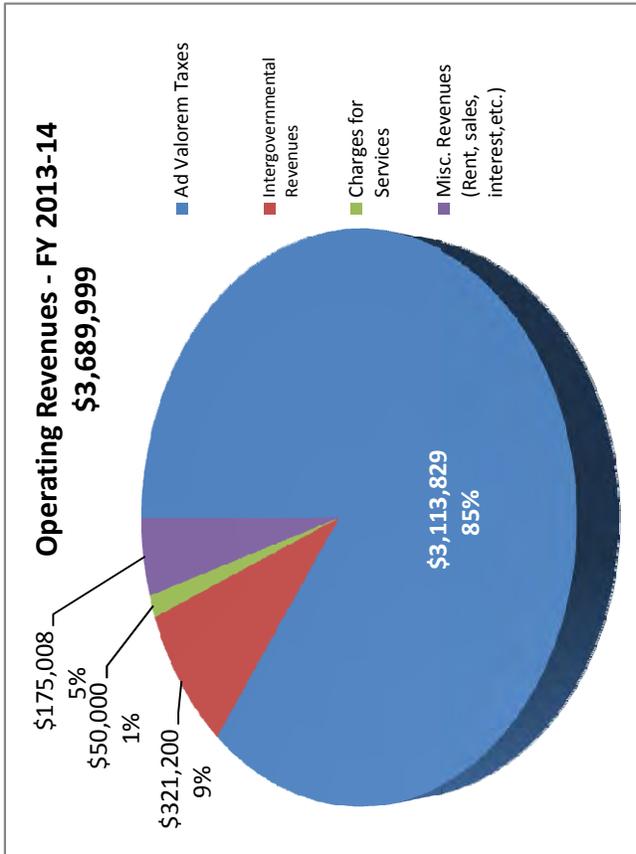
Expenditures:

Personal Services	1,437,363	1,407,017	1,435,733	1,435,733	1,435,733	1,435,733
Operating Expenses	3,334,175	2,248,091	1,981,683	1,988,522	1,995,316	2,003,636
CRA Payments	149,329	149,329	137,869	141,316	144,849	149,194
Capital	542,500	702,500	134,714	119,610	223,811	760,000
Operating Expenses	5,463,367	4,506,937	3,689,999	3,685,161	3,799,708	4,348,563
REVENUES UNDER/OVER EXPENDITURES	0	0	0	58,938	23,818	0

1% Salary increase equals \$11,634.

Reserves	
Future Capital Reserves - Eastside Svcs Center	2,088,717
Equip Replacement Reserves - helicopter & equip	3,086,710
Special Program Reserves - Fuel	23,821
Emergency Reserves @ 10% of Revenues	341,346
Total Reserves	5,540,594
	7,705,249
	7,675,286
	7,734,224
	7,758,041
	2,000,000
	5,351,867
	23,821
	382,353
	434,856
	7,330,675

FUND: 105 Mosquito Control



**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 105 - Mosquito Control**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	3,413,462	3,413,462	3,492,084	3,579,387	3,668,871	3,778,937
Millage Rate	0.2080	0.2080	0.2080	0.2080	0.2080	0.2080
Delinquent Ad Valorem	20,000	15,000	15,000	15,000	15,000	15,000
Intergovernmental Revenues	283,500	347,576	321,200	321,200	321,200	321,200
Charges for Services	50,000	50,000	50,000	50,000	50,000	50,000
Miscellaneous Revenues	249,800	258,954	175,008	181,619	181,619	181,619
PY Fund Balance One-Time	1,446,605	421,945				115,818
Total Revenues	5,463,367	4,506,937	4,053,292	4,147,206	4,236,690	4,462,574

Expenditures:

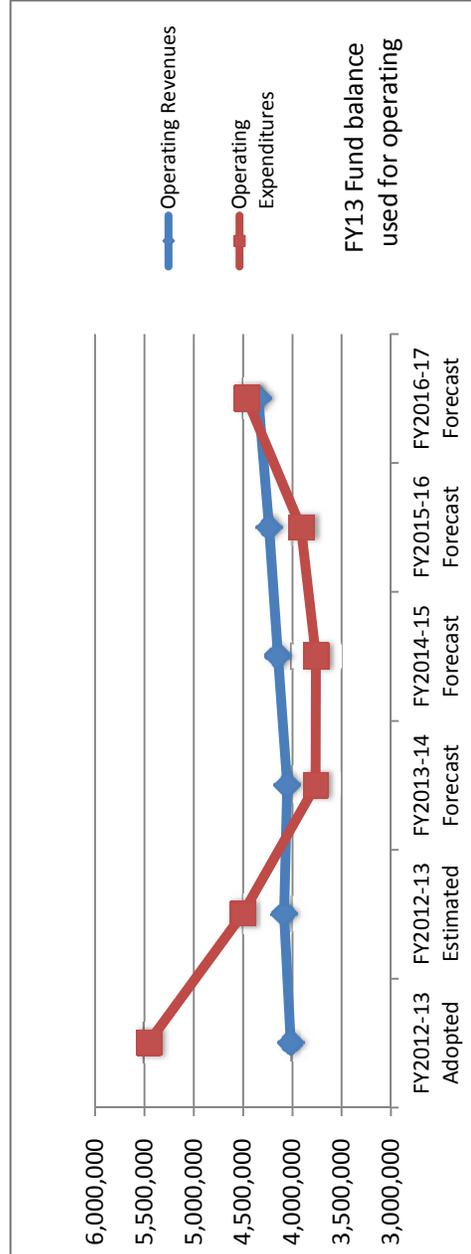
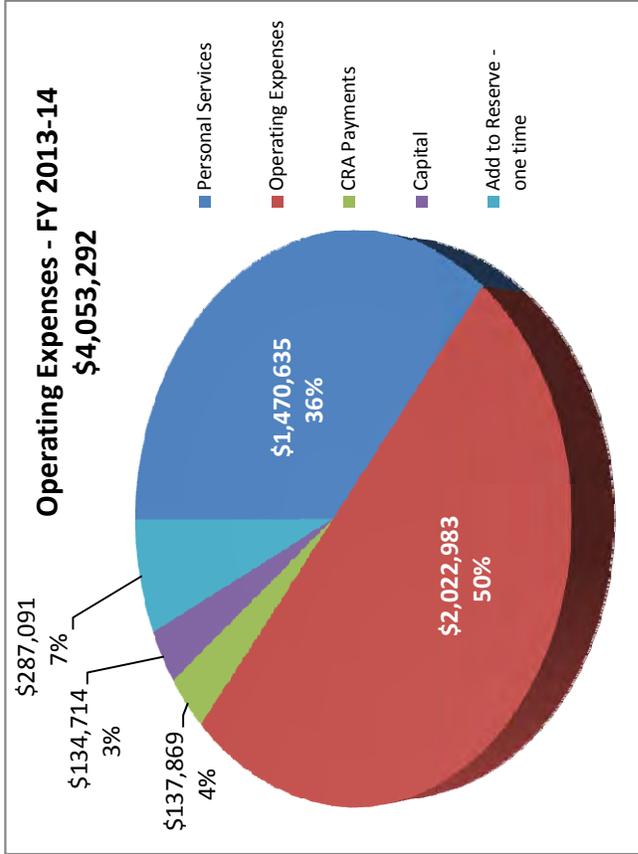
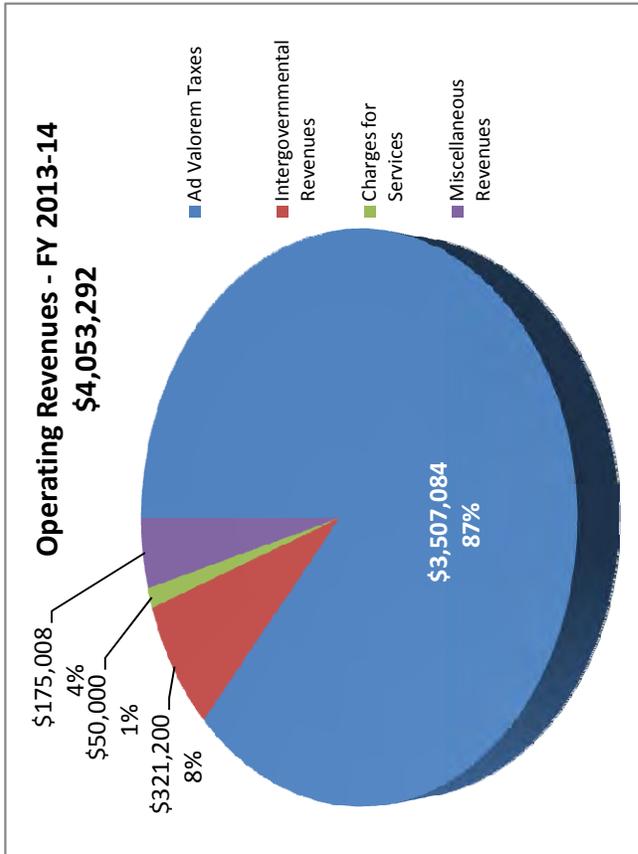
Personal Services	1,437,363	1,407,017	1,435,733	1,435,733	1,435,733	1,435,733
Operating Expenses	3,334,175	2,248,091	1,981,683	1,988,522	1,995,316	2,003,636
CRA Payments	149,329	149,329	137,869	141,316	144,849	149,194
Capital	542,500	702,500	134,714	119,610	223,811	760,000
Operating Account - adjusted by CPI (2.3%)			41,300	42,248	43,214	44,207
Pay adjustment (FY14 3%; FY16 3%)			34,902	34,902	69,804	69,804
Total Expenses	5,463,367	4,506,937	3,766,201	3,762,331	3,912,726	4,462,574

REVENUES LESS EXPENDITURES	0	0	287,091	384,875	323,964	0
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1% Salary increase equals \$11,634.

Future Capital Reserves - Eastside Svcs Center	2,088,717	2,088,717	2,000,000	2,000,000	2,000,000	2,000,000
Equip Replacement Reserves - Helicopter & equip	3,086,710	5,251,365	5,598,374	5,938,674	6,253,689	6,115,284
Special Program Reserves - Fuel	23,821	23,821	23,821	23,821	23,821	23,821
Emergency Reserves @ 10%	341,346	341,346	370,146	414,721	423,669	446,257
Total Reserves	5,540,594	7,705,249	7,992,341	8,377,216	8,701,179	8,585,362

FUND: 105 Mosquito Control



Fund: 114 – Ponce De Leon Inlet and Port District

Fund Overview

Port district activities include Inlet Parks at Smyrna Dunes and Lighthouse Point, marine wildlife and artificial fishing reefs, derelict vessel removal and a coastal public access program. The Inlet Partnership Program provides grants to municipalities within the Port District for public access improvements. The Public Access and Inlet Parks improvements provide new and upgraded infrastructure such as fishing piers, boardwalks, parking, and boat and kayak launch sites. On August 5, 2010 Council approved expansion of the marine wildlife and artificial reef program in support of the boating, diving and fishing industries. Community participation is provided through the Volusia Reef Research Dive Team, which maintains a website at www.volusiareefs.org. There are eleven (11) federally permitted reef sites, and seventy-seven (77) reefs have been built within these areas. On February 7, 2013 Council approved development of three (3) nearshore artificial fishing reefs in state waters off New Smyrna Beach, Daytona Beach Shores and Daytona Beach. Permitting through the state and federal agencies is underway for development of these new reef sites. The forecast includes an annual inlet maintenance dredging program to be implemented via a contributed funds agreement with the federal government.

Assumptions

FY13 Budget – as outlined in budget document page E-40.

Revenues:

Ad valorem taxes - FY14 taxable value increased by 1.39% and a reduced millage rate of (12.7%) or (0.0118) mills to 0.0811, FY15 and FY16 taxable value increased by 2.5%, FY17 taxable value increase by 3%.

Park fees are flat with estimate. Collections are for coastal parks Smyrna Dunes and Lighthouse Point parks.

Misc Revenues – Interest income declines by percentage change of reserve balance, payment in lieu of taxes for National Seashore Park projected flat.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 10

Total Funded: 10

Total Unfunded: 0

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

CRA Payments - calculated at lower millage, increased same as property values.

Artificial Reef program funded at \$450,000 per year for FY 15, FY16 and FY17

Inlet District Partnership Program – FY14 carry forward of \$251,600 plus \$40,000 new funding, FY15, FY16 and FY17 projected with no funding for program, reflecting recent demand decrease.

Capital Outlay & Capital Improvements – are allocated per division's 5 year capital improvement plan.

Reserves:

Reserves are being utilized to fund capital outlay and capital improvements.

Reserve \$750,000 for grant match for the South Jetty Extension was eliminated.

Fund: 114 – Ponce De Leon Inlet and Port District

Policy Direction

1. Reduce revenues - the forecast for FY2013-14 includes a 12.7% reduction to 0.0811 mills. This reduction is to help offset the increased rate within other taxing funds.
2. Reserves have been set aside for the South Jetty project for over 20 years. Since it does not appear this project will be funded by the federal government, the \$750,000 in reserves for this effort has been reassigned to other coastal capital efforts.
3. The Inlet District Partnership program is unfunded in the forecast due to diminishing demand from partners. The program was authorized for limited terms in the 1980's and 1990's, and was reauthorized by Council in 2002 and again in 2009, there has only been three projects funded since that time.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 114 - Ponce De Leon and Port District Fund

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	1,524,574	1,524,574	1,358,463	1,392,425	1,427,235	1,470,052
Millage Rate	0.0929	0.0929	0.0811	0.0811	0.0811	0.0811
Park Fees	333,700	376,176	376,176	376,176	376,176	376,176
Miscellaneous	100,060	100,060	74,770	59,309	48,007	35,377
PY Fund Balance One-Time Capital	1,408,833	1,397,971	1,087,395	794,843	888,263	1,062,655
Total Revenues	3,367,167	3,398,781	2,896,804	2,622,753	2,739,681	2,944,260

Expenditures:

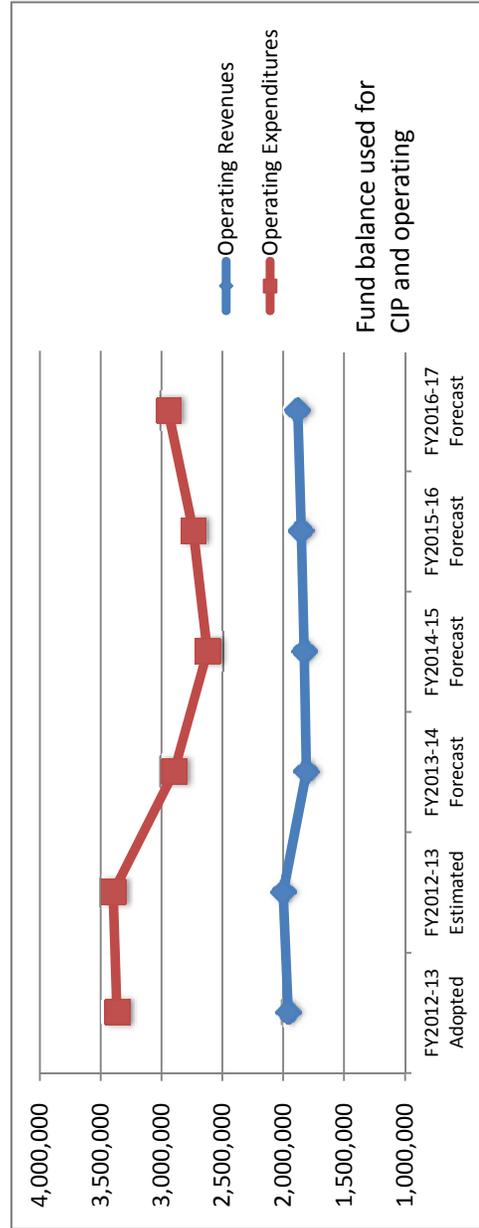
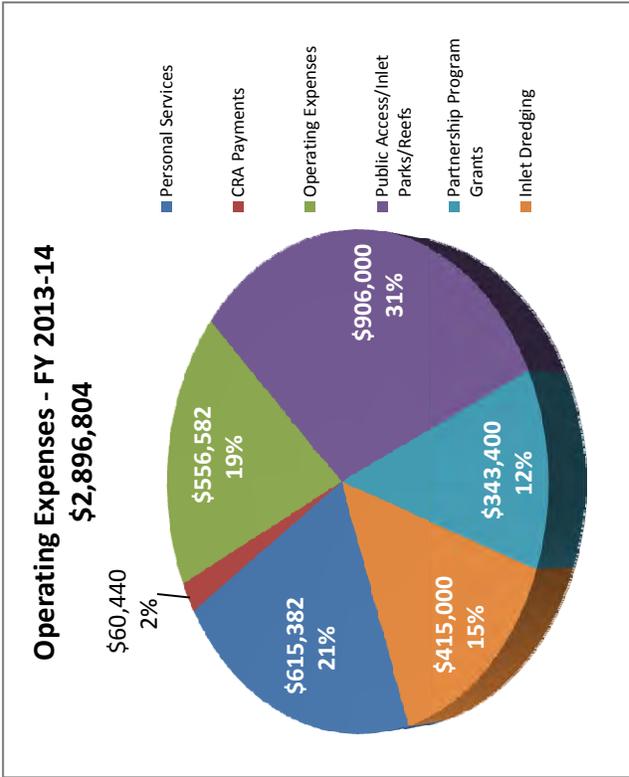
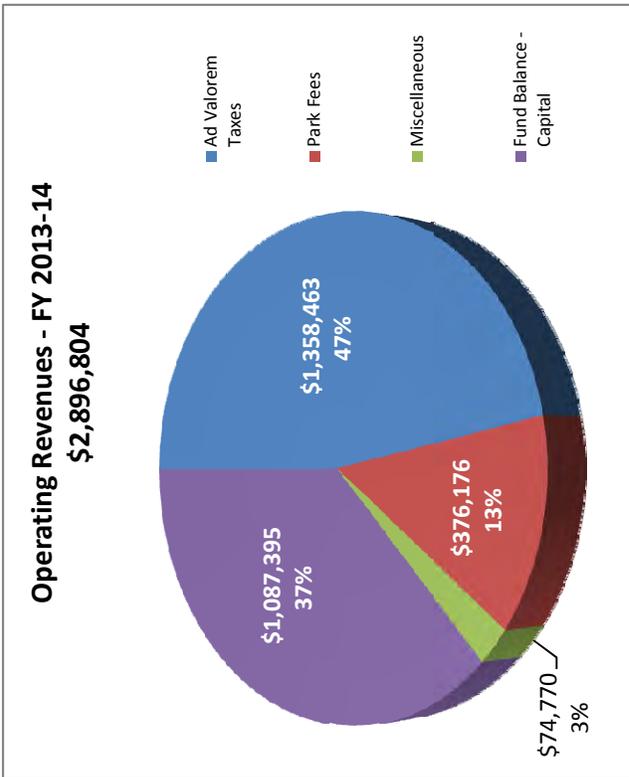
Personal Services	589,199	608,807	615,382	615,382	615,382	615,382
Operating Expenses	841,270	772,596	556,582	558,420	561,109	564,424
CRA Payments	66,698	66,710	60,440	61,951	63,190	64,454
Partnership Program Grants	420,000	168,400	343,400	0	0	0
Capital Program:						
Public Access/Inlet Parks/Reefs & Habitat	1,150,000	807,556	906,000	1,387,000	1,500,000	1,700,000
Wilbur-by-the-Sea/Toronita - ECHO Match	0	604,185	0	0	0	0
Inlet Dredging	0	0	415,000	0	0	0
Dunlawton Property	300,000	370,527	0	0	0	0
Total Expenditures	3,367,167	3,398,781	2,896,804	2,622,753	2,739,681	2,944,260

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$5,271

Emergencies Reserves @ 10%	195,277	195,277	180,941	182,791	185,142	188,161
Reserves for future capital	3,004,505	4,455,037	3,381,978	2,585,285	1,694,671	628,997
Total Reserves	3,199,782	4,650,314	3,562,919	2,768,076	1,879,813	817,158

FUND: 114 Ponce De Leon Inlet and Port District



**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 114 - Ponce De Leon and Port District**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	1,524,574	1,524,574	1,559,690	1,598,682	1,638,649	1,687,809
Millage Rate	0.0929	0.0929	0.0929	0.0929	0.0929	0.0929
Park Fees	333,700	376,176	376,176	376,176	376,176	376,176
Miscellaneous	100,060	100,060	74,770	59,309	48,007	35,377
PY Fund Balance Operating	1,408,833	1,397,971	39,164	39,711	56,394	57,632
PY Fund Balance One-time Capital	3,367,167	3,398,781	2,939,540	2,666,125	2,799,827	3,005,757
Total Revenues						

Expenditures:

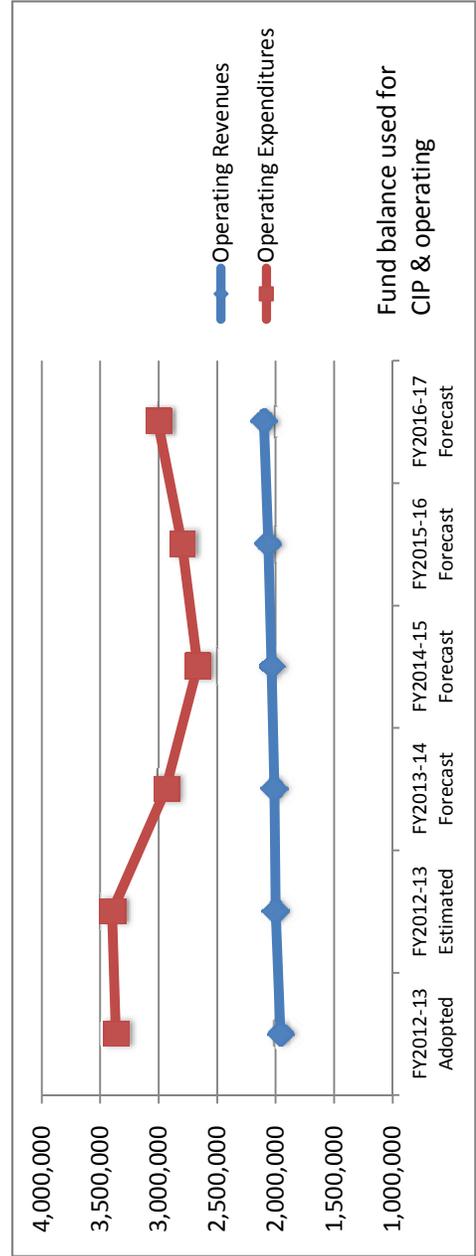
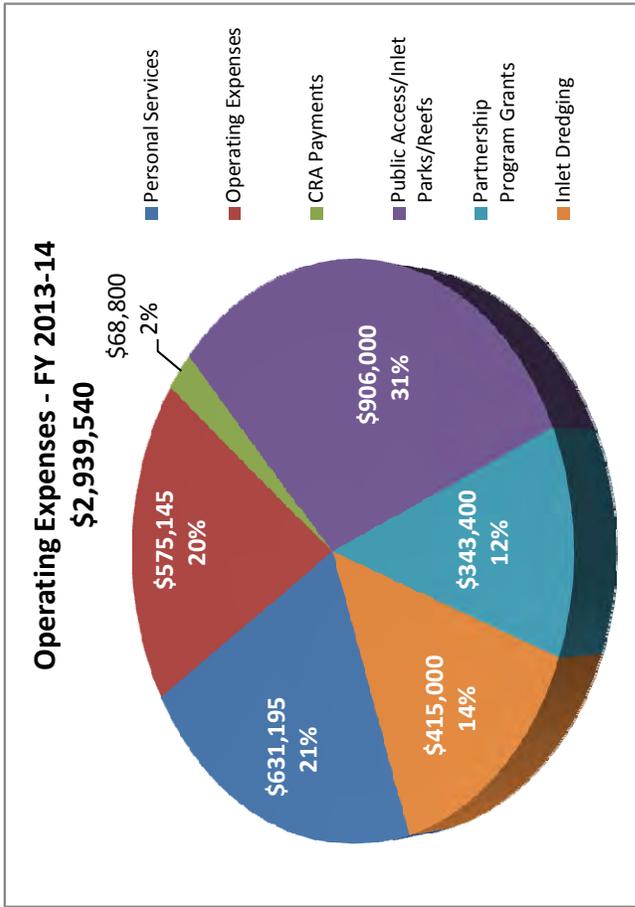
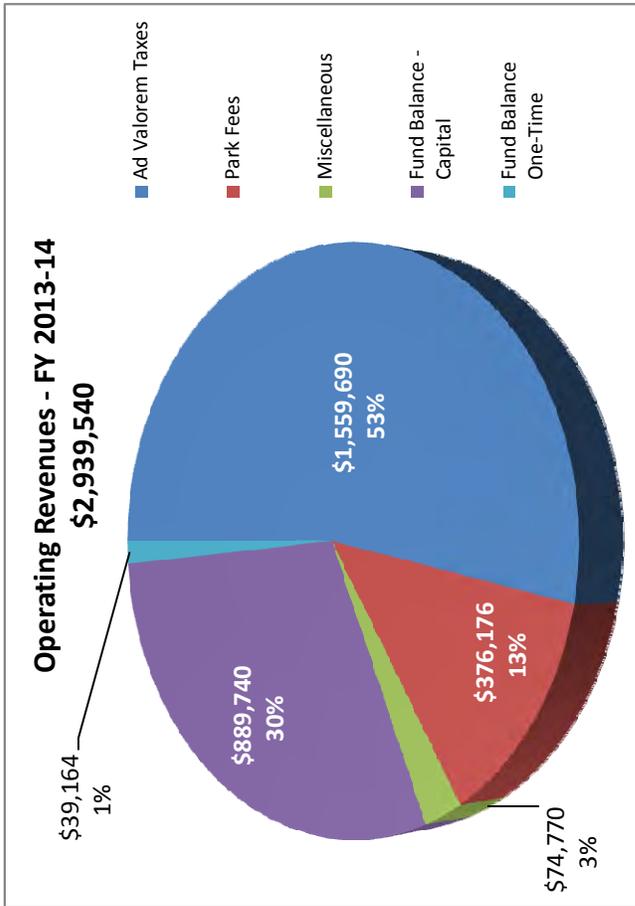
Personal Services	589,199	608,807	615,382	615,382	615,382	615,382
Operating Expenses	841,270	772,596	556,582	558,420	561,109	564,424
CRA Payments	66,698	66,710	68,800	70,520	72,283	74,451
Partnership Program Grants	420,000	168,400	343,400	0	0	0
Capital Program:						
Public Access/Inlet Parks/Reefs & Habitat	1,150,000	807,556	906,000	1,387,000	1,500,000	1,700,000
Wilbur-by-the-Sea/Toronita - ECHO Match	0	604,185	0	0	0	0
Inlet Dredging	0	0	415,000	0	0	0
Dunlawton Property	300,000	370,527	0	0	0	0
Operating Account - adjusted by CPI (2.3%)			18,563	18,990	19,427	19,874
Pay adjustment (FY14 3%; FY16 3%)			15,813	15,813	31,626	31,626
Total Expenditures	3,367,167	3,398,781	2,939,540	2,666,125	2,799,827	3,005,757

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$5,271

Emergency Reserves @ 10%	195,277	195,277	201,064	203,417	206,283	209,936
Reserves for future capital	3,004,505	4,455,037	3,520,346	2,886,035	2,146,174	1,236,126
Total Reserves	3,199,782	4,650,314	3,721,410	3,089,452	2,352,457	1,446,062

FUND: 114 Ponce De Leon Inlet and Port District



Fund: 140 - Fire Services

Fund Overview

The Fire Services Fund was established in FY1999-00 and replaced six (6) separate fire districts. The unified district was created to provide a uniform level of service at a single tax rate. There are 19 stations in the Fire District, of which one, the Lake Harney station (Station 37) is staffed by volunteers. Fire Administration manages the fire station at the Daytona Beach International Airport, which is funded by the airport fund, and a central HAZMAT station which is funded by the general fund.

Since FY2009-10, transitional positions have been included as part of the Fire Services cost savings measures, which through attrition has reduced the staffing level. Nine positions currently remain in Transition for forecasted years. Beginning in FY14, is a new cost savings measure to reduce overtime based on a new scheduling model.

Assumptions

FY13 Budget – as outlined in budget document page E-88.

Revenues:

Ad valorem taxes - FY14 taxable value at a flat rate represents a potential increase of 1.44% and a flat millage of 3.6315, FY15 and FY16 taxable value increased by 2%, FY17 taxable value increase by 3%.
Transport Services – increased 4% based on FY12 & FY13 number of transports

Expenditures:

Personal Services:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 167 Total Funded: 163 Total Unfunded: 4

Overtime reduced beginning in FY 14, based on new scheduling model, remains flat thereafter.

Operating Expenses:

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Property Insurance increase FY 15-10%, 16&17-8%.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Janitorial Services - FY15, FY16 and FY17 increase by 1.5% each year.

Maintenance and repair of aging fire stations included in FY 14 and future years \$120,000 (HVAC, exterior painting, bay door replacement at 3 stations annually).

Interfund Transfer – transfer to Capital Fund (305) for replacement of 800 mHz radios.

Fund: 140 - Fire Services

Capital Outlay & Capital Improvements – are allocated per division’s 5 year capital outlay and improvement plans.

Grant Match:

Grant match of \$20,000 is estimated based upon prior year’s budgets. Grants are applied for equipment purchases that require a 20% local match. If additional grants are pursued local monies can be moved from reserves upon Council approval.

Reserves:

Emergency Reserves remain flat at 10%.

Reserves for future capital @ \$217,500 each year for SCBA breathing apparatus.

Reserves – remaining balance used for operating or capital as needed.

Fund: 140 - Fire Services

Policy Direction

The Fire Fund has been using fund balance proceeds from prior years to fund on-going operating expenses.

1. Millage rate presented flat at 3.6315 mills.
2. Continue implementing a dynamic response model based on demand for service and reduce expenditures, ultimately setting a maximum level of overtime expenditure.
3. Conduct fee assessment analysis.
4. No provision for major station renovations.
5. No provision to relocate stations for greater efficiency.
6. Overtime reduced by \$450K.

VOLUSIA COUNTY 5 YEAR FORECAST
 FUND: - Fire Services

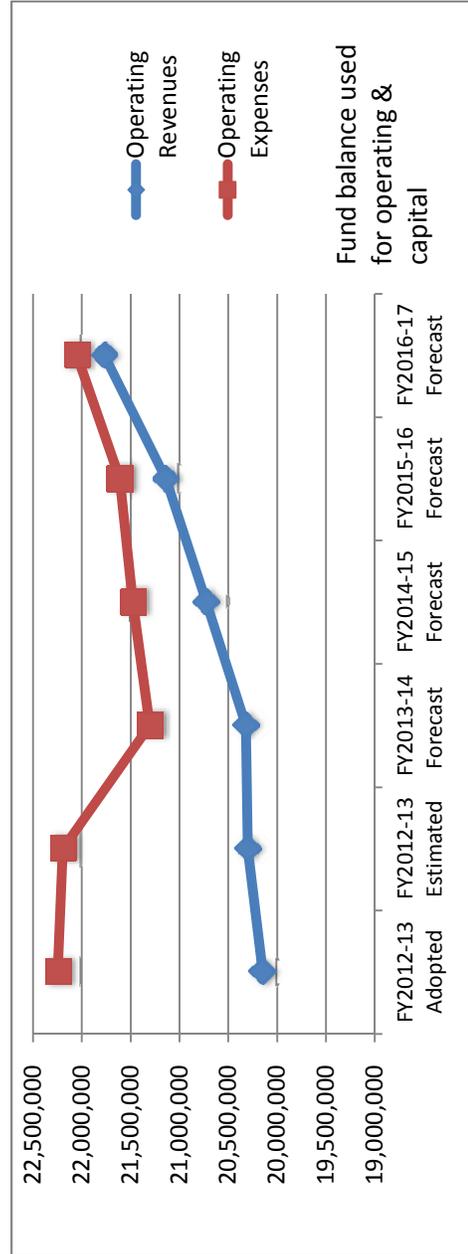
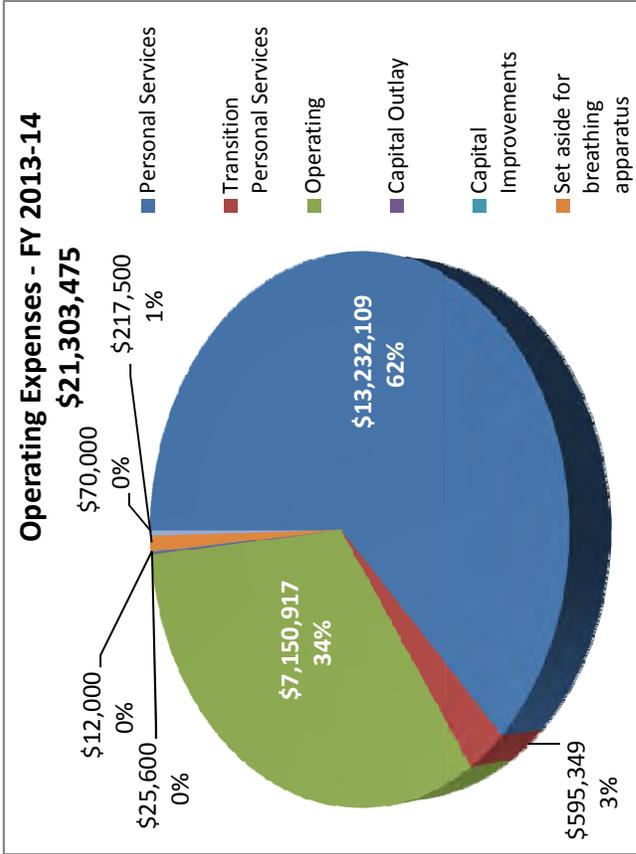
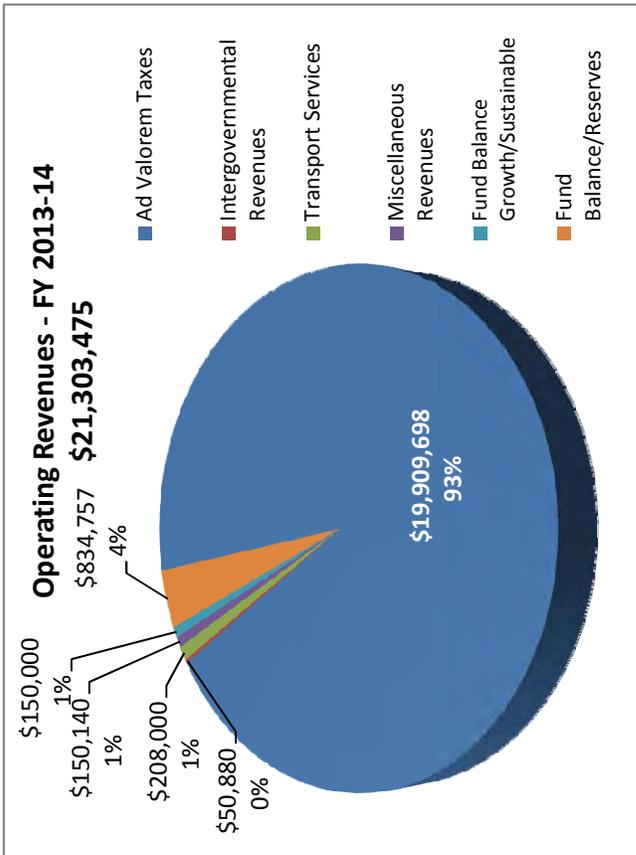
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	19,752,919	19,727,919	19,909,698	20,307,292	20,712,838	21,333,323
Millage Rate	3.6315	3.6315	3.6315	3.6315	3.6315	3.6315
Intergovernmental Revenues	47,000	50,492	50,880	50,880	50,880	50,880
Transport Services	0	200,000	208,000	216,320	224,973	233,972
Miscellaneous Revenues	348,420	320,835	150,140	150,140	150,140	150,140
Fund Balance Growth/Sustainable	150,000	17,869	150,000	150,000	150,000	150,000
Total Revenues	20,298,339	20,317,115	20,468,718	20,874,632	21,288,831	21,918,315
Expenditures:						
Personal Services	13,271,720	13,436,942	13,232,109	13,232,109	13,232,109	13,232,109
Transition Personal Services	872,868	744,718	595,349	595,349	595,349	595,349
Transition Reserves Employees	14 empl.	11 empl.	9 empl.	9 empl.	9 empl.	9 empl.
Operating Expenses	7,128,885	7,198,681	7,150,917	7,201,681	7,255,507	7,318,794
Interfund Transfer - 800 mHz radios (Fund 305)			70,000	70,000	70,000	70,000
Capital Outlay	729,664	570,054	25,600	81,000	240,000	265,000
Capital Outlay - Set aside for breathing apparatus	237,500	237,500	217,500	217,500	217,500	217,500
Capital Improvements	6,500	6,500	12,000	80,000	0	350,000
Total Expenditures	22,247,137	22,194,395	21,303,475	21,477,639	21,610,465	22,048,752
REVENUES LESS EXPENDITURES	(1,948,798)	(1,877,280)	(834,757)	(603,006)	(321,634)	(130,437)
Reserves Balance	5,619,950	5,787,819	3,910,539	3,075,783	2,472,776	2,151,142
Operating Shortfall	1,948,798	1,877,280	834,757	603,006	321,634	130,437
Reserve Balance	3,671,152	3,910,539	3,075,783	2,472,776	2,151,142	2,020,705

1% Salary increase equals \$114,500

VOLUSIA COUNTY 5 YEAR FORECAST
 FUND: - Fire Services

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Emergencies Reserves	2,002,151	2,002,151	2,002,151	2,002,151	2,002,151	2,002,151
	10%	10%	10%	10%	10%	9%
Reserves - Breathing Apparatus	217,500	217,500	435,000	652,500	870,000	1,087,500
Reserves Grant Match	20,000	20,000	20,000	20,000	20,000	20,000
Reserves	3,671,152	3,910,539	3,075,783	2,472,776	2,151,142	2,020,705
Total Reserves	5,910,803	6,150,190	5,532,934	5,147,427	5,043,293	5,130,357

FUND: 140 Fire Services Fund



**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 140 - Fire Services**

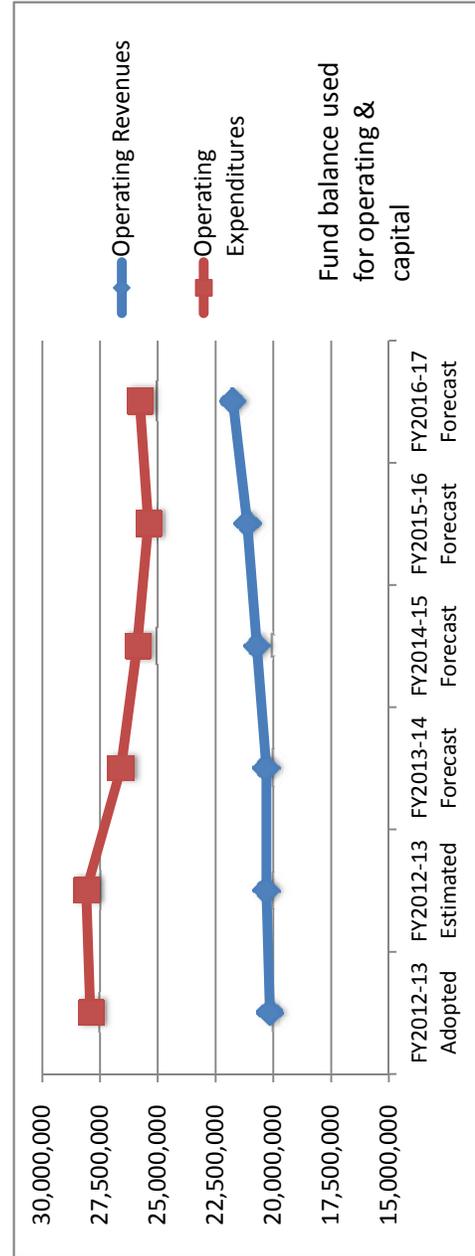
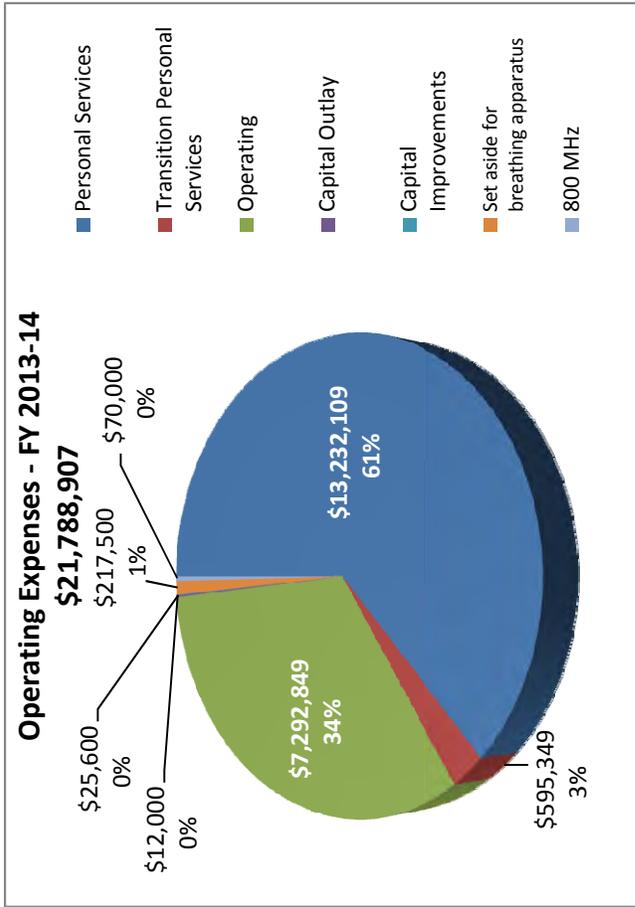
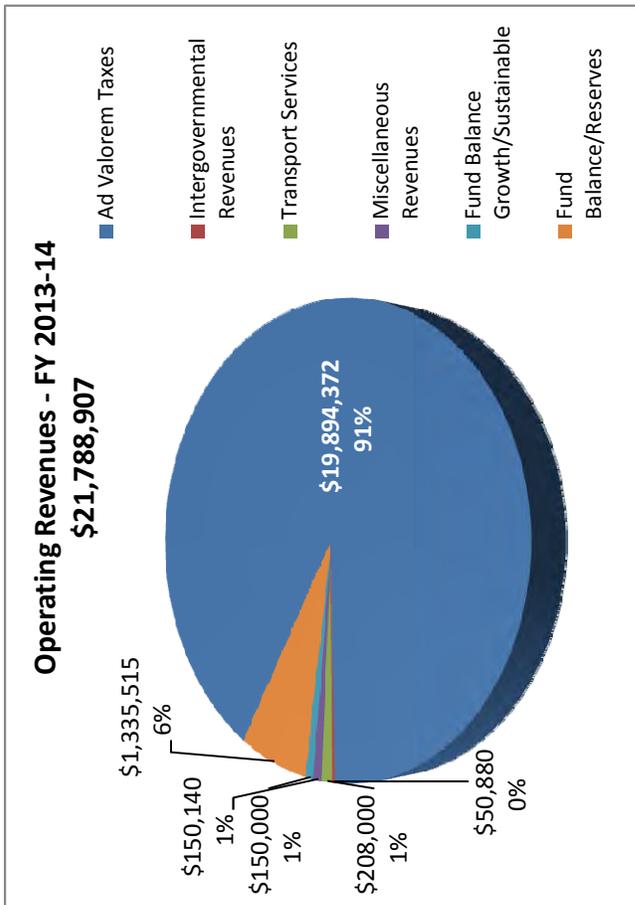
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	19,752,919	19,727,919	19,894,372	20,291,659	20,696,893	21,316,899
Millage Rate	3.6315	3.6315	3.6315	3.6315	3.6315	3.6315
Intergovernmental Revenues	47,000	50,492	50,880	50,880	50,880	50,880
Transport Services	0	200,000	208,000	216,320	224,973	233,972
Miscellaneous Revenues	348,420	320,835	150,140	150,140	150,140	150,140
Fund Balance Growth/Sustainable	150,000	17,869	150,000	150,000	150,000	150,000
Total Revenues	20,298,339	20,317,115	20,453,392	20,858,999	21,272,885	21,901,891
Expenditures:						
Personal Services	13,271,720	13,436,942	13,232,109	13,232,109	13,232,109	13,232,109
Transition Personal Services	872,868	744,718	595,349	595,349	595,349	595,349
Transition Reserves Employees	14 empl.	11 empl.	9 empl.	9 empl.	9 empl.	9 empl.
Operating Expenses	7,128,885	7,198,681	7,150,917	7,201,681	7,255,507	7,318,794
Interfund Transfer - 800 mHz radios (Fund 305)			70,000	70,000	70,000	70,000
Capital Outlay	729,664	570,054	25,600	81,000	240,000	265,000
Capital Outlay - Set aside for breathing apparatus	237,500	237,500	217,500	217,500	217,500	217,500
Capital Improvements	6,500	6,500	12,000	80,000	0	350,000
Operating Account - adjusted by CPI (2.3%)			141,932	145,196	148,536	151,952
Pay adjustment (FY14 3%; FY16 3%)			343,500	343,500	687,000	687,000
Total Expenditures	22,247,137	22,194,395	21,788,907	21,966,335	22,446,001	22,887,704
REVENUES LESS EXPENDITURES	(1,948,798)	(1,877,280)	(1,335,515)	(1,107,335)	(1,173,116)	(985,813)
Reserves Balance	5,619,950	5,787,819	3,910,539	2,575,024	1,467,689	0
Operating Shortfall	1,948,798	1,877,280	1,335,515	1,107,335	1,173,116	0
Reserve Balance	3,671,152	3,910,539	2,575,024	1,467,689	294,573	0

1% Salary increase equals \$114,500

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 140 - Fire Services**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Emergency Reserves	2,002,151	2,002,151	2,002,151	2,002,151	2,002,151	2,002,151
	10%	10%	10%	10%	10%	9%
Reserves - Breathing Apparatus	217,500	217,500	435,000	652,500	870,000	1,087,500
Reserves Grant Match	20,000	20,000	20,000	20,000	20,000	20,000
Reserves	3,671,152	3,910,539	2,575,024	1,467,689	294,573	0
Total Reserves	5,910,803	6,150,190	5,032,175	4,142,340	3,186,724	3,109,651

FUND: 140 Fire Services



Fund: 160 - Volusia ECHO Fund

Fund Overview

On November 7, 2000 voters elected to levy up to .2 mill of ad valorem tax for 20 years to create the ECHO program and permit the issuance of \$40,000,000 Limited Tax General Obligation Bonds payable from the tax levy for financing. The ECHO program provides funding for Educational, Cultural, Historical and Outdoor (ECHO) recreation capital projects. Non-profit and municipal organizations within the County's boundaries as well as the County are eligible to apply for grant funding to assist with acquisition, restoration, construction or improvement of facilities to be used for any of the four criteria (ECHO) of the program. On June 3, 2004, the County Council approved allocation of \$1 million dollars of ECHO funds each year for the countywide Master Trail Program for the remaining life of the ECHO program which is transferred to the Trails Capital Fund 328. The ECHO budget total includes funding for the Council-directed water access properties program at 50% of annual ad valorem revenues.

Assumptions

FY13 Budget – as outlined in budget document page E-18.

Revenues:

Ad valorem taxes – rate at .20 for 5 years, FY14 taxable value increased by 2.3%, FY15 and FY16 taxable value increased by 2.5%, FY17 taxable value increased by 3%.

Expenditures:

Expenditures fund ECHO grants, trails, and water access projects approved by the County Council.

Debt Service schedule is outlined in bound transcript document, Section 15 (b) – Final Numbers, page 9.

Grants and Aids – budgeted revenues less CRA payments and annual allocation to trails allocation leaves the remaining balance to be allocated to 50% to ECHO grants and 50% to water access. Specific projects are approved by the County Council on an annual basis.

Reserves:

Reserves are being utilized to fund capital outlay and capital improvements for ECHO grants or water access as projects are approved by County Council.

VOLUSIA COUNTY 5 YEAR FORECAST

FUND: 160 - ECHO

FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
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Ad Valorem Taxes	4,550,625	4,550,625	4,662,890	4,779,087	4,898,190	5,044,685
Millage Rate	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Miscellaneous Revenue	151,000	151,000	98,500	98,500	98,500	98,500
PY Fund Balance One-Time	4,780,339	7,139,283				
Operating Revenues	9,481,964	11,840,908	4,761,390	4,877,587	4,996,690	5,143,185

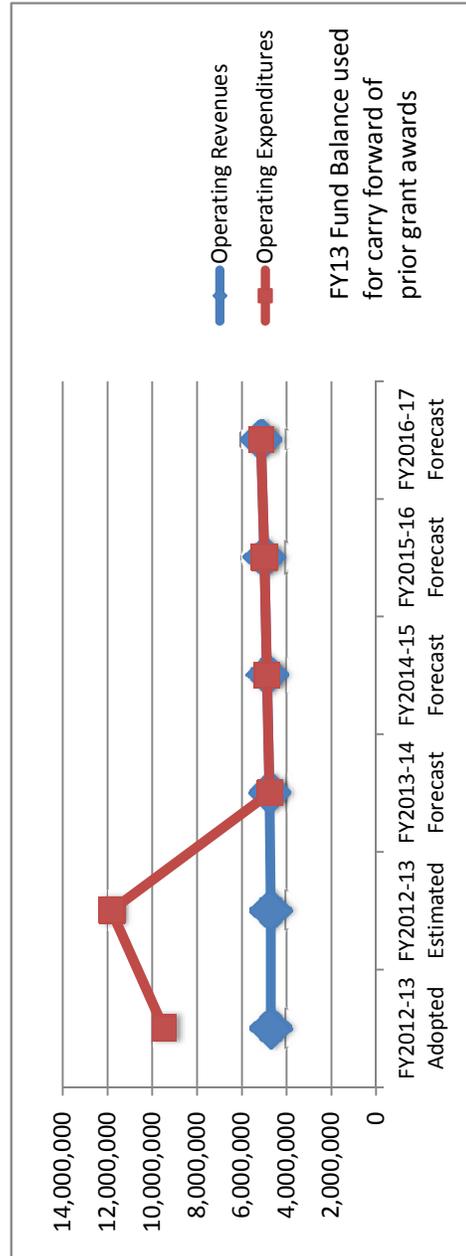
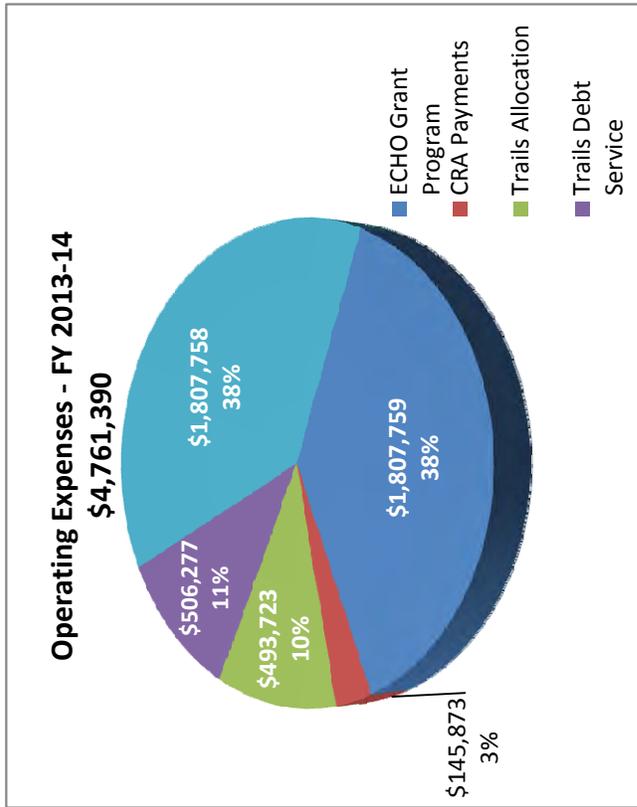
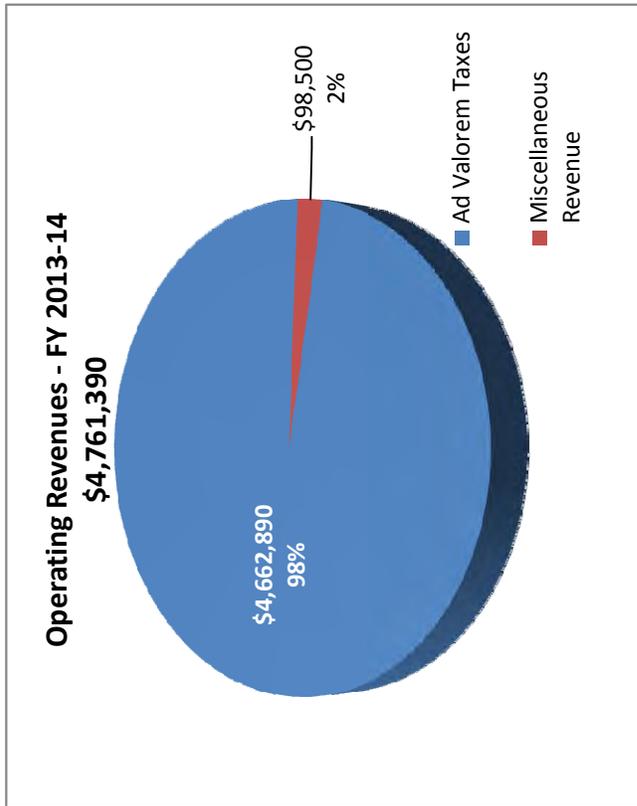
Expenditures:

ECHO Grant Program	8,336,091	9,485,850	1,807,759	1,864,398	1,922,462	1,993,433
ECHO - Toronita (Fund 313)		604,185				
Water Access Program			1,807,758	1,864,399	1,922,461	1,993,433
Water Access - Lemon Bluff		605,000				
CRA Payments	145,873	145,873	145,873	148,790	151,766	156,319
Interfund Transfer - Trails Allocation (Fund 328)	493,066	493,066	493,723	494,728	495,079	494,809
Interfund Transfer - Trails Debt Service (Fund 328)	506,934	506,934	506,277	505,272	504,921	505,191
Operating Expenses	9,481,964	11,840,908	4,761,390	4,877,587	4,996,690	5,143,185

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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Reserves	3,012,580	112,580	112,580	112,580	112,580	112,580
Reserves for future capital - Water Access	0	3,172,934	3,172,934	3,172,934	3,172,934	3,172,934
Reserves for future capital - ECHO Grants	0	2,306,404	2,306,404	2,306,404	2,306,404	2,306,404
Total Reserves	3,012,580	5,591,918	5,591,918	5,591,918	5,591,918	5,591,918

FUND: 160 ECHO



Fund: 161 – Volusia Forever

Fund Overview

In 2000 the voters elected to levy up to .2 mill of ad valorem tax for 20 years to create the Volusia Forever program to purchase endangered lands and permit the issuance of \$40,000,000 Limited Tax General Obligation Bonds payable from the tax levy. In conjunction with acquisition partners, 38,000 acres have been protected through the program. Ten percent (10%) of Volusia Forever annual revenue is dedicated to support land management efforts to include forestry and wildlife management and trails for public access. Millage rates are established, first to meet the bonded debt service obligations, and second to fund current projects and land management operating expenses.

In FY11 the County purchased 4,806 acres for the Deep Creek Preserve using a combination of Water & Sewer Utilities funds, Volusia Forever funds and an interfund loan from the General Fund of \$11,587,047. This interfund loan is repaid in annual installments through Volusia Forever tax revenues.

The Barberville Mitigation Tract is 386 acres of the 1,400 acre Barberville property that is permitted by the St. John's River Water Management District (SJRWMD) and the U.S. Army Corps of Engineers as a mitigation bank. Private and public entities may purchase mitigation credits to offset impacts to wetlands from development and other activities.

Assumptions

FY13 Budget – as outlined in budget document page E-20.

Revenues:

Ad valorem taxes - FY14 taxable value of increased by 2.3%, FY15 and FY16 taxable value increased by 2.5%, FY17 taxable value increase by 3%. Total millage 0.20 is allocated based on projected taxable value and debt service schedule:

Millage	FY14	FY15	FY16	FY17
Fund 261 Debt Service	0.1456	0.1421	0.1384	0.1345
Fund 161 Volusia Forever	0.0544	0.0579	0.0616	0.0655
Total Millage	0.2000	0.2000	0.2000	0.2000

Land management fees - timber sales and the sale of mitigation credits from the Barberville Mitigation Tract. There have been no mitigation credit sales since FY11.

Land rentals include billboards, hunting and cattle leases.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 4

Total Funded: 4

Total Unfunded: 0

Operating Expenses:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year..

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

CRA Payments - increased same as property values.

Interfund Loan to General Fund – annual payments per Council approved resolution 12/09/2010.

Reserves:

Land Management - reserves are set aside for future maintenance of the Forever properties after the tax levy expires in FY21 for approximately 5-6 more years.

Land purchase - balance remaining for one time capital expenditures to acquire property, reserve to be used to purchase high priority in-fill or small lot properties.

Barberville Mitigation - balance will be used as required for maintenance per the permits from the SJRWMD and the U.S. Army Corps of Engineers.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 161 Volusia Forever**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	1,167,235	1,167,235	1,264,226	1,379,203	1,504,022	1,647,222
Millage Rate	0.0513	0.0513	0.0544	0.0579	0.0616	0.0655
Land Management Fees	340,000	100,000	100,000	100,000	100,000	100,000
Miscellaneous Revenue	105,080	98,775	51,900	51,900	51,900	51,900
PY Fund Balance Operating						10,016
Operating Revenues	1,612,315	1,366,010	1,416,126	1,531,103	1,655,922	1,809,138

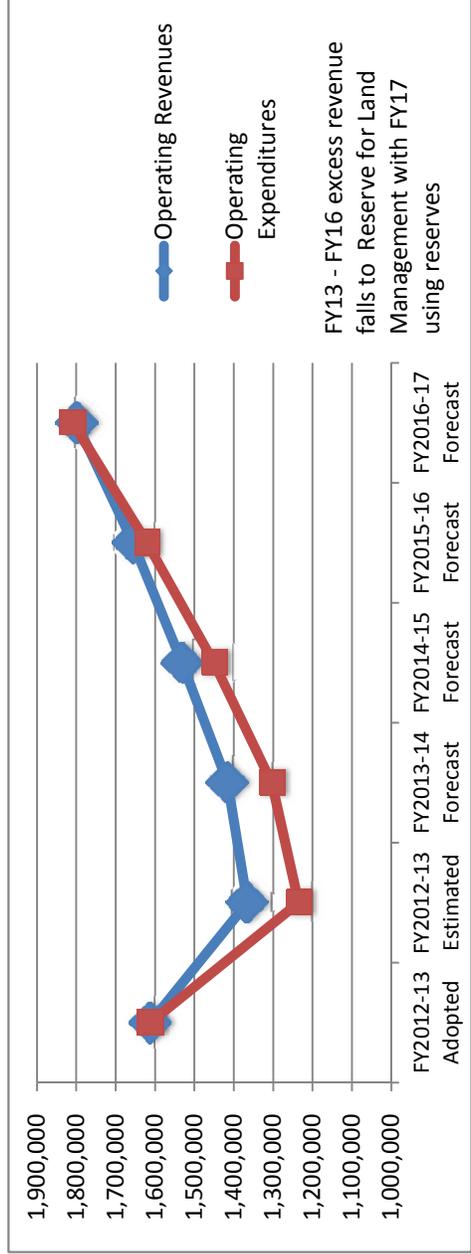
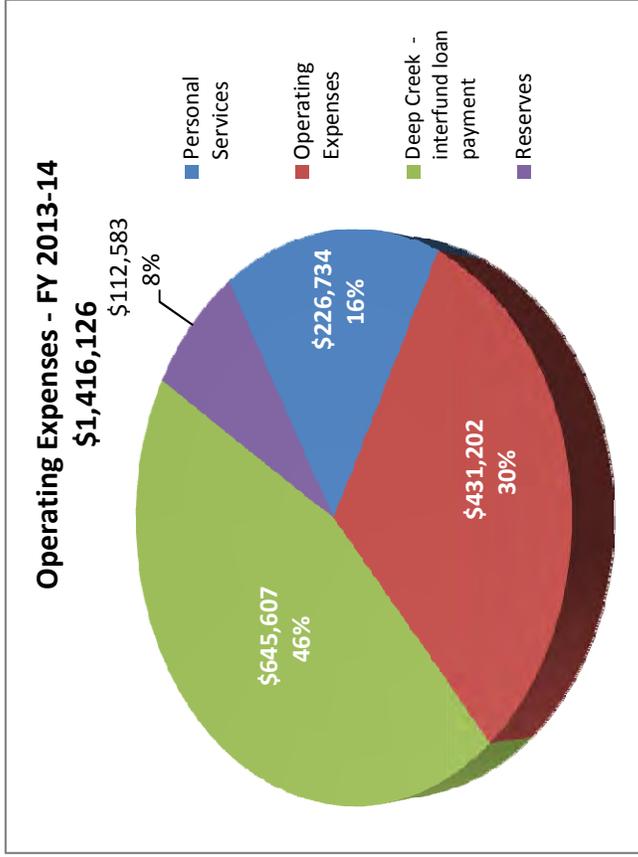
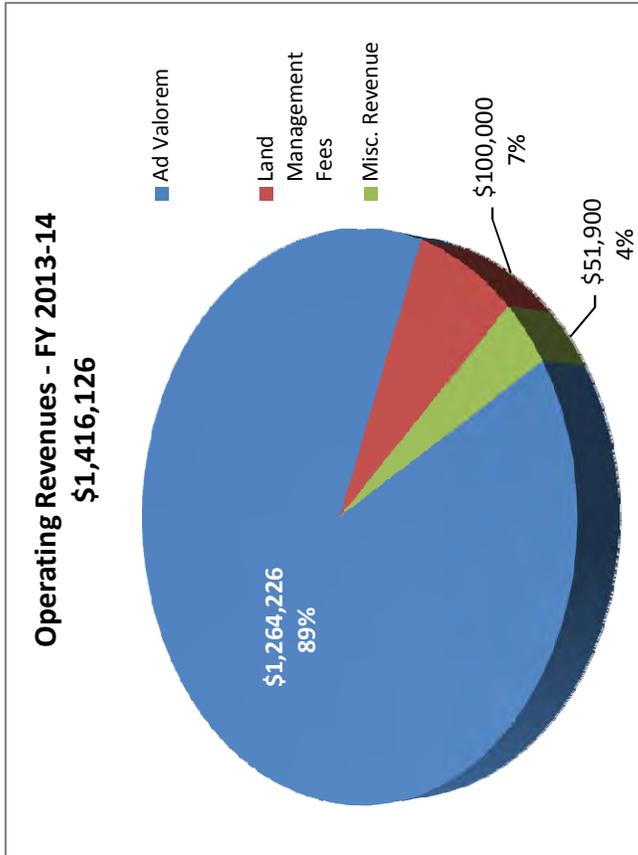
Expenditures:

Land Management:						
Personal Services	224,623	228,243	226,734	226,734	226,734	226,734
Operating Expenses	761,805	381,469	431,202	432,745	434,266	436,624
Deep Creek - interfund loan payment	625,887	625,887	645,607	790,038	959,724	1,145,780
Operating Expenses	1,612,315	1,235,599	1,303,543	1,449,517	1,620,724	1,809,138
REVENUES LESS EXPENDITURES	0	130,411	112,583	81,586	35,198	0

1% Salary increase equals \$1,935

Land Management	4,350,786	4,076,474	4,189,057	4,270,643	4,305,841	4,295,825
Prior year allocations for Land Purchases	158,585	408,601	408,601	408,601	408,601	408,601
Reserves Barberville Mitigation Tract	651,263	638,747	638,747	638,747	638,747	638,747
Total	5,160,634	5,123,822	5,236,405	5,317,991	5,353,189	5,343,173

FUND: 161 Volusia Forever



Fund: 120 – Municipal Service District

Fund Overview

The Municipal Service District (MSD) was established by County Ordinance 73-21. The boundaries of the Municipal Service District are coincident with those boundaries defining all of the unincorporated areas of the county. Revenues include the utilities tax, communications services tax, development related fees, Sheriff's city contracts, and animal control fees. A portion of the Half-Cent Sales Tax is transferred to this fund annually, based on percentage of unincorporated county population. The MSD Fund includes expenditures for Sheriff Operations for the unincorporated area and for contracted cities of Deltona, DeBary, Pierson, and Oakhill; Animal Control; Building, Zoning, and Code Administration; Construction Engineering; Environmental Management; Growth and Resource Management Graphics; Parks, Recreation and Culture; Planning.

Assumptions

FY13 Budget – as outlined in budget document page E-54.

Revenues:

Ad valorem taxes - FY14 taxable value at a flat rate represents a potential increase of 1.39% and a increased millage rate of 5% or .10 mills to 2.1399; FY15 and FY16 taxable value increased by 2%, FY17 taxable value increase by 3% with a flat millage rate for these years.

Contracts – Sheriff & Animal Control – based upon estimated city contract rates for recovery of costs.

Both the Communication Service Tax & Utility Tax has been forecasted flat with estimate due to collections trends.

Permit Fees, Special Assessments & Intergovernmental revenues– flat growth based upon trend data.

Miscellaneous revenues – flat

Interfund transfers:

Sales Tax Fund (108) - Half-Cent Sales Tax revenues based upon 4% growth and distributed at 24% allocated to this fund based on population.

E911 Fund (115) - cost sharing for GIS maintenance.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Operating:

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Janitorial Services - FY15, FY16 and FY17 increase by 1.5% each year.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Fund: 120 – Municipal Service District

Interfund Transfers:

Road Maintenance – transfer portion of utilities tax for road maintenance to the Transportation Trust Fund (103)

Debt Service (within the Office of the Sheriff) – transfer to 2009A/B Debt Service Fund (297) for the Capital Improvement Revenue Bond, Series 2009A which provided funding for Office of the Sheriff vehicle replacement as outlined in financing documents. 2009A Bond maturity: 10/1/2014.

800 MHz – transfer to Capital Outlay Fund (305) for 800 MHz radio communications.

GF Other – recover general fund costs (001) of revenue and property appraiser offices related to property assessment and tax collection.

Capital Outlay– as outlined in the capital improvement plan for Office of the Sheriff.

Reserves :

Revenue Stabilization reserves are set aside to offset volatility in various revenue streams such as development fees, utilities tax, and communications services tax and to provide for unexpected expenditures. Emergency reserves are currently allocated at the minimal 5% level. In FY 2013-14, they have been increased to 5.5% and grow to 6% in FY15-FY17 in order to progress to the 10% level in accordance with County Council policy.

Fund: 120 – Municipal Service District

Policy Direction

The Municipal Service District Fund (MSD) has been using fund balance proceeds from prior years to fund on-going operating expenses. In FY 2014-15, the reserves are estimated to be fully exhausted maintaining the current millage rate of 2.0399.

1. Increase revenues - the forecast for FY2013-14 includes a 5% or .10 mills increase in millage 2.1399 mills.
2. Reduce levels of service and expenditures.

Funding for road repairs and maintenance in unincorporated Volusia County continues to challenge current resources in the Transportation Trust Fund (103).

3. Transfer an increasing portion of the Utilities Tax each year to provide for road repairs and safety-related maintenance in the unincorporated area. The current amount that is transferred is \$3.1 million and increases to \$5.5 million by FY17.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 120 - Municipal Service District - Flat Rate

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	10,722,923	10,722,923	10,833,254	11,048,939	11,268,937	11,605,535
Millage Rate	2.0399	2.0399	2.0399	2.0399	2.0399	2.0399
Contracts-Sheriff & Animal Control	12,758,772	12,765,318	13,209,236	13,209,236	13,209,236	13,209,236
Utility Tax	6,520,880	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000
Communications Tax	4,668,893	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Sales Tax	3,917,779	4,012,272	4,167,442	4,333,995	4,507,211	4,687,356
Miscellaneous Revenues	1,207,938	1,183,199	887,885	887,885	887,885	887,885
Permit Fees, Special Assessments	836,383	906,270	950,295	950,295	950,295	950,295
Total Revenues	40,633,568	40,289,982	40,748,112	41,130,350	41,523,565	42,040,307

Expenditures:

Office of the Sheriff	14,577,920	14,854,365	14,588,966	14,612,911	14,696,856	14,717,327
Office of the Sheriff - Contracts	12,688,004	12,688,004	13,131,922	13,131,922	13,131,922	13,131,922
Growth & Management	5,704,506	5,387,525	5,612,784	5,293,330	5,303,663	5,314,572
Parks & Recreation	1,556,579	1,556,579	1,539,323	1,544,650	1,549,338	1,554,400
Animal Control	1,358,779	1,357,514	1,339,064	1,341,926	1,346,028	1,350,297
Construction Engineering	469,246	477,918	469,881	470,594	471,526	472,505
Mosquito Control & Miscellaneous Exp.	204,924	124,924	129,924	109,342	109,342	100,895
Interfund Transfer - Fund 305 - 800 mHz			62,500	62,500	62,500	62,500
Interfund Transfer - Fund 103 Road Mt	3,100,000	3,100,000	4,000,000	4,700,000	5,000,000	5,500,000
Transfer GF (001)-Other	384,232	383,724	402,413	402,413	402,413	402,413
Total Expenditures	40,044,190	39,930,553	41,276,777	41,669,589	42,073,588	42,606,832

1% Salary Increase equals \$195,000

REVENUES LESS EXPENDITURES	589,378	359,429	(528,665)	(539,238)	(550,024)	(566,524)
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VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 120 - Municipal Service District - Flat Rate

FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
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Category Summary	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Personal Services	22,911,266	23,173,981	23,539,171	23,539,171	23,539,171	23,539,171
Operating Expenses	12,055,265	11,710,010	11,646,766	11,543,518	11,614,356	11,680,192
Capital Outlay	1,632,233	1,599,872	1,682,571	1,824,400	1,857,562	1,833,416
Interfund Transfers	3,445,426	3,446,690	4,408,269	4,762,500	5,062,500	5,562,500
Total Category	40,044,190	39,930,553	41,276,777	41,669,589	42,073,588	42,615,279

Reserves						
Revenue Stabilization Reserves	572,001	913,813	225,151			
Reserves - Fuel	372,569	372,569	372,569	58,481		
Emergencies Reserves	1,851,918	1,851,918	2,011,915	2,011,915	1,520,372	953,849
Percentage	5%	5%	5.5%	5.5%	4.1%	2.6%
Total Reserves	2,796,488	3,138,300	2,609,635	2,070,396	1,520,372	953,849

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 120 - Municipal Service District**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	10,722,923	10,722,923	11,361,919	11,588,178	11,818,961	12,172,060
Millage Rate	2.0399	2.0399	2.1399	2.1399	2.1399	2.1399
Contracts-Sheriff & Animal Control	12,758,772	12,765,318	13,209,236	13,209,236	13,209,236	13,209,236
Utility Tax	6,520,880	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000
Communications Tax	4,668,893	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Sales Tax	3,917,779	4,012,272	4,167,442	4,333,995	4,507,211	4,687,356
Miscellaneous Revenues	1,207,938	1,183,199	887,885	887,885	887,885	887,885
Permit Fees, Special Assessments	836,383	906,270	950,295	950,295	950,295	950,295
Total Revenues	40,633,568	40,289,982	41,276,777	41,669,589	42,073,588	42,606,831

Expenditures:

Office of the Sheriff	14,577,920	14,854,365	14,588,966	14,612,911	14,696,856	14,717,327
Office of the Sheriff - Contracts	12,688,004	12,688,004	13,131,922	13,131,922	13,131,922	13,131,922
Growth & Management	5,704,506	5,387,525	5,612,784	5,293,330	5,303,663	5,314,572
Parks & Recreation	1,556,579	1,556,579	1,539,323	1,544,650	1,549,338	1,554,400
Animal Control	1,358,779	1,357,514	1,339,064	1,341,926	1,346,028	1,350,297
Construction Engineering	469,246	477,918	469,881	470,594	471,526	472,505
Mosquito Control & Miscellaneous Exp.	204,924	124,924	129,924	109,342	109,342	100,895
Interfund Transfer - Fund 305 - 800 mHz			62,500	62,500	62,500	62,500
Interfund Transfer - Fund 103 Road Mt	3,100,000	3,100,000	4,000,000	4,700,000	5,000,000	5,500,000
Transfer GF (001)-Other	384,232	383,724	402,413	402,413	402,413	402,413
Total Expenditures	40,044,190	39,930,553	41,276,777	41,669,589	42,073,588	42,606,832

1% Salary Increase equals \$195,000

REVENUES LESS EXPENDITURES	589,378	359,429	0	0	0	0
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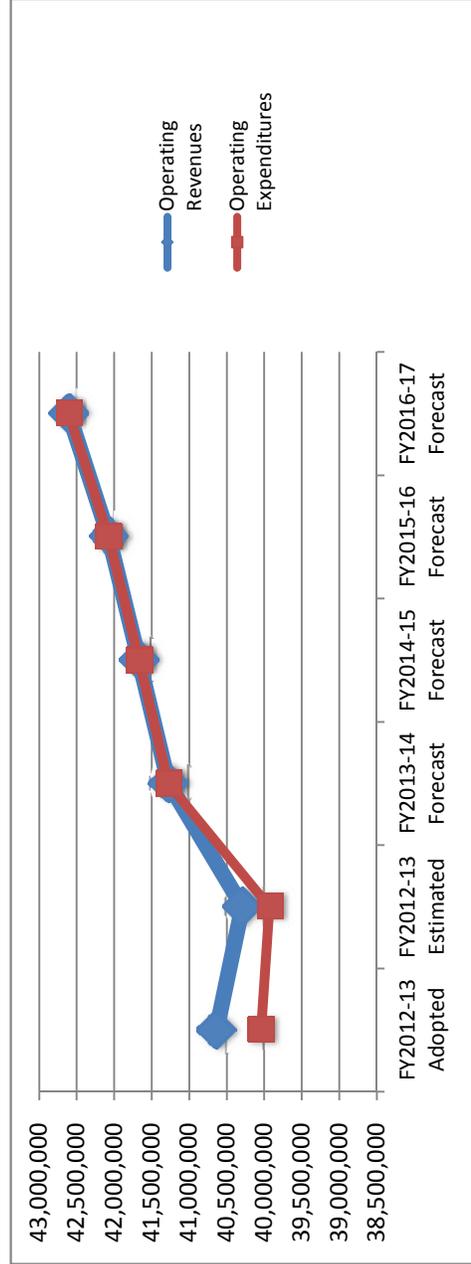
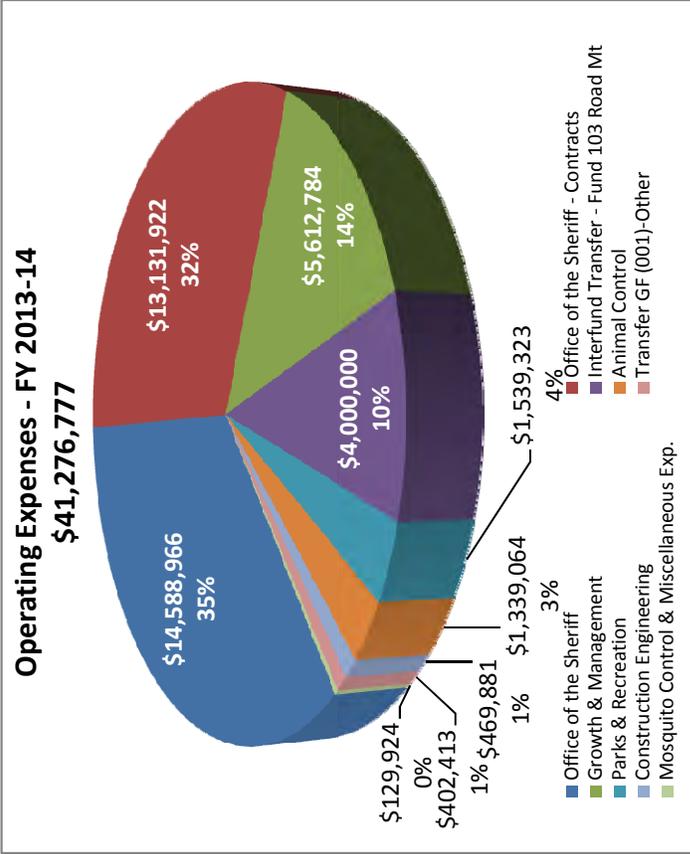
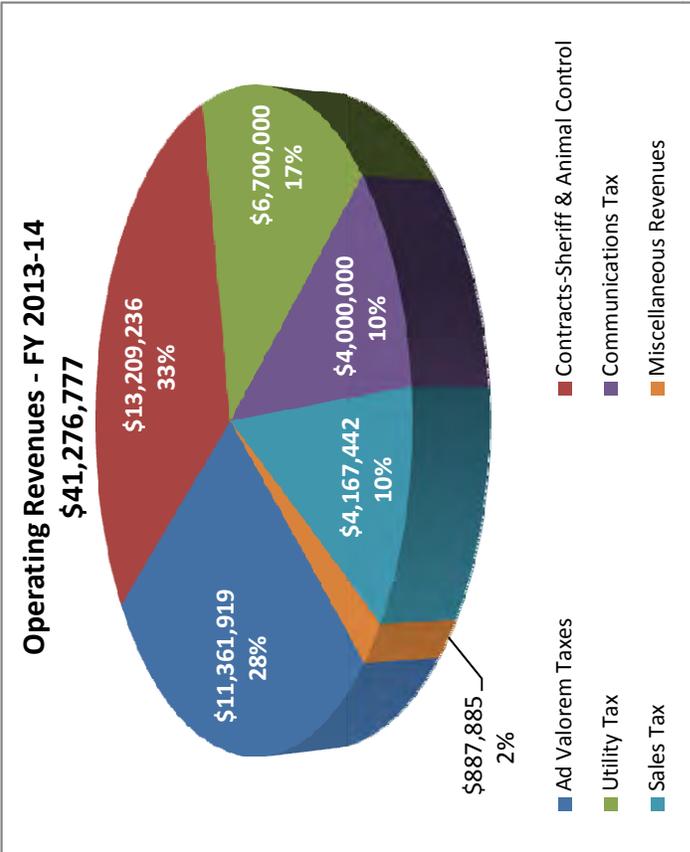
**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 120 - Municipal Service District**

FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
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Category Summary	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Personal Services	22,911,266	23,173,981	23,539,171	23,539,171	23,539,171	23,539,171
Operating Expenses	12,055,265	11,710,010	11,646,766	11,543,518	11,614,356	11,680,192
Capital Outlay	1,632,233	1,599,872	1,682,571	1,824,400	1,857,562	1,833,416
Interfund Transfers	3,445,426	3,446,690	4,408,269	4,762,500	5,062,500	5,562,500
Total Category	40,044,190	39,930,553	41,276,777	41,669,589	42,073,588	42,615,279

Reserves						
Revenue Stabilization Reserves	572,001	913,813	724,739	525,619	511,772	490,586
Reserves - Fuel	372,569	372,569	372,569	372,569	372,569	372,569
Emergencies Reserves	1,851,918	1,851,918	2,040,991	2,240,112	2,253,959	2,275,145
Percentage	5%	5%	5.5%	6.0%	6.0%	6.0%
Total Reserves	2,796,488	3,138,300	3,138,300	3,138,300	3,138,300	3,138,300

FUND: 120 Municipal Service District Fund



VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 120 - Municipal Service District Increased by 0.20 mills

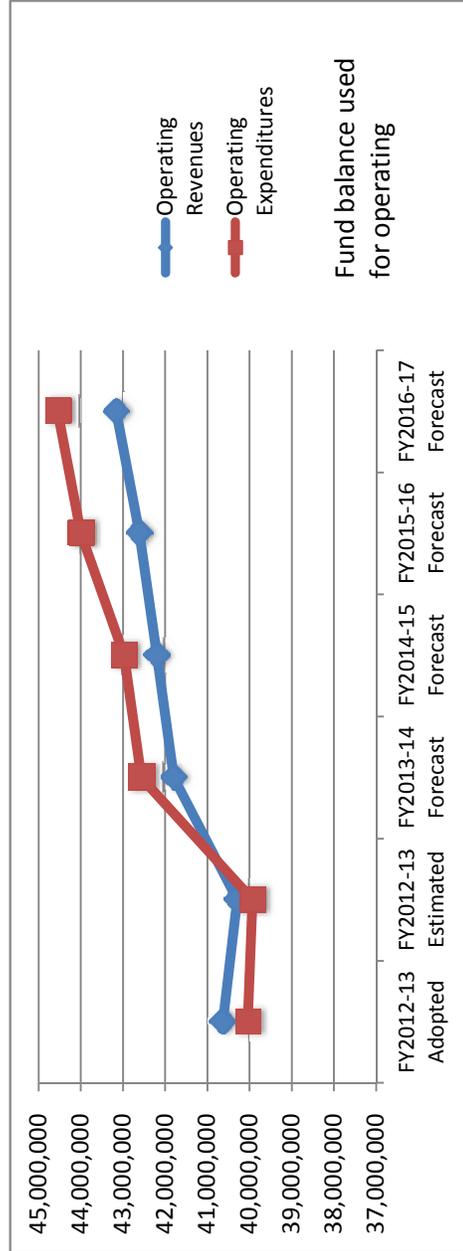
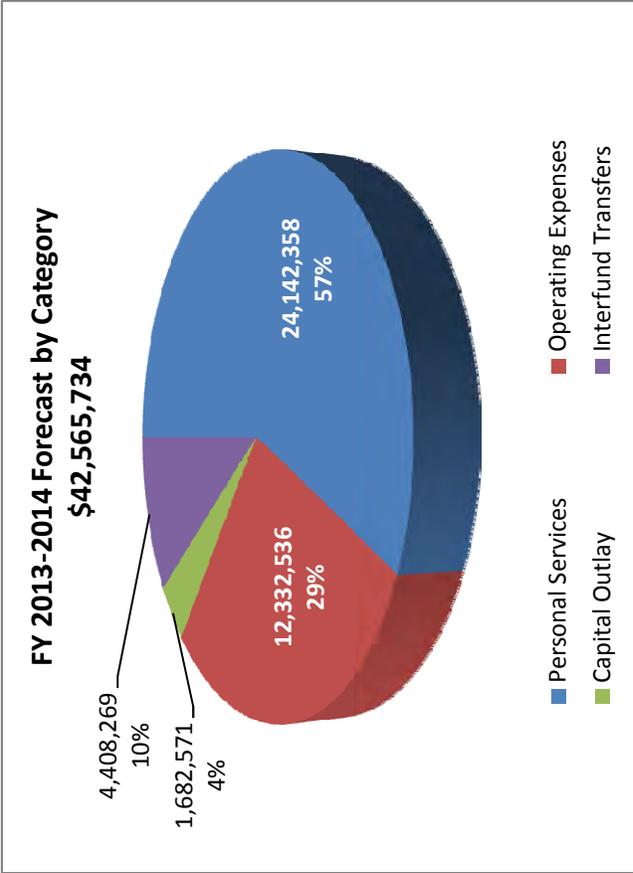
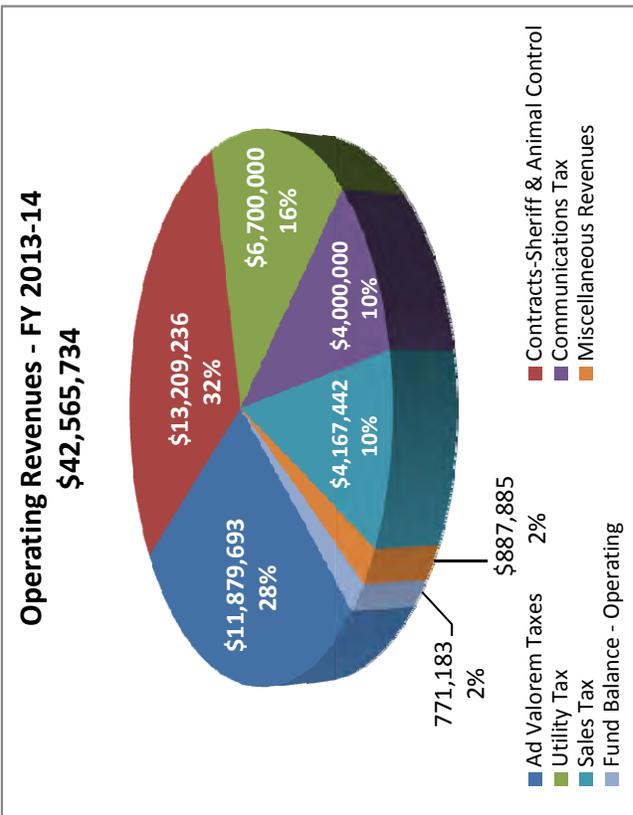
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	10,722,923	10,722,923	11,879,693	12,116,307	12,357,653	12,726,912
Millage Rate	2.0399	2.0399	2.2399	2.2399	2.2399	2.2399
Contracts-Sheriff & Animal Control	12,758,772	12,765,318	13,209,236	13,209,236	13,209,236	13,209,236
Utility Tax	6,520,880	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000
Communications Tax	4,668,893	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Sales Tax	3,917,779	4,012,272	4,167,442	4,333,995	4,507,211	4,687,356
Miscellaneous Revenues	1,207,938	1,183,199	887,885	887,885	887,885	887,885
Permit Fees, Special Assessments	836,383	906,270	950,295	950,295	950,295	950,295
Total Revenues	40,633,568	40,289,982	41,794,551	42,197,718	42,612,280	43,161,684

Expenditures:

Office of the Sheriff	14,577,920	14,854,365	14,588,966	14,612,911	14,696,856	14,717,327
Office of the Sheriff - Contracts	12,688,004	12,688,004	13,131,922	13,131,922	13,131,922	13,131,922
Growth & Management	5,704,506	5,387,525	5,612,784	5,293,330	5,303,663	5,314,572
Parks & Recreation	1,556,579	1,556,579	1,539,323	1,544,650	1,549,338	1,554,400
Animal Control	1,358,779	1,357,514	1,339,064	1,341,926	1,346,028	1,350,297
Construction Engineering	469,246	477,918	469,881	470,594	471,526	472,505
Mosquito Control & Miscellaneous Exp.	204,924	124,924	129,924	109,342	109,342	100,895
Interfund Transfer - Fund 305 - 800 mHz			62,500	62,500	62,500	62,500
Interfund Transfer - Fund 103 Road Mt	3,100,000	3,100,000	4,000,000	4,700,000	5,000,000	5,500,000
Transfer GF (001)-Other	384,232	383,724	402,413	402,413	402,413	402,413
Operating Account - adjusted by CPI (2.3%)			685,770	701,543	717,678	734,185
Pay adjustment (FY14 3%, FY16 3%)			603,187	603,187	1,206,374	1,206,374
Total Expenditures	40,044,190	39,930,553	42,565,734	42,974,318	43,997,641	44,547,390

REVENUES LESS EXPENDITURES	589,378	359,429	(771,183)	(776,600)	(1,385,361)	(1,385,706)
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FUND: 120 Municipal Service District Fund



Fund: 103 - County Transportation Trust

Fund Overview

The County Transportation Trust is comprised of Public Works Services, Construction Engineering, Road and Bridge, and Traffic Engineering Divisions. Revenue sources for the County Transportation Trust fund include: the 6 cents local option gas tax; 5 cents second local option gas tax; the 5th and 6th cent constitutional gas tax; 7th cent county gas tax; the 9th Cent Gas Tax, and utility taxes transferred from the Municipal Service District Fund to be used for maintenance services provided in the unincorporated areas of the County. As a result of the continued decrease in road impact fees, a total of \$2,963,789 will be transferred to the Debt Service Fund to partially fund bond payment for gas tax revenue bonds in Zone 1 (Fund 131), Zone 2 (Fund 132), and Zone 3 (Fund 133).

Assumptions

FY13 Budget – as outlined in budget document page E-26.

Revenues:

For the purpose of this forecast all gas tax revenues are combined under the Gas Taxes category. Gas Tax collections based on trends and projected in FY15-FY17 per DOR State Revenue Estimating Conference.

Investment Income – based on prior year then adjusted based upon changes in reserves.

Sale- Surplus Equipment – Average three year proceeds from sales.

Transfer In –utility tax collected in the municipal service fund, transfer based on deferred maintenance needs of local transportation infrastructure in unincorporated Volusia County. Over 60% of roadways are located in municipal service area. The \$3.1 million transfer of utility tax does not meet infrastructure maintenance needs. Each year the annual transfer is increased so that by the forecasted year FY2016-17, the utility tax transfer reaches \$5.5 million.

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 209

Total Funded: 169

Total Unfunded: 40

Operating Expenses:

Janitorial - County FY15, FY16 and FY17 increase by 1.5% each year.

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Fuel-Veh Maint - FY15, FY16, FY17 increase by 2% each year.

Interfund Transfer – service the debt associated with the Local Option Gas Tax Revenue Bond, Series 2004, see Fund 234.

Capital Outlay and Capital Improvements – are allocated per division’s 5 year capital outlay and capital improvement plans.

Fund: 103 - County Transportation Trust

Reserves:

Future Capital Reserves - Consolidation of multiple Public Works (PW) facilities has been planned to centralize field operations and continue implementation of operational efficiencies in the department. Transportation is the largest area within this department and \$15M is set aside in this fund to make room on the west side for Sunrail facilities and high-density Transportation Oriented Development (TOD) and on the east side discussions include consolidation of Mosquito Control, Road and Bridge, and other Public Works facilities.

Road Construction - to accommodate potential revenue shortfalls necessary to pay road bond debt service, provide matching funds for future state and federal grants, fund unforeseen expenses related to road construction projects.

County Transportation Trust Maintenance - set aside for continued road resurfacing, bridge repairs, and the acceleration of transportation maintenance projects as needed.

Emergency Reserves - \$900k is set aside each year for storm-related expenses that must be expended before receipt of any State or Federal reimbursements.

Revenue Stabilization - to accommodate for short- term revenue fluctuations.

Fund: 103 - County Transportation Trust

Policy Direction

1. Increase interfund transfer from the Municipal Service Fund to address safety-related deferred maintenance needs of local transportation infrastructure in unincorporated Volusia County.
2. Limited provision for enhancing road infrastructure.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 103 County Transportation Trust**

Revenues:	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Gas Taxes	20,950,125	20,560,000	21,393,036	21,673,855	22,107,332	22,549,479
Intergovernmental Revenues	1,236,900	1,233,900	569,299	569,299	569,299	569,299
Charges for Services	425,086	418,720	453,804	453,779	453,779	453,779
Misc. Revenues (Rent, sales, interest, etc.)	402,000	421,135	265,000	534,232	438,587	284,370
Transfers In from Other Funds	3,221,147	3,221,147	4,000,000	4,700,000	5,000,000	5,500,000
PY Fund Balance One-Time - Capital	7,691,198	5,851,118	2,177,676	1,933,039	6,545,001	11,397,833
Operating Revenues	33,926,456	31,706,020	28,858,815	29,864,204	35,113,999	40,754,759

Expenditures:

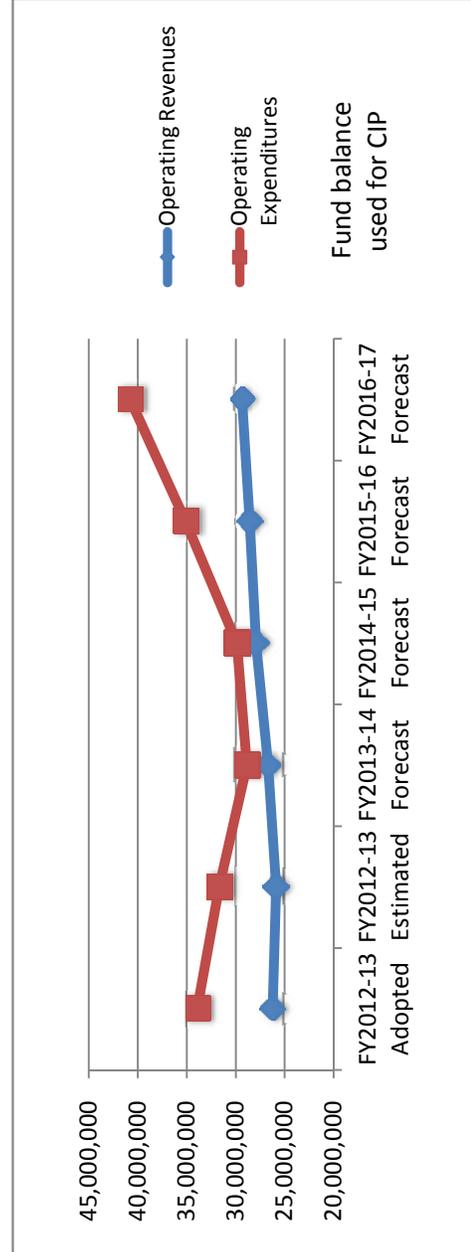
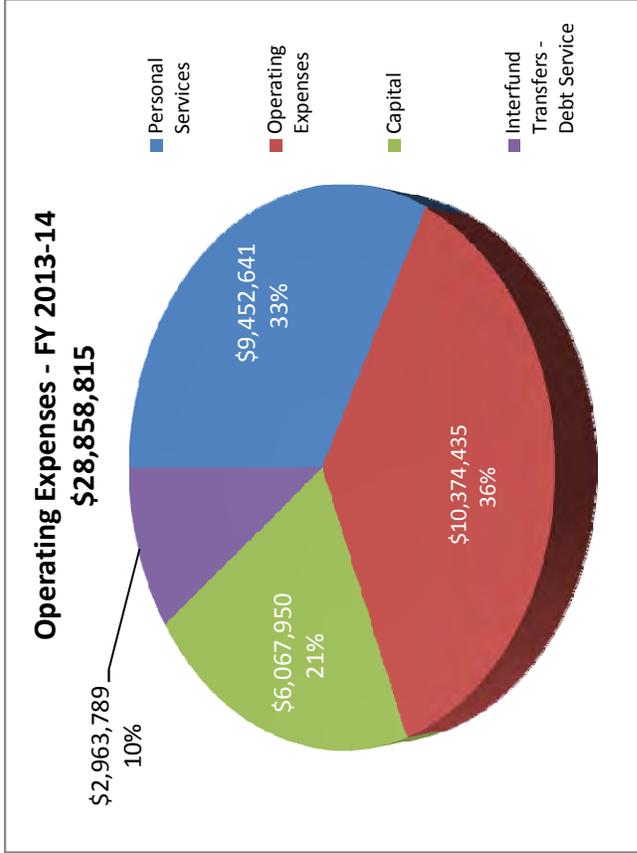
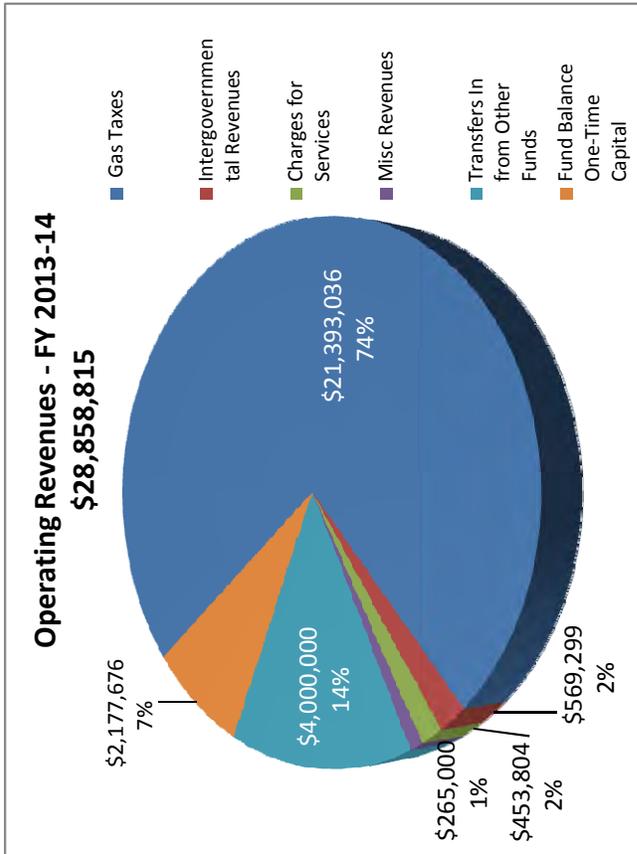
Personal Services	9,540,802	9,256,479	9,452,641	9,452,641	9,452,641	9,452,641
Operating Expenses	9,791,563	10,944,134	10,374,435	12,471,483	12,719,409	13,269,661
Capital	11,241,828	8,153,144	6,067,950	4,973,000	9,975,000	14,975,000
Interfund Transfers - Debt Service	3,352,263	3,352,263	2,963,789	2,967,080	2,966,949	3,057,457
Operating Expenses	33,926,456	31,706,020	28,858,815	29,864,204	35,113,999	40,754,759

REVENUES UNDER/OVER EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$76,857.

Reserves						
Future Capital Reserves - PW Facilities & Design	15,000,000	15,000,000	15,000,000	15,000,000	10,000,000	0
Road Construction	5,508,348	10,556,449	9,630,254	9,423,322	8,952,156	8,504,548
County Transportation Trust Maintenance	2,051,610	6,218,415	4,966,934	3,240,827	2,166,992	1,216,767
Emergency Reserves	900,000	900,000	900,000	900,000	900,000	900,000
Revenue Stabilization	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Reserves	24,459,958	33,674,864	31,497,188	29,564,149	23,019,148	11,621,315

FUND: 103 County Transportation Trust



Fund: 001 – General Fund

Fund Overview

The General Fund is the largest fund and provides resources to fund countywide government services. The Countywide millage rate is projected at 6.0989 and is the basis for the calculation of countywide ad valorem property tax collections, the largest source of revenue for the County.

Assumptions

FY13 Budget – as outlined in budget document page E-2.

Revenues:

Ad Valorem Taxes - FY14 taxable value at a flat rate represents a potential increase of 2.36% and an increased millage rate of 3.7% or 6.0989 (see policy direction section), FY15 and FY16 taxable value increased by 2.5%, FY17 taxable value increased by 3%.

Intergovernmental Revenue – 1% growth based on trend for Volusia County School Board, 2% growth based on trend for racing fees, 1.8% growth based on trend for beverage licenses, all others remaining level.

Charges for Services - 2% growth based on trend for drug lab fees, motor vehicle fees, prisoner reporting, medical examiner fees, and extension program fees and marine science center fees. Marine science center entrance and field trip fees increased 7% based upon trend. Fees for Tax Collection and Property Appraiser increased an average of 2%. All remaining charges for service fees are forecasted level.

Judgments, Fines & Forfeitures – for FY14 increased 11% and then forecasted level for FY15-FY17.

Sales Tax – forecasted receipts of half cent sales tax at 4% increase and state revenue sharing at 1% increase.

Miscellaneous Revenue – FY14 last receipt from Halifax Hospital for debt service payment for medical transport helicopter, remaining accounts are flat with estimate.

Other Taxes - forecast for delinquent taxes, franchise fees, business tax, and hazardous waste surcharge for FY14 increased 3% and then forecasted level for FY15-FY17.

Transfers From Other Funds – include funding reimbursement for E911 communication efforts (fund 115), payback of interfund loans from Volusia Forever (fund 161) and parking garage (fund 475), debt service payments from library (fund 104) and beach capital fund (fund 313), and designated reimbursement funding for Office of the Sheriff (fund 120 & 122).

One-time revenue source – primarily fund balance/reserves to be utilized for a specific purpose such as increased debt service payments.

Fund: 001 – General Fund

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates (an impact of \$2M) and no salary adjustments.

Total Positions: 2,376

Total Funded: 2,242

Total Unfunded: 134

Operating Expenses Accounts: the majority of expenses remain flat over the 5 year forecast.

- CRA Payments - increased 2.5% FY14, FY15, FY16, 3% FY17, no provisions made for expanded or new CRA's
- Accounts adjusted across forecast to reflect known increased trends: postage 2%, utilities average of 2%, insurance liability and property insurance average of 9%, and fuel 2%.
- Accounts reduced within organization then forecasted: contracted services -3%, legal expenses -25%, communications -7% and indirect cost billable to other funds reduced -7% which resulted in some divisions' budgets increasing.
- Capital Outlay - The annual funding levels for capital outlay require approximately \$2M.
- Capital Improvements –The annual funding levels for capital improvements require approximately \$4M. During the decline in revenues, many projects were deferred and the focus was on the protection of the shell of buildings, HVAC, and energy conservation grant efforts. The forecast restores the funding to ensure adequate maintenance of county infrastructure. No long term incremental funding for Office of the Sheriff evidence facility, completion of the trails system, off-beach parking, Jail or Courts.

The following are major departmental assumptions:

Interfund Transfers:

- Fund 456 Votran – the use of fund balance for operating expense has been exhausted requiring an increase in contribution (see policy direction section).
- Fund 002 Emergency Services Fund (ie. EVAC) – increased costs due to FRS rates and transport service levels (see policy direction section).
- Fund 130 Economic Development - the use of fund balance for operating expense has been exhausted requiring an increase in contribution (see policy direction section).
- Fund 305 800mHz backbone – capital improvement project to maintain and upgrade County's 800mHz public safety radio system.
- Fund 295 Commuter Rail – debt service payments for Sunrail increasing from \$1.2M to \$3.1M in FY15 as DeLand station is added.
- Miscellaneous
 - Fund 313 beach 5th dollar - \$500,000
 - Fund 297 FY14 final debt service payment for Office of Sheriff helicopter
 - Other miscellaneous expenses

Fund: 001 – General Fund

Elections – in FY16 the budget is increased due to increased associated costs for election year items such as postage, contracted services, temporary employees, printing; in all other years funding remains flat.

Community Services – FY14 carry forward of Dori Slosberg driver education restricted funding increased, future years reflect only new receipts, offset by increased funding for nursing home Medicaid.

Financial & Administrative Services – Information Technology Division reduced cost of communication 17% due to new contract with AT&T and reduced circuits due to implementation of phone system offset by capital improvement plan. Central Services Division reduced cost of utilities due to implementation of energy conservation projects, offset by increases in capital improvement plan.

Reserves:

Contingency Council – restored funding to \$250,000 to address unexpected one-time Council priority expenditures.

Fuel Reserves – set aside for fluctuation of fuel rates for Votran, EVAC, Office of Sheriff and operating divisions.

Revenue Stabilization – 2% to 3% of current revenues to offset fluctuations in revenues due to unstable economic climate.

Transition Reserves – one-time funding as levels of service are addressed. (see policy direction section)

Reserves Future CIP Elections – carry forward funding for elections equipment replacement.

Reserves Future CIP EVAC – funding allocated in FY16 for replacement of cardiac monitors and auto pulse machines.

Reserve for Debt Service – Courts & Rail – future debt service payment increases related to Judicial Center and FY15 one-time increase for Sunrail debt service payment.

Emergency Reserves – forecasted at 10% in accordance with Council reserve policy.

Fund: 001 – General Fund

Policy Direction

Revenues:

1. Increase revenues - the forecast for FY2013-14 includes a 3.7% increase in millage to 6.0989 mills. For FY2013-14, the revenues increased \$5M. This increased funding would fund the following: state mandated increased rates for Florida Retirement System impacting the General Fund \$2M, increased contribution to Votran Fund (456) to continue current level of services \$838K, increased contribution to Emergency Services Fund (002) a.k.a. EVAC \$1.7M (due to FRS, impact of service demand increase and capital replacement), and increased contribution to Economic Development Fund (130) to continue current level of service at \$683K.
2. Change in beach toll fee structure to update and redistribute fees for county and out of county admittance fee.

Expenditures:

1. Reduce levels of service or eliminate programs.
2. No provisions for expansion or new CRA's.
3. No provision for large economic development incentive projects/partnerships.
4. No provision for new unfunded mandates.
5. No provision for capital improvements for Office of the Sheriff Evidence facility, completion of the trails system, off-beach parking, Jail or Courts.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: - General Fund at Flat Rate**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Operating Revenues:						
Ad Valorem Taxes	133,763,343	133,763,343	136,622,270	140,037,827	143,538,773	147,844,936
	5,8789	5,8789	5,8789	5,8789	5,8789	5,8789
Charges for Services	16,404,174	15,229,928	15,125,174	15,279,227	15,437,158	15,632,609
Sales Tax	10,123,623	10,462,572	11,600,076	10,744,201	11,379,057	12,179,635
Miscellaneous Revenues	2,566,199	2,618,776	2,608,750	1,845,750	1,845,750	1,845,750
Judgements, Fines & Forfeitures	2,344,344	2,618,815	2,609,714	2,609,714	2,609,714	2,609,714
Intergovernmental Revenues	1,955,511	1,967,910	1,972,747	1,993,399	2,014,341	2,035,578
Other Taxes	1,216,351	1,154,908	1,195,152	1,195,152	1,195,152	1,195,152
Transfers From Other Funds	8,527,037	8,231,670	2,535,415	2,099,190	2,270,050	2,230,014
PY Fund Balance Sustainable	196,805	1,331,497	1,500,000	1,500,000	1,500,000	1,500,000
One-time revenue source			675,000	3,329,876	1,374,626	2,103,144
TOTAL FUND REVENUES	177,097,387	177,379,420	176,444,298	180,634,336	183,164,621	189,176,532

Expenditures:

Public Protection	50,357,370	50,918,935	50,405,483	51,200,019	52,034,248	51,823,847
EVAC	1,509,178	1,509,178	3,216,705	2,750,442	2,482,063	2,514,510
Office of the Sheriff	38,411,561	38,487,779	38,668,382	38,663,480	38,967,569	39,162,047
Financial and Administrative Services	21,128,156	21,117,893	21,357,565	22,564,916	22,693,142	24,852,470
Community Services	14,527,261	14,113,490	14,565,720	13,791,147	13,879,041	13,981,547
Votran Operating Interfund Transfer	7,391,803	7,391,803	8,230,307	9,100,840	9,238,492	9,402,757
Commuter Rail Debt Service	1,200,000	1,200,000	1,200,000	3,115,404	3,115,404	3,115,404
Parks & Recreation/Coastal	9,902,840	9,942,680	9,485,129	9,657,737	9,573,906	10,490,637
Judicial & Clerk	7,965,667	7,959,233	7,918,533	8,095,195	8,071,202	8,092,621
Elections	3,916,828	3,943,884	3,545,599	3,451,518	3,857,386	3,482,423
Property Appraiser	6,278,256	6,277,237	6,390,069	6,398,931	6,410,699	6,423,268
County Council, County Manager, County Atto	3,260,802	3,183,251	3,636,720	3,642,235	3,648,898	3,656,075
Growth and Resource Management	4,281,519	4,359,366	4,251,078	4,256,727	4,264,740	4,273,212
CRA Payments	4,287,894	4,288,172	4,395,376	4,505,260	4,617,892	4,756,428
Economic Development Interfund Transfer	1,577,443	1,577,443	2,259,952	2,259,952	2,259,952	2,259,952
Transfer 305 Fund - 800mHz backbone			250,000	1,000,000	2,000,000	5,500,000
Interfund Transfers (debt svc. & grants)	785,197	825,151	1,298,328	939,684	939,684	439,684
Public Works	315,612	283,925	482,026	481,340	481,806	482,298
TOTAL FUND EXPENDITURES	177,097,387	177,379,420	181,556,972	185,874,827	188,536,124	194,709,180
REVENUE LESS EXPENDITURES	0	(0)	(5,112,674)	(5,240,491)	(5,371,503)	(5,532,648)

Revenue Stabilization Reserve	5,792,220	8,246,362	8,094,856	6,982,182	1,741,691	
Transition Reserves	4,000,000	4,000,000	4,000,000			
Operating Shortfall			(5,112,674)	(5,240,491)	(5,371,503)	(5,532,648)
Balance	9,792,220	12,246,362	6,982,182	1,741,691	(3,629,813)	(5,532,648)
Emergency Reserves	15,616,023	15,616,023	15,616,023	15,616,023	15,616,023	11,986,210
Emergency Reserves Balance	15,616,023	15,616,023	15,616,023	15,616,023	11,986,210	6,453,562
			9%	9%	7%	4%

1% salary = \$900k

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: - General Fund**

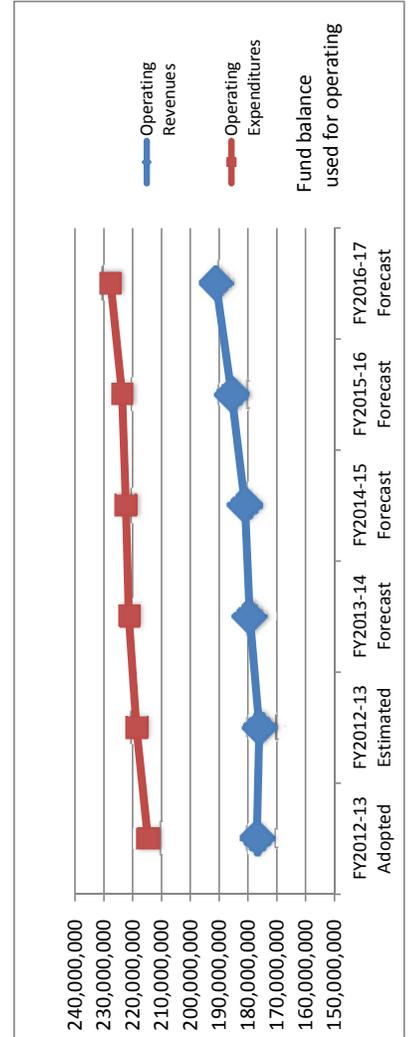
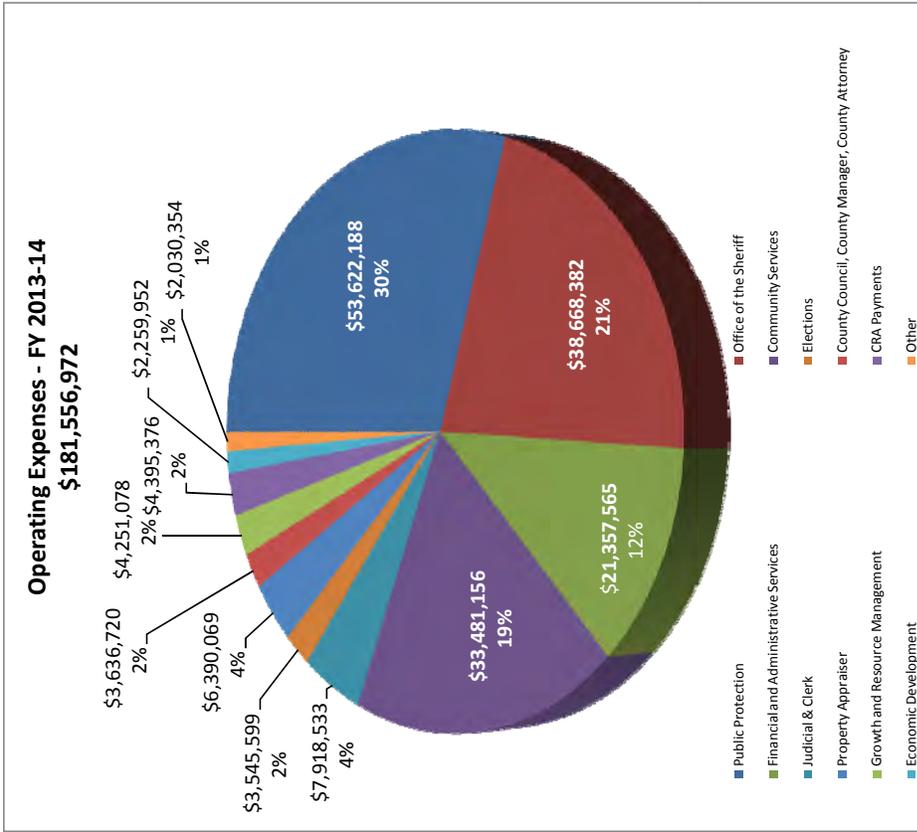
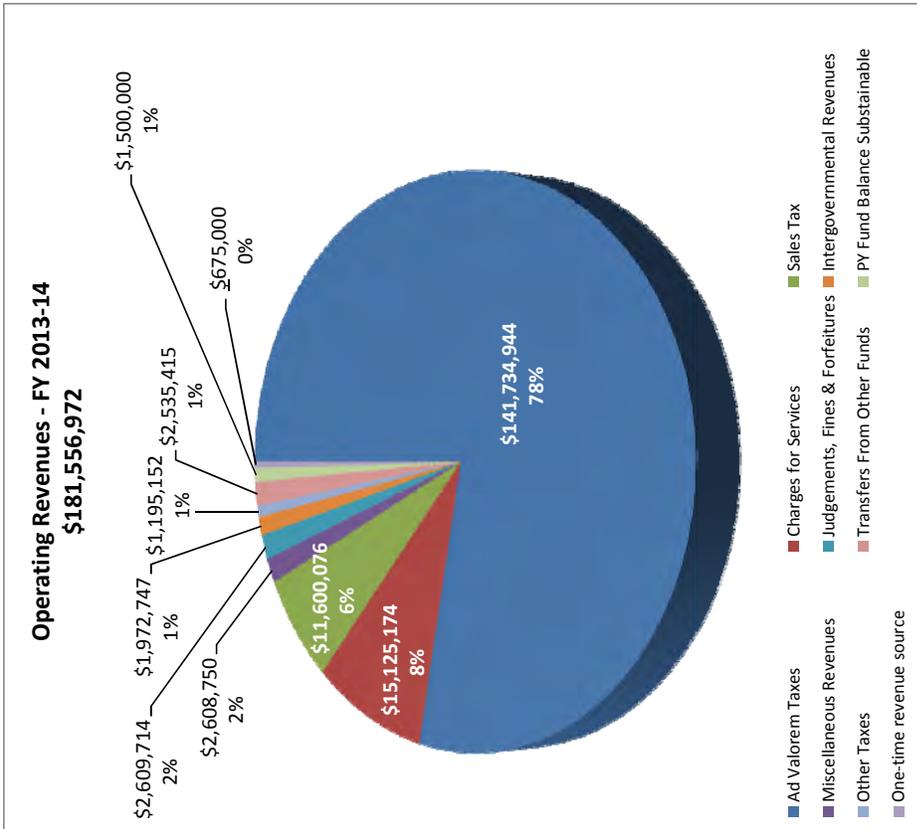
<u>Operating Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ad Valorem Taxes	133,763,343	133,763,343	141,734,944	145,278,318	148,910,276	153,377,584
	5,8789	5,8789	6,0989	6,0989	6,0989	6,0989
Charges for Services	16,404,174	15,229,928	15,125,174	15,279,227	15,437,158	15,632,609
Sales Tax	10,123,623	10,462,572	11,600,076	10,744,201	11,379,057	12,179,635
Miscellaneous Revenues	2,566,199	2,618,776	2,608,750	1,845,750	1,845,750	1,845,750
Judgements, Fines & Forfeitures	2,344,344	2,618,815	2,609,714	2,609,714	2,609,714	2,609,714
Intergovernmental Revenues	1,955,511	1,967,910	1,972,747	1,993,399	2,014,341	2,035,578
Other Taxes	1,216,351	1,154,908	1,195,152	1,195,152	1,195,152	1,195,152
Transfers From Other Funds	8,527,037	8,231,670	2,535,415	2,099,190	2,270,050	2,230,014
PY Fund Balance Substainable	196,805	1,331,497	1,500,000	1,500,000	1,500,000	1,500,000
One-time revenue source	177,097,387	177,379,420	675,000	3,329,876	1,374,626	2,103,144
TOTAL FUND REVENUES	181,556,972	181,556,972	188,536,124	188,536,124	188,536,124	194,709,180
<u>Expenditures:</u>						
Public Protection	50,357,370	50,918,935	50,405,483	51,200,019	52,034,248	51,823,847
EVAC	1,509,178	1,509,178	3,216,705	2,750,442	2,482,063	2,514,510
Office of the Sheriff	38,411,561	38,487,779	38,668,382	38,663,480	38,967,569	39,162,047
Financial and Administrative Services	21,128,156	21,117,893	21,357,565	22,564,916	22,693,142	24,852,470
Community Services	14,527,261	14,113,490	14,565,720	13,791,147	13,879,041	13,981,547
Voltran Operating Interfund Transfer	7,391,803	7,391,803	8,230,307	9,100,840	9,238,492	9,402,757
Commuter Rail Debt Service	1,200,000	1,200,000	1,200,000	3,115,404	3,115,404	3,115,404
Parks & Recreation/Coastal	9,902,840	9,942,680	9,485,129	9,657,737	9,573,906	10,490,637
Judicial & Clerk	7,965,667	7,959,233	7,918,533	8,095,195	8,071,202	8,092,621
Elections	3,916,828	3,943,884	3,545,599	3,451,518	3,857,386	3,482,423
Property Appraiser	6,278,256	6,277,237	6,390,069	6,398,931	6,410,699	6,423,268
County Council, County Manager, County Atto	3,260,802	3,183,251	3,636,720	3,642,235	3,648,898	3,656,075
Growth and Resource Management	4,281,519	4,359,366	4,251,078	4,256,727	4,264,740	4,273,212
CRA Payments	4,287,894	4,288,172	4,395,376	4,505,260	4,617,892	4,756,428
Economic Development Interfund Transfer	1,577,443	1,577,443	2,259,952	2,259,952	2,259,952	2,259,952
Transfer 305 Fund - 800mHz backbone			250,000	1,000,000	2,000,000	5,500,000
Interfund Transfers (debt svc. & misc.)	785,197	825,151	1,298,328	939,684	939,684	439,684
Public Works	315,612	283,925	482,026	481,340	481,806	482,298
TOTAL FUND EXPENDITURES	177,097,387	177,379,420	181,556,972	185,874,827	188,536,124	194,709,180
REVENUE LESS EXPENDITURES	0	0	0	0	0	0

1% salary = \$900k
0.10 mill = \$2.3M

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: - General Fund**

Category Summary	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Personal Services	105,120,711	105,957,678	106,766,457	106,766,457	106,766,457	106,766,457
Operating Expenses	57,039,541	55,409,184	55,830,830	55,489,795	56,577,178	56,934,489
Capital Outlay	1,472,769	1,488,417	1,187,045	2,061,808	2,539,813	2,707,157
Capital Improvements	804,800	1,773,172	1,588,898	2,396,572	2,354,829	4,838,965
Interfund Transfers	12,659,566	12,650,970	16,183,742	19,160,195	20,297,847	23,462,112
Reserves - Emergency	15,616,023	15,616,023	17,211,542	17,990,898	18,183,334	18,731,532
Reserves	21,988,198	25,862,340	22,591,821	18,482,589	16,915,527	14,264,185
Total	214,701,608	218,757,784	221,360,335	222,348,314	223,634,985	227,704,897
Contingency Reserves - Council	98,494	98,494	250,000	250,000	250,000	250,000
Fuel Reserves	1,194,176	1,194,176	1,194,176	1,194,176	1,194,176	1,194,176
Revenue Stabilization Reserve	5,792,220	8,246,362	4,999,337	4,219,981	4,027,545	3,479,347
Transition Reserves	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Reserves Future CIP - Elections	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserves Future CIP - EVAC		1,420,000	1,420,000	1,420,000	1,420,000	1,420,000
Reserve for Debt Service - Courts & Rail	8,903,308	8,903,308	8,728,308	5,398,432	4,023,806	1,920,662
Emergencies Reserves @ 10%	15,616,023	15,616,023	17,211,542	17,990,898	18,183,334	18,731,532
Total Reserves	37,604,221	41,478,363	39,803,363	36,473,487	35,098,861	32,995,717

FUND: 001 General Fund



**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: General Fund Increased by 0.44 mills**

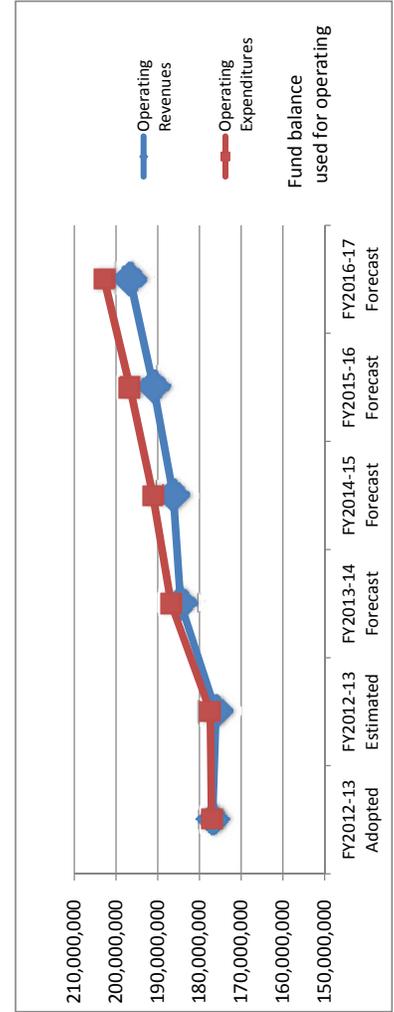
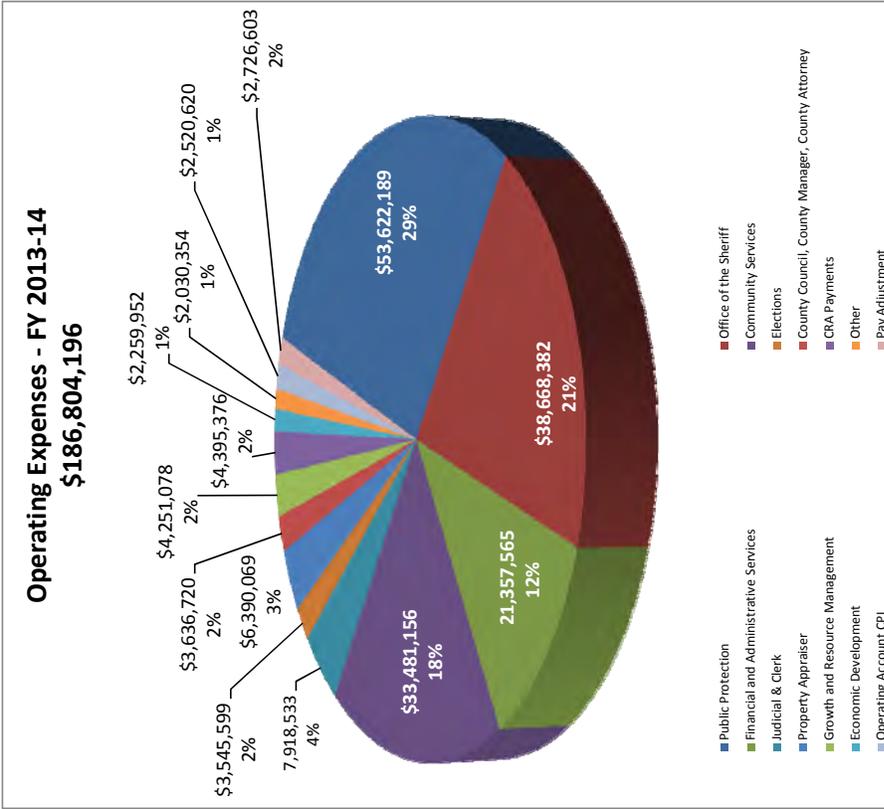
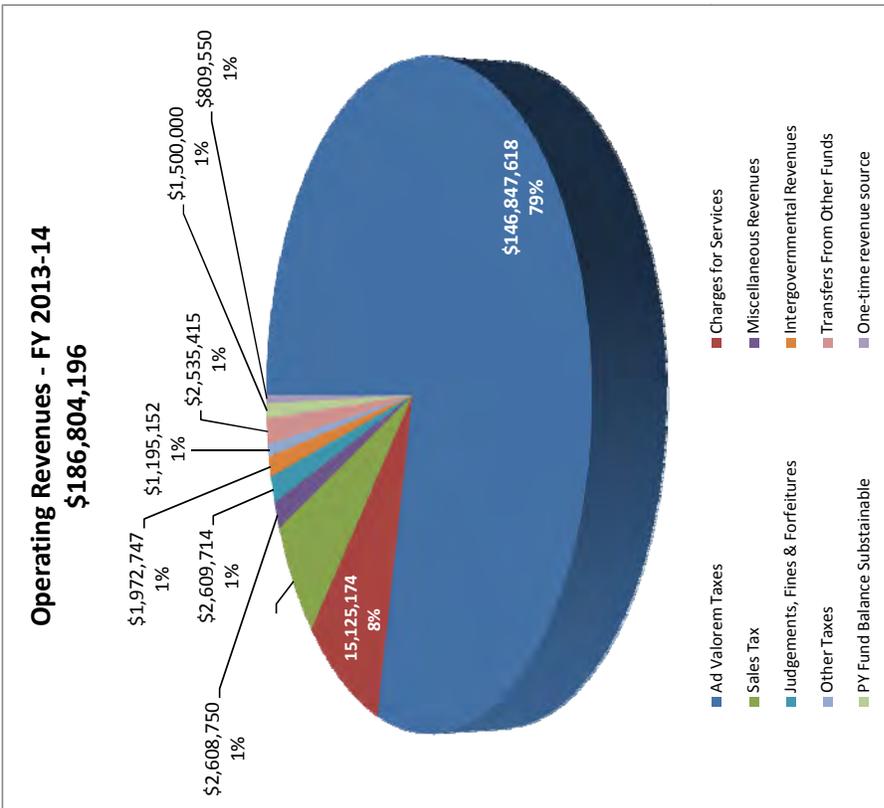
	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Ad Valorem Taxes	133,763,343	133,763,343	146,847,618	150,518,809	154,281,779	158,910,232
	5,8789	5,8789	6,3189	6,3189	6,3189	6,3189
Charges for Services	16,404,174	15,229,928	15,125,174	15,279,227	15,437,158	15,632,609
Sales Tax	10,123,623	10,462,572	11,600,076	10,744,201	11,379,057	12,179,635
Miscellaneous Revenues	2,566,199	2,618,776	2,608,750	1,845,750	1,845,750	1,845,750
Judgements, Fines & Forfeitures	2,344,344	2,618,815	2,609,714	2,609,714	2,609,714	2,609,714
Intergovernmental Revenues	1,955,511	1,967,910	1,972,747	1,993,399	2,014,341	2,035,578
Other Taxes	1,216,351	1,154,908	1,195,152	1,195,152	1,195,152	1,195,152
Transfers From Other Funds	8,527,037	8,231,670	2,535,415	2,099,190	2,270,050	2,230,014
PY Fund Balance Substainable		1,331,497	1,500,000	1,500,000	1,500,000	1,500,000
One-time revenue source	196,805		809,550	3,394,583	1,374,626	2,103,144
TOTAL REVENUES	177,097,387	177,379,420	186,804,196	191,180,025	193,907,627	200,241,829

Expenditures:

Public Protection	50,357,370	50,918,935	50,405,483	51,200,019	52,034,248	51,823,847
EVAC	1,509,178	1,509,178	3,216,705	2,750,442	2,482,063	2,514,510
Office of the Sheriff	38,411,561	38,487,779	38,668,382	38,663,480	38,967,569	39,162,047
Financial and Administrative Services	21,128,156	21,117,893	21,357,565	22,564,916	22,693,142	24,852,470
Community Services	14,527,261	14,113,490	14,565,720	13,791,147	13,879,041	13,981,547
Votran Operating Interfund Transfer	7,391,803	7,391,803	8,230,307	9,100,840	9,238,492	9,402,757
Communter Rail Debt Service	1,200,000	1,200,000	1,200,000	3,115,404	3,115,404	3,115,404
Parks & Recreation/Coastal	9,902,840	9,942,680	9,485,129	9,657,737	9,573,906	10,490,637
Judicial & Clerk	7,965,667	7,959,233	7,918,533	8,095,195	8,071,202	8,092,621
Elections	3,916,828	3,943,884	3,545,599	3,451,518	3,857,386	3,482,423
Property Appraiser	6,278,256	6,277,237	6,390,069	6,398,931	6,410,699	6,423,268
County Council, County Manager, County Attorney	3,260,802	3,183,251	3,636,720	3,642,235	3,648,898	3,656,075
Growth and Resource Management	4,281,519	4,359,366	4,251,078	4,256,727	4,264,740	4,273,212
CRA Payments	4,287,894	4,288,172	4,395,376	4,505,260	4,617,892	4,756,428
Economic Development Interfund Transfer	1,577,443	1,577,443	2,259,952	2,259,952	2,259,952	2,259,952
Transfer 305 Fund - 800mHz backbone			250,000	1,000,000	2,000,000	5,500,000
Interfund Transfers (debt svc. & misc.)	785,197	825,151	1,298,328	939,684	939,684	439,684
Public Works	315,612	283,925	482,026	481,340	481,806	482,298
Operating Account - adjusted by CPI (2.3%)			2,520,620	2,578,595	2,637,902	2,698,574
Pay adjustment (FY14 3%; FY16 3%)			2,726,603	2,726,603	5,453,206	5,453,206
TOTAL EXPENDITURES	177,097,387	177,379,420	186,804,195	191,180,025	196,627,232	202,860,960

REVENUE LESS EXPENDITURES	0	0	0	0	-2,719,605	-2,619,132
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FUND: 001 General Fund



Fund: 456 – Volusia Transportation Authority (VOTRAN)

Fund Overview

The Volusia County Council created Volusia County's Public Transportation System (VOTRAN) in 1975 which provides transportation throughout the county. VOTRAN also provides its Gold Service to clients who, because of physical or mental disability or age, are unable to transport themselves and cannot use the fixed-route service. VOTRAN's fleet includes 49 revenue-producing fixed-route buses, four trackless trolleys and 41 paratransit vehicles. This budget is funded through passenger fares, ad valorem taxes, Federal Transit Administrations funds, and Florida Department of Transportation funds. Additional funds are derived from bus advertising and charges for services. VOTRAN's capital projects require no local funding and are appropriated when grant funds are awarded. These funds are used to purchase buses, vans, office equipment, and any scheduled construction. This service is performed by contract with McDonald Transit Services.

Assumptions

FY13 Budget – as outlined in budget document page E-126.

Revenues (operating sources only):

Federal Mass Transit - FY15, FY16 and FY17 increase based on Federal Transit Administration, Circular c9030.1e.

State Mass Transit - FY15, FY16 and FY17 increase based on Florida Department of Transportation – 6 Year Gaming Report.

Mass Transit Fare - FY15, FY16 and FY17 increase by 2.0% each year.

Miscellaneous Revenues - revenues projected flat.

General Fund Transfer – In fiscal year 2010-11, the general fund contribution was reduced to \$7,391,803 where it remained. The reduction was in direct relationship to growth of fund balance within the fund. This one time revenue source was drawn down for operating purposes for FY11, FY12 and FY13. The increase for the forecast from the general fund is to reinstate funding to cover operating costs. The remaining fund balance is used in fiscal year 2013-14 requiring a transfer of \$8.2M, then increasing to FY15 \$9.1M, FY16 \$9.2M and FY17 \$9.4M. Below is a 7 year history of the general fund contribution for transportation services:

FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14(F)
9,891,432	8,758,191	9,611,830	8,365,131	7,391,803	7,391,803	7,391,803	8,230,307

Fund: 456 – Volusia Transportation Authority (VOTRAN)

Expenditures (operating sources only):

Personal Services projected flat except for an increase due to Sun Rail feeder service going to full year service on West side of the county. Starting FY 13, they will be savings on the health insurance plan due to the change of insurance carrier.

Total Positions: 241

Operating Expenses:

Postage - FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Fuel - FY15, FY16, FY17 increase by 2% each year.

Parts – FY15 increase by 3.79%, FY16 increase by 7.58% and FY17 increase by 11.36%

Contracted service (Paratransit unit) – FY15, FY16 and FY17 increase by 1.5% each year

Reserves :

Although the reserves are fully depleted in fiscal year 2013-14, the general fund budget appropriates a reserve for fuel for unanticipated increases above current forecasted numbers.

Fund: 456 – Volusia Transportation Authority (VOTRAN)

Policy Direction

The Volusia Transportation Authority Fund has been using fund balance proceeds from prior years. In FY2013-14, the reserves are estimated to be fully exhausted. County Council discussed a variety of options to address this shortfall during a mini budget workshop on March 14, 2013 and a fee rate discussion took place on May 16, 2013. Some options considered were:

1. Contribution from the cities
2. The General Fund subsidy in FY14 is \$8,230,307; FY15 \$9,100,840; FY16 \$9,238,492; and FY17 \$9,402,757.
3. Elimination of commuter van. Savings \$120,457
4. Elimination of trolley service. Savings \$81,501
5. Elimination of 1 hour of night service. Savings \$81,740
6. Elimination of holiday service. Savings \$28,840
7. Implement fare increase January, 2014 (9 months of FY13-14). Increase \$173,664

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 456 - Volusia Transportation Authority Fund
Operating Budget

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Federal Mass Transit	4,769,004	4,761,004	4,903,753	4,941,796	4,942,191	4,958,749
State Mass Transit	3,076,326	3,136,326	3,950,420	4,167,331	4,195,454	4,241,158
Mass Transit Fares	2,830,066	2,812,069	2,741,943	2,796,782	2,852,718	2,909,772
General Fund Transfer	7,391,803	7,391,803	8,230,307	9,100,840	9,238,492	9,402,757
Miscellaneous Revenues	452,066	416,760	449,066	449,066	449,066	449,066
PY Fund Balance Operating	1,551,551	756,865	943,092			
Operating Revenues	20,070,816	19,274,827	21,218,581	21,455,815	21,677,921	21,961,502

Expenditures:

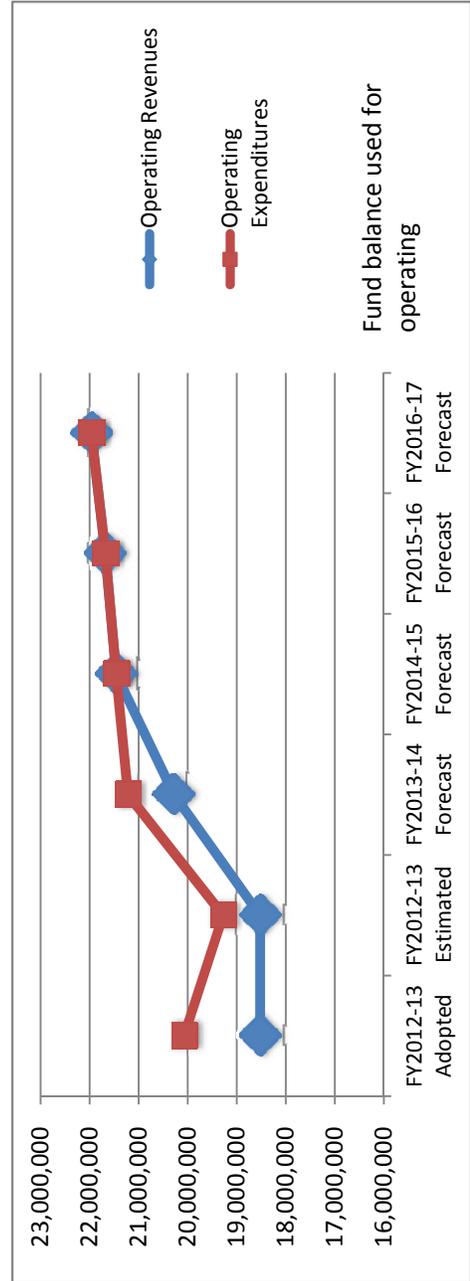
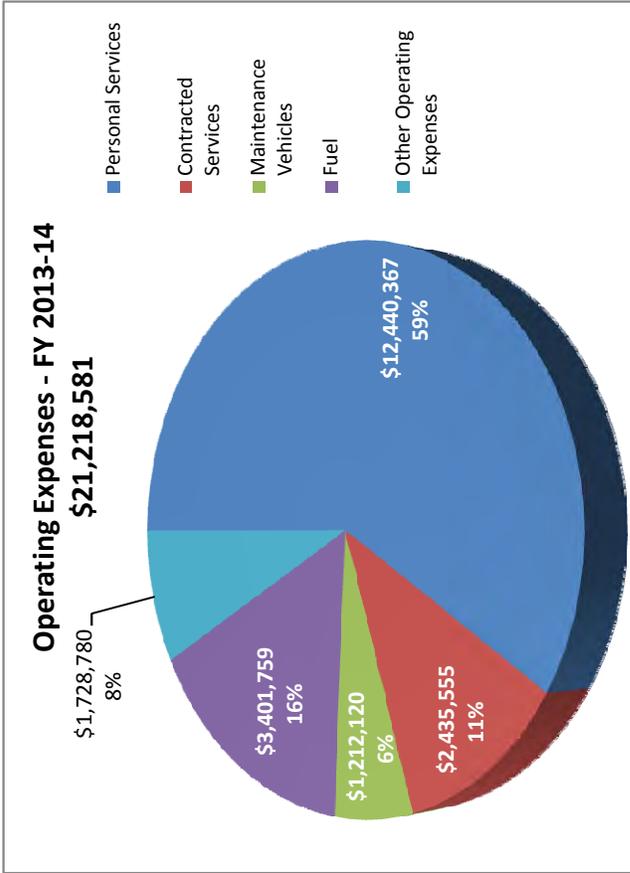
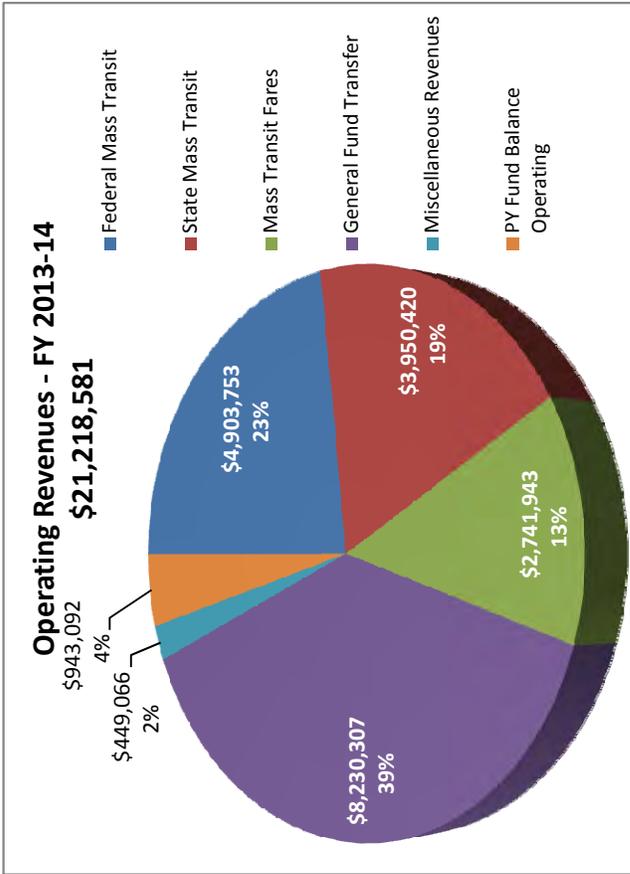
Personal Services	11,751,317	11,214,879	12,440,367	12,593,367	12,600,367	12,607,367
Operating Expenses						
Contracted Services	2,219,728	2,219,728	2,435,555	2,386,190	2,418,734	2,451,766
Maintenance Vehicles	1,059,441	1,105,017	1,212,120	1,258,059	1,353,420	1,507,169
Fuel	3,338,182	3,132,731	3,401,759	3,469,794	3,539,190	3,609,974
Other Operating Expenses	1,671,148	1,602,472	1,728,780	1,748,405	1,766,209	1,785,226
Capital Outlay	31,000	0	0	0	0	0
Operating Expenses	20,070,816	19,274,827	21,218,581	21,455,815	21,677,920	21,961,502

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% salary increase equals \$117,434

Reserves - used for operating	0	943,092	0	(0)	(0)	0
Total Reserves	0	943,092	0	(0)	(0)	0

FUND: 456 Volusia Transportation Authority



Fund: 002 – Emergency Medical Services

Fund Overview

During FY2010-11, the County Council voted to take over provision of countywide emergency ambulance transport services from the Emergency Medical Foundation, also known as EVAC. This fund was established beginning October 1, 2011 to provide emergency transport services in unincorporated Volusia County. Current operations are funded through ambulance billing revenue, special event support and a general fund contribution.

Assumptions

FY13 Budget – as outlined in budget document page E-24.

Revenues:

Ambulance Fees – FY 13 reduced due to shifting of transport to Fire Services, FY 14 – 17 annual 3% increase based on rising number of transports, offset by the reduction of revenues due to the shifting of some transports to county and city fire services. Medicare rates are forecasted level with 1/1/2013 rate structure.

General Fund Contribution

FY 14 - increase funding of \$400,000 associated with growth in transports, \$600,000 loss of fund balance, \$360,000 for future equipment replacement and to establish a stabilization fund in the amount of \$200,000.

FY 15, 16, 17 - declines slightly to reflect increased offsetting ambulance fees.

The chart below is the history of EVAC funding requests with average request change forecasted in FY 12-FY 14 and general fund contribution:

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14(F)	Total
Percent Change		142.98%	46.43%	-22.67%	-14.23%	-10.29%	28.44% avg	28.44% avg	28.44% avg	
Requested	1,439,596	3,497,932	5,122,125	3,960,956	3,397,301	3,047,571	3,914,415	5,027,821	6,457,922	35,865,639
General Fund	800,000	2,639,696	3,561,000	3,561,000	1,646,866	1,505,250	1,509,178	1,509,178	3,216,705	19,948,873
Difference	639,596	858,236	1,561,125	399,956	1,750,435	1,542,321	2,405,237	3,518,643	3,241,217	15,916,766

Expenditures:

Personal Services:

Personal Services in FY14 and beyond includes new FRS rates of \$275,000 and increased overtime costs of \$260,000 to accommodate the growth in transports.

Total Positions: 201 Total Funded: 200 Total Unfunded: 1

Operating Expenses:

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Postage - County FY15, FY16 and FY17 increase by 1.5% each year.

Property Insurance - increase FY 15-10%, 16&17-8%.

Fuel-Veh Maint - FY 14, FY15, FY16, FY17 increase by 3% consumption and 2% cost each year.

Software - purchase for medical inventory software in FY 14 only (\$25,000).

Software License - patient care licensing in FY 14 only (\$42,000).

Vehicle Replacement Charge - replacement of 6 ambulances to program annually.

Fund: 002 – Emergency Medical Services

Medical Surgical - increases annually @ average 5% based on usage and transport service levels.

Communications - forecasted savings of 37% to reflect new phone and cable providers

Banking Services – forecasted savings of \$29,000 due to new vendor.

Temporary Personnel – Forecasted savings of \$45,000 due to ambulance billing efficiencies

Capital Outlay & Capital Improvements – are allocated per division’s 5 year capital outlay and improvement plans. See reserves for additional set aside funding of cardiac monitors and auto pulse machines.

Reserves:

Reserves for revenue stabilization are set-aside in FY 2014 in the amount of \$200,000.

Reserves for cardiac monitors and auto pulse machines are set-aside annually at \$360,000.

Fund: 002 – Emergency Medical Services

Policy Direction

The Emergency Medical Services Fund as it currently exists requires additional funding for on-going operating and equipment replacement.

1. FY 14 - Increase funding associated with increased transport expenses due to increased demand for service, \$600,000 loss of fund balance and to establish a reserve program for both revenue stabilization and capital equipment. Revenue stabilization is recommended to continue operational funding until Medicaid and other reimbursements are received. The purpose for beginning the reserve for capital equipment program in FY14 is to incrementally build sufficient funds to be used for major capital equipment purchases discussed below.
2. FY 16- the purchase of Cardiac Monitors and Auto Pulse equipment is estimated to cost \$2.5 million. This equipment was originally purchased in FY 11 and has a five year estimated life span. This equipment is replaced in bulk to ensure exact models are available for trained staff. By FY 16 forecast, the EMS fund will accrue capital reserves in the amount of \$1,080,000. The balance of \$1,420,000 is designated within the General Fund forecasted reserves as a one-time transfer.
3. Potential revenue loss to fund is forecasted resulting from the pilot model that shifts city and county fire transport resources. The current year's estimated impact during the pilot has been estimated at \$577,593.

VOLUSIA COUNTY 5 YEAR FORECAST
FUND: Emergency Medical Services - 002 Requested Expenses

<u>Revenues:</u>	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Ambulance Fees	14,519,668	14,078,917	14,276,307	14,702,799	15,142,085	15,594,550
Bad Debt Recovery	150,000	534,916	500,000	500,000	500,000	500,000
Miscellaneous Revenues	262,808	281,375	142,385	142,385	142,385	142,385
General Fund Contribution	1,509,178	1,509,178	3,216,705	2,750,442	2,482,063	2,514,510
PY Fund Balance One-Time	284,850	605,988				
Total Revenues	16,726,504	17,010,374	18,135,397	18,095,626	18,266,533	18,751,445

Patient Care Expenditures:

Personal Services	11,540,494	11,725,321	12,147,623	12,147,623	12,147,623	12,147,623
Operating Expenses	3,713,112	3,722,494	3,884,737	4,056,399	4,315,437	4,701,865
Capital Outlay	331,300	434,024	455,900	441,500	351,000	447,000
Capital Improvements	0	2,089	0	0	0	0
Set-Aside for Revenue Stabilization (1%)	0	0	200,000	0	0	0
Set-Aside for Cardiac Monitors & Auto Pulse	0	0	360,000	360,000	360,000	360,000
Total Patient Care Expenditures	15,584,906	15,883,928	17,048,260	17,005,522	17,174,060	17,656,488

Billing Expenditures:

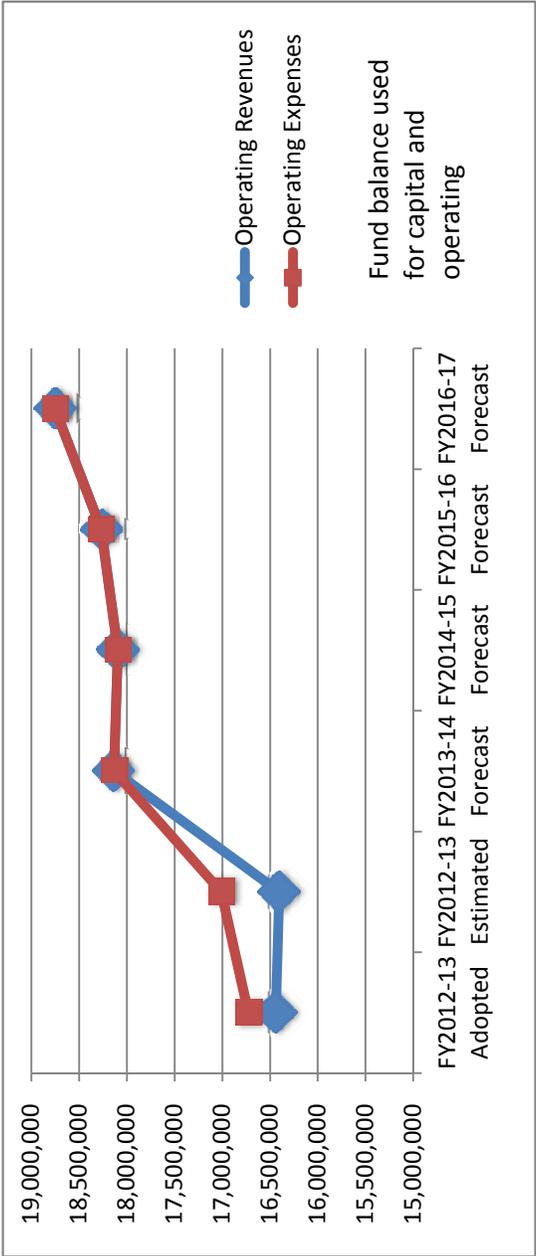
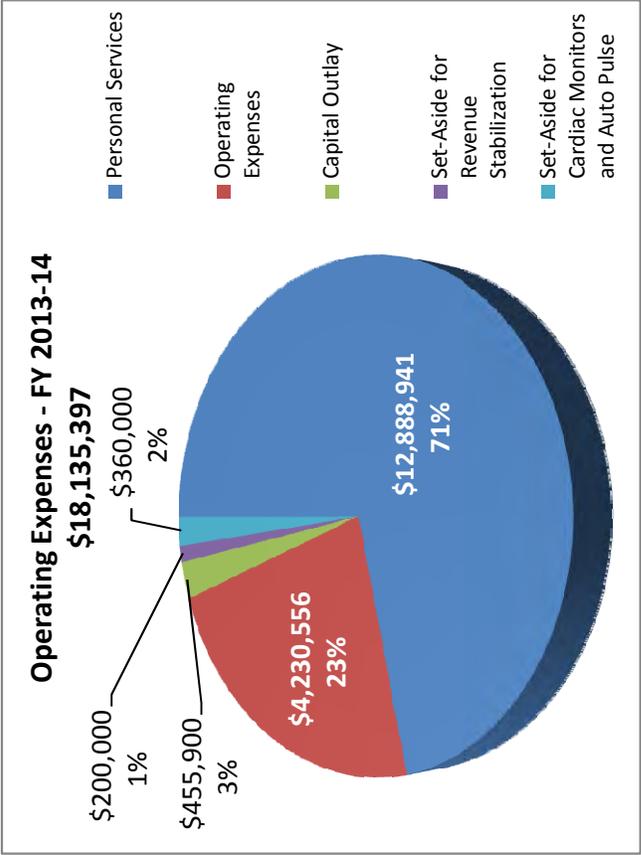
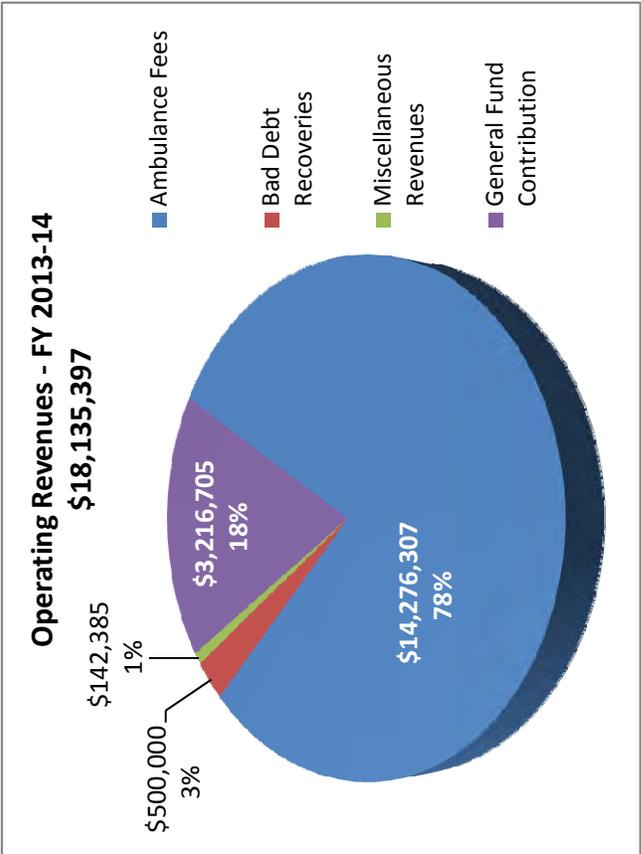
Personal Services	749,985	769,793	741,318	741,318	741,318	741,318
Operating Expenses	391,613	356,653	345,819	348,786	351,155	353,639
Total Billing Expenditures	1,141,598	1,126,446	1,087,137	1,090,104	1,092,473	1,094,957
Total Expenses	16,726,504	17,010,374	18,135,397	18,095,626	18,266,533	18,751,445

REVENUES LESS EXPENDITURES	0	0	0	0	0	0
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1% Salary increase equals \$105,176

Set-Aside for Revenue Stabilization	0	0	200,000	200,000	200,000	200,000
Set-Aside for Cardiac Monitors & Auto Pulse	0	0	360,000	720,000	1,080,000	1,440,000
Total Reserves	0	0	560,000	920,000	1,280,000	1,640,000

Fund: 002 Emergency Medical Services



Fund: 130 - Economic Development

Fund Overview

The Economic Development fund was created in 2001 to promote and implement the County Council goals for a comprehensive countywide economic development program. Economic Development receives funding from the General Fund to support all economic development programs and services. Economic Development is responsible for the County's legislative affairs, working with senior management as well as contracted lobbyists and professional organizations to track federal and state issues of importance to Volusia County and to develop and present the County's priorities for legislative action. The division implemented a business incubator program in cooperation with the University of Central Florida (UCF) to foster growth of local enterprises. Development Programming provides local financial support for business expansion and business recruitment activities in coordination with the goals and objectives outlined in the County's Economic Development Strategic Plan, including support for Team Volusia Economic Development Corporation (TVEDC). Local funds are leveraged through cooperative programs such as the state's Qualified Tax Incentive (QTI) and Qualified Defense Space Contractor (QDSC) Programs to expand the benefits for Volusia County manufacturers and other higher wage businesses. Developed in 2006, DeLand Crossings Business Park is a 43 acre county-owned industrial site that contains 6 lots as well as areas for wetland preservation; 2 lots remain. Economic Development leveraged local, state and federal funds to construct infrastructure including roads, water and sewer, and electrical utilities at this site. Economic Development is also using these methods to develop the Airport Corporate Park at Daytona Beach International Airport. Economic Development will continue to market the sites to attract new businesses or allow existing businesses to expand.

Assumptions

FY13 Budget – as outlined in budget document page E-68.

Revenues:

General Fund annual contribution has increased to \$2,259,952 an increase to fund current operating expenditures. The chart below is a history of economic development efforts:

Description	FY10-11	FY11-12	FY12-13	FY13-14 (F)	FY14-15 (F)
General Fund	1,577,443	1,577,443	1,577,443	2,259,952	2,259,952
Commuter Rail	1,200,000	1,200,000	1,200,000	1,200,000	3,115,404
CRA - General Fund	4,962,450	4,433,019	4,288,172	4,395,376	4,505,260
Total	<u>7,739,893</u>	<u>7,210,462</u>	<u>7,065,615</u>	<u>7,855,328</u>	<u>9,880,616</u>

The above chart illustrates Community Redevelopment Area (CRA) - General Fund. There are currently 15 authorities in Volusia County. There are no adjustments in the above numbers for expansion within the CRA or additional CRA proposals. The Commuter Rail payment is for the annual debt service associated with the Sunrail construction.

Interest income declines by percentage change of reserve balance.

Fund: 130 Economic Development

Expenditures:

Personal Services in FY14 and beyond includes new FRS rates and no salary adjustments.

Total Positions: 12

Total Funded: 9

Total Unfunded: 3

Operating Expenses:

Office lease with Airport is projected flat with estimate.

Marketing budget reduced 45% based upon the transfer of business recruitment responsibilities to TVEDC.

Development Programming contracts reduced 65% for engineering and consulting studies.

Postage-County FY15, FY16 and FY17 increase by 1.5% each year.

Utilities - FY15, FY16, and FY17 increase by 2.5% each year.

Insurance-Liability - FY15 increase by 10%, FY16 & FY17 increase by 8% each year.

Property Insurance - FY15 increase by 10%, FY16 and FY17 increase by 8% each year.

Incubator rent includes capital refunding that will be paid off in June, 2016. FY16 and FY17 rent assumes renewal at current lease rate.

There are no expenditures reflected in the projection for Westside incubator efforts. Currently we are awaiting results from consultant's study.

Reserves :

Reserves from fund balance forward are used to award incentive grants as approved on a case by case basis by Council.

Fund: 130 Economic Development

Policy Direction

The presentation for the forecast for the Economic Development Fund includes an increase of \$682,509 in the annual General Fund contribution. The Economic Development Fund has been using fund balance proceeds from prior years to fund operations and the incentive programs. In FY2015-16, the reserves would be fully exhausted if the increase is not made. Options to address funding for Economic Development would also include:

1. Reduce the level of service.
 - 1.1. Eliminate federal lobbyist - \$72,000
 - 1.2. Eliminate support for Brawl at the Beach - \$20,000
 - 1.3. Eliminate support for LPGA Symetra tour - \$25,000
 - 1.4. Eliminate support for Buy Local program - \$25,000
 - 1.5. Eliminate one-time funding for DBIA Beville Road entrance - \$1,135,734
2. Review countywide financial commitments for economic development.
3. No provisions for expansion or new CRA's.
4. No provisions for large economic development/incentive projects or partnerships.

**VOLUSIA COUNTY 5 YEAR FORECAST
FUND: 130 Economic Development**

	FY2012-13 Adopted	FY2012-13 Estimated	FY2013-14 Forecast	FY2014-15 Forecast	FY2015-16 Forecast	FY2016-17 Forecast
Revenues:						
Transfer - General Fund	1,577,443	1,577,443	2,259,952	2,259,952	2,259,952	2,259,952
Misc. Revenues (Rent, sales, interest)	48,950	34,950	28,025	17,639	17,301	16,950
PY Fund Balance Operating	639,520	1,590,163	8,820	37,201	38,731	
PY Fund Balance CIP One-Time	1,135,734	56,843	1,135,734			
Operating Revenues	3,401,647	3,259,399	3,432,531	2,314,792	2,315,984	2,276,902

Expenditures:

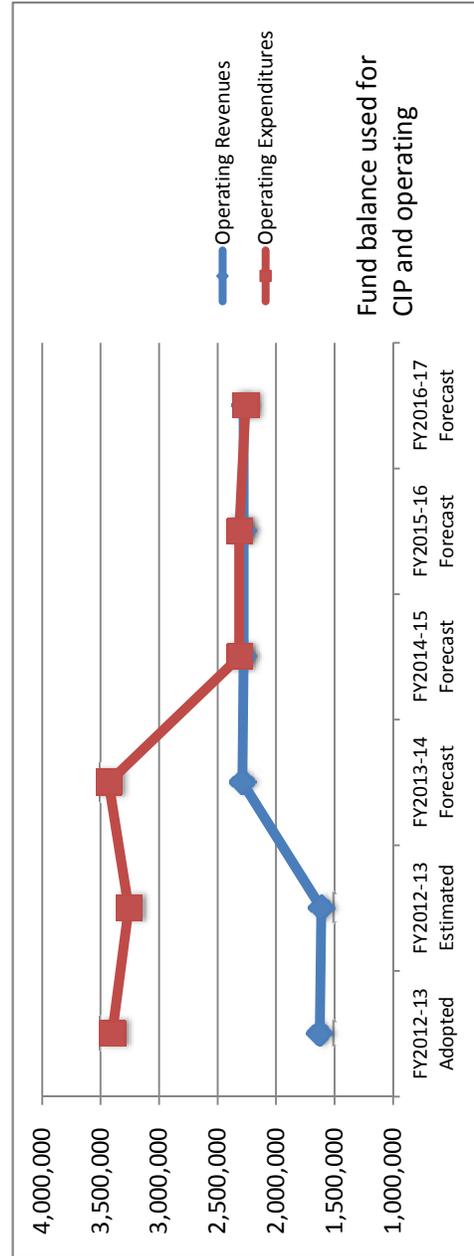
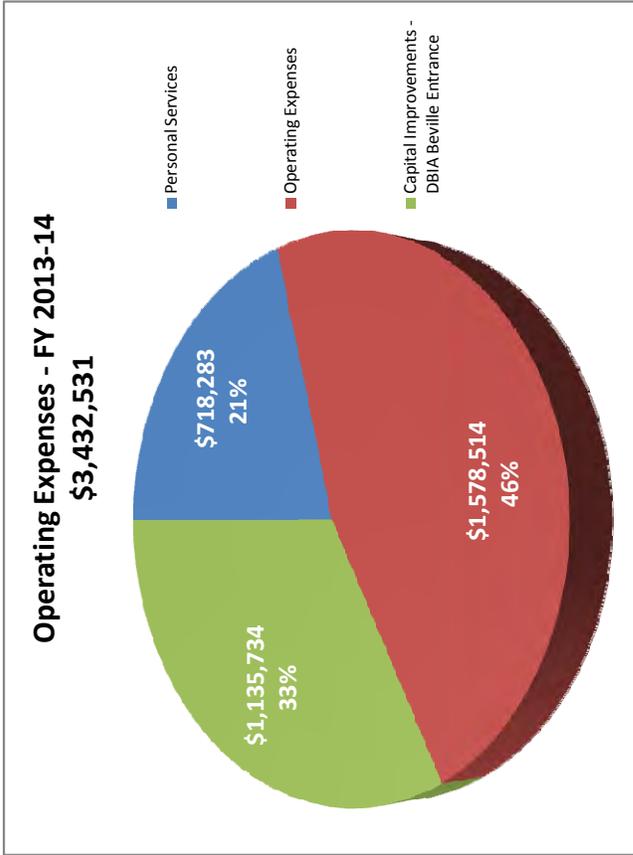
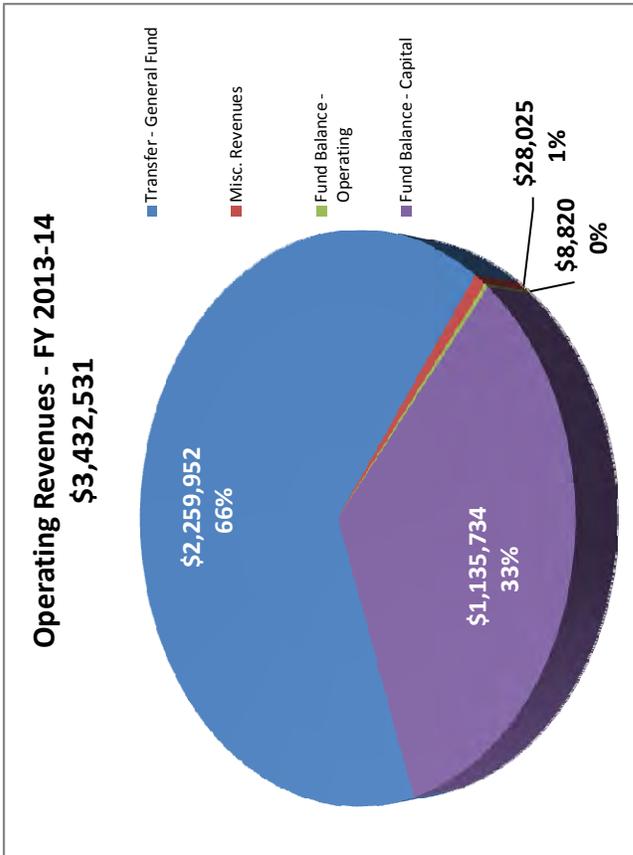
Personal Services	727,369	717,433	718,283	718,283	718,283	718,283
Operating Expenses	886,374	916,074	621,999	623,175	624,274	625,456
Team Volusia	250,000	250,000	250,000	250,000	250,000	250,000
Incubator Program	270,239	383,534	348,243	364,957	364,957	307,642
Legislative Program - operating	131,931	143,315	133,272	133,377	133,470	133,571
Incentive Program	0	792,200	225,000	225,000	225,000	225,000
Capital Improvements - DBIA Beville Entrance	1,135,734	56,843	1,135,734			
Operating Expenses	3,401,647	3,259,399	3,432,531	2,314,792	2,315,984	2,259,952

REVENUES LESS EXPENDITURES	0	0	0	0	0	16,950
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1% Salary increase equals \$6,446

Reserves - incentive funding	1,180,050	3,088,268	1,943,714	1,906,513	1,867,782	1,884,732
Total Reserves	1,180,050	3,088,268	1,943,714	1,906,513	1,867,782	1,884,732

FUND: 130 Economic Development



COUNTY OF VOLUSIA, FLORIDA
INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
FIVE-YEAR BUDGET FORECAST,
FISCAL YEARS 2013-2017

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

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

At your request, we have performed certain agreed-upon procedures, as enumerated below, with respect to the County of Volusia, Florida's five-year budget forecasting report for the years ending September 30, 2013, 2014, 2015, 2016, and 2017 (the Forecast). These procedures, which were agreed to by the County of Volusia, Florida (the County), were performed solely to assist you in assessing the overall consistency and accuracy of the methodologies and underlying assumptions used by management in preparing the Forecast. The County's management is responsible for the Forecast.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the County. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. For each of the funds identified below, we performed the following procedures:
 - a. Identify the key assumptions developed by management underlying the revenue and expenditure projections over the course of the Forecast period.
 - b. Identify those assumptions most subject to change, whether due to external factors or at the discretion of management and the County Council.
 - c. Compare the amounts and trends within the forecast to the key assumptions. Identify any inconsistencies in applying the key assumptions.
 - d. Identify any unusual or inconsistent budget practices between different years within the Forecast and/or variances between different funds.

General Observations:

In the following sections of our report, various findings and comments are outlined regarding our performance of the above procedures specific to each individual fund included in the scope of the engagement. However, some trends were noted across funds that we considered relevant to identify at

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

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an overall level, even though they may also be discussed at the fund level in some instances. These items include:

- a) Operating expenditures in many funds have been forecasted to remain relatively flat, with few provisions for inflationary or other likely increases. While we understand various departments may be asked to cut other items out of their budget in order to stay within the overall confines of the budget, we noted many of these instances to be those in which management and the County Council may want to consider a more conservative approach in which inflation is factored into the expenditure trends.
- b) Effective June 1, 2013, new Florida Retirement System (FRS) rates went into effect, resulting in a significant increase in ongoing retirement costs to the County. Beginning with the forecasted expenditures in 2014, total additional retirement costs to the County are approximately \$3.2 million. Such amounts have been recorded as increases in the respective funds.
- c) As identified at the fund level for many funds throughout this report, the Forecast does not reflect any pay raises for employees. As such, we noted total personal services expenditures to remain constant in almost all funds, except for FRS increases.
- d) In the forecasted operating expenditure section of many funds, we noted all funds with the applicable expense categories made use of the same annual inflationary adjustments in the following categories:
 - a. Postage: 1.5% annual increase in years 2015 through 2017.
 - b. Utilities: 2.5% annual increase in years 2015 through 2017.
 - c. Property Insurance: 10% increase in 2015; 8% annual increase in years 2016 and 2017.
 - d. Janitorial Services: 1.5% annual increase in years 2015 through 2017.
 - e. Fuel: 2% annual increase in years 2015 through 2017.
 - f. Capital outlay and capital improvements reflect detailed capital improvement plan schedules.
 - g. Debt service payments are forecasted as outlined in the respective debt service schedules.

Enterprise Funds:

440 – Waste Collection

- a) The waste collection fund assesses a non-ad valorem assessment on the annual property tax bills for parcels in unincorporated Volusia County, which accounts for the majority of the fund's revenues. These revenues have been estimated at \$8.31 million for fiscal year 2014 and forecasted for 0.05% increase in unincorporated residential units in all subsequent years. Miscellaneous revenues have been forecasted to be \$170,000 in all years, slightly below the estimated 2013 level of \$176,000.

Expenditures are dependent upon the contract with the County's garbage and recycling hauler, Republic Services, and forecasted to remain flat at a level of \$7,519,765 in 2014 and 2015. The contract with the hauler provides for up to a 3% one-time increase beginning in fiscal year 2016, and such increase in the amount of \$225,593 has been reflected in the 2016 and 2017 forecasts. The contract also provides for the hauler to petition for an increase related to fuel costs should such costs increase by greater than 10%; no provision has been made for such increases. Other internal costs, such as personal services and other operating expenditures, have been forecasted to remain flat.

Reserves are projected to be approximately \$1.46 million at the end of 2013 and forecasted to increase by approximately \$193,000 in years 2014 and 2015. However, after the projected 3% increase in the hauler contract noted above, revenues are not forecasted to be sufficient to cover expenditures and approximately \$31,000 of reserve use is forecasted in years 2016 and 2017 to cover the shortfall. No specific purpose has been identified for the use of the estimated \$1.78 million reserve balance at the end of fiscal year 2017.

- b) The special assessment for these services is currently \$190 per unincorporated residential unit and could be increased to a maximum of \$240 per unit at the discretion of the County Council via ordinance. Substantial incremental costs could also be experienced in the event of significant fuel cost increases (based on natural gas costs) being petitioned into a contract revision with the hauler. The use of the fund reserves, which currently equates to nearly 3 months of operating expenditures, is at the Council's discretion.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the potential hauler contract adjustments discussed above to the underlying contract.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

450 – Solid Waste

- a) Solid waste revenues have been forecasted to remain consistent with estimated 2013 levels. This includes the haulers franchise fees totaling \$360,000 and landfill tipping fees totaling \$12.5 million annually. Investment and other miscellaneous revenues have also been forecasted to remain flat at approximately \$462,000.

Expenditure assumptions included a flat level of personal services costs, reflective of no raises during the Forecast period. Operating expenditures are estimated to finish 2013 around \$7.21 million before substantially increasing to \$8.48 million in the 2014 forecast due to major equipment and facility repairs and costs; 2015 forecasted expenditures decrease back to \$7.44 million and then increase by approximately 2% in years 2016 and 2017. Capital outlay expenditures have been forecasted in accordance with the division's 5-year capital outlay and improvement plan, and long-term care costs have been forecasted to experience an annual 2% increase.

Reserves are set aside as required to fund the landfill closure and post-closure costs and forecasted to total approximately \$9.9 million at the end of the Forecast period.

- b) The forecasted revenues assume no change in landfill tipping fees and could be subject to change in the event of a modification to the tipping fee charge structure or any external events resulting in a substantially lesser quantity of materials being disposed of at the landfill. The long-term care estimates could vary substantially in the event of any significant changes to the engineering estimates provided related to the landfill closure and post-closure costs.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the assumptions related to capital outlay activity and growth in long-term care expenditures to the respective capital improvement plan and the United States Department of Commerce report referenced in the Forecast document.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

451 – Daytona Beach International Airport

- a) The most significant source of airport fund revenue is the business income line item, which ranges from estimated 2013 revenues of \$10.14 million to forecasted 2017 revenues of \$10.62 million. Annual increases range from 1% to 2% and are primarily derived based on a 2% increase in lease contracts and 3% forecasted annual increases in parking and ground transportation revenues. Passenger facility charge (PFC) revenues have also been forecasted

to increase by 3% annually. Federal and state grant funding in the forms of Federal Aviation Administration innovative financing and law enforcement officer grants have been forecasted to remain constant at the estimated 2013 revenue level of \$2,137,460. Capital grant revenues and expenditures are not taken into account in the Forecast.

Expenditure assumptions included a flat level of personal services costs, with no raises during the Forecast period. Operating expenditures have generally remained flat except for various increases as outlined in the Forecast document and substantial fluctuation in repairs and maintenance based on the planned timing of significant maintenance projects. Capital outlay and debt service expenditures have been forecasted in accordance with capital improvement plans and debt service schedules.

Reserves are generally projected to be in the \$14-\$15 million range. Of such reserves, amounts ranging from \$1.73 million to \$2.11 million are to cover various debt reserve requirements, \$12 million is maintained as a revenue stabilization fund in the event the airport lost a major airline carrier, and the remainder, forecasted to increase to \$1.33 million by the end of 2017, is reserved for future capital projects.

- b) The addition or subtraction of an airline servicing the Daytona Beach International Airport could have a substantial impact on airport revenues. This forecast assumes that airlines and air traffic will remain relatively consistent during the period. Any changes to operating grants or PFC funds could potentially have an adverse effect on the overall funding of the airport operations. Timing of significant capital outlay or maintenance projects could potentially be modified based on funding needs. The revenue stabilization reserve requirement could be altered or the use of certain reserves could be used for different purposes at the discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedules. We agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

457 – Water and Sewer Utilities

- a) Based on historical trend analysis and the most recent utility rate schedule, as approved by County Council on 4/21/2011, the Forecast has assumed an annual increase in all water and sewer revenues of approximately 2.6%. Miscellaneous revenues have been forecasted to be approximately \$425,000 in years 2014 through 2017. Capital grant revenues and expenditures are not taken into account in the Forecast.

Expenditure assumptions included a flat level of personal services costs, reflective of no raises during the Forecast period. Operating expenditures have remained relatively consistent around \$6.1 million annually in the Forecast, with increases from year 2015 through 2017 due to assumed increases ranging from 1.5% to 10% in fuel, utilities, postage, insurance, and maintenance costs as outlined in the Forecast document. Capital outlay and debt service expenditures have been forecasted in accordance with capital improvement plans and debt service schedules.

Target unrestricted reserves are 5% of operating revenues, or approximately \$777,000 at the end of the Forecast period. Actual reserves are forecasted to fall slightly below targeted amounts in years 2015 and 2017 based on substantial spending down of reserves for capital projects in years 2013 through 2015.

- b) We noted water and sewer revenues to have remained relatively constant in recent years. The rate structure is at the discretion of the County Council. The timing and extent of capital

expenditures could also be modified to reduce the degree to which reserves are forecast to be spent down in 2014 (\$5.3 million) and 2015 (\$1.05 million).

- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedules. We agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

475 – Parking Garage

- a) Parking garage revenues, with the exception of investment and other miscellaneous income, are entirely derived from fees charged for parking at the Ocean Center parking garage. The Forecast assumes a slight decrease in revenues from fiscal year 2012 actual revenues (\$2.389 million) and estimated fiscal year 2013 revenues (\$2.355 million) with revenues forecasted in the amount of \$2,337,755 for fiscal years 2014 through 2017. Such reduction is based on an internal analysis of year-to-date collections in which actual special event revenues were approximately 5% less than budgeted.

Personal service expenditures for years 2014-2017 are forecasted in line with 2012 actual expenditures and estimated 2013 costs and remain flat with no forecasted raises. Forecasted operating expenditures decrease in 2014 from estimated 2013 expenditures due to the timing of significant maintenance and repairs. Ongoing operating expenditures have been forecasted to remain relatively consistent with no significant changes noted over the Forecast period. 2013 capital outlay expenditures were primarily for a new elevator.

Small amounts of fund reserves are forecasted to be used throughout the period, primarily for capital purposes but with some amounts forecasted to be used for operating purposes in 2013 estimated amounts (\$14,972) and 2017 forecasted activity (\$22,430). Reserves have been forecasted to decrease from approximately \$272,000 to \$185,000 over the course of the Forecast period.

- b) Revenues in 2013 are estimated to decrease from the prior year, and should additional reductions occur in subsequent years there will be a shortfall in revenues to cover expenditures that would require the further reduction and control of expenditures or use of fund reserves. The timing of various capital outlay expenditures may potentially be able to be modified.
- c) We noted no inconsistencies in the application of the key assumptions. Debt service payments were agreed to the respective debt service schedules.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Special Revenue Funds:

106 – Tourist Development Tax

- a) The activity within the tourist development tax fund is primarily dependent on short-term rental tax collections (3% tax rate), with the estimated fiscal year 2013 amounts based on a combined analysis of year-to-date collections and past years' history. Using the estimated fiscal year 2013 amounts as a base, a 2% growth factor in tax revenues has been applied to each consecutive year in the Forecast. This 2% factor was applied based on the State of Florida Department of Revenue Office of Economic and Demographic Research projections.

Expenditures within the fund include a 2% service charge from the general fund for administering the tax receipts and distributions. The remaining balances are restricted by State statute and ordinance and subsequently forecasted to be first used to meet the debt service requirements on the Series 2002 and Series 2004 tourist development tax bonds, with the remainder to be transferred to the Ocean Center fund.

- b) The 3% tax rate is set by the County Council and has been pledged as collateral to the Series 2002 and Series 2004 tourist development tax revenue bonds. Tourist development tax revenues are dependent upon the quantity of and prices charged for short-term rentals. Revenues could vary substantially from forecasted amounts in the event of significant variances from the growth assumptions used, or due to any significant events resulting in decreased tourism activities. The adverse impact of any such unfavorable variances likely would ultimately be observed within the Ocean Center fund. Additionally, the administrative service charge from the general fund could be increased from 2% to as much as 3% at the discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the 2% growth assumption to the state report referenced in the Forecast document. We also recalculated the 2% general fund administrative fee charges, noting no exceptions, and agreed all forecasted transfers out of the tourist development tax trust fund to the related transfers in to the tourist development tax revenue bond fund.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

108 – Sales Tax Trust

- a) The sales tax trust fund revenues are almost entirely derived from the County's discretionary half-cent sales tax and allocated, based on population in the incorporated versus unincorporated areas of the County, between the general fund and municipal service district fund. The most significant assumption related to these revenues is the continuance of the discretionary sales tax at the half-cent level following the expiration of the current rate in December 2016. The Forecast assumes the tax will continue through 2017 and projects a 4% annual increase in sales tax revenues in fiscal years 2014-2017 based on a trend analysis of prior year revenue history, which we noted to be consistent with a 4% projection per the State of Florida Department of Revenue Office of Economic and Demographic Research projections.

Expenditures are entirely driven by revenues. As outlined in the Forecast document, revenues allocated to the general fund are first used to cover debt service requirements, followed by an annual \$1,279,979 transfer to the Ocean Center fund, and the residual funds are transferred to the general fund. The MSD allocation is first used to cover debt service requirements, with the residual balance then being transferred to the municipal service district fund. Once debt requirements are satisfied, the County can allocate these funds at management or the County Council's discretion.

- b) The half-cent sales tax is a discretionary additional sales tax that currently is set to expire in December 2016. Though discretionary, some amounts have been pledged as collateral to the related debt issuances. Based on the continuance of the same rate, actual revenues could be less than forecasted amounts if the 4% growth assumption is not met; in such instances, the adverse impact of unfavorable variances would be most observed in the general and/or municipal service district funds. Further, different amounts could ultimately be transferred to the general fund if the forecasted annual transfer for the Ocean Center fund was modified.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all forecasted transfers out of the sales tax trust fund to the related transfers in to the general fund, Ocean Center fund, debt services funds, and municipal service district fund.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

111 – Convention Development Tax

- a) Like the tourist development tax fund above, the activity within the convention development tax fund and of the County's three advertising authorities is primarily dependent on short-

term rental tax collections (3% tax rate), with the estimated fiscal year 2013 amounts based on a combined analysis of year-to-date collections and past years' history. Such analysis was performed for each of the three advertising authorities individually. Using the estimated fiscal year 2013 amounts as a base, a 2% growth factor in tax revenues has been applied to each consecutive year in the Forecast. This 2% factor was applied based on the State of Florida Department of Revenue Office of Economic and Demographic Research projections.

Expenditures within the fund include a 2% service charge from the general fund for administering the tax receipts and distributions. The remaining balances are restricted by State statute and ordinance and subsequently forecasted to be distributed to the respective advertising authorities, who are each responsible for setting their own budgets to be approved by the County Council.

- b) The 3% tax rate is set by the County Council. Convention development tax revenues are dependent upon the quantity of and prices charged for short-term rentals. Revenues could vary substantially from forecasted amounts in the event of significant variances from the growth assumptions used, or due to any significant events resulting in decreased tourism activities. However, any such fluctuations would likely be passed through to the individual advertising authorities. Additionally, the administrative service charge from the general fund could be increased from 2% to as much as 3% at the discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the 2% growth assumption to the state report referenced in the Forecast document. We also recalculated the 2% general fund administrative fee charges, noting no exceptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

115 – E-911 Emergency Telephone System

- a) Revenues in the E-911 fund are restricted by State statute for the establishment or enhancement of 911 services and are distributed to the County on a monthly basis. Such amounts can vary from year-to-year based on both the revenues received by the state and the allocation to the County. We noted the revenues were forecasted \$2.38 million in all future years of the Forecast after a \$2.30 million estimated fiscal year 2013 result, both of which are below the lowest level of revenues in the preceding 5 years, which ranged from \$2.38 million to \$2.74 million. Investment revenues have been forecasted at a lower level (\$10,000) in future years than actual results in recent years, which have ranged from approximately \$25,000 to nearly \$100,000.

All personal services expenditures have been budgeted to remain flat with no raises over the course of the Forecast period. With the exception of a \$200,000 budgeted expenditure for computer software as discussed in the Forecast document, operating expenditures have been forecasted to remain flat, with the exception of minimal increases, at a level of approximately \$1.44 million. Transfers out to the general fund have been forecasted at an annual level of \$940,559 based on the estimated cost of providing 911 services, and transfers to the municipal service district fund are forecasted at an annual level of approximately \$46,000 which represents the costs to reimburse the MSD fund for geographical information system maintenance.

- b) The County has experienced an overall decrease in E-911 revenues over the past 5 years. Based on the State statutes over 911 fees, the State is to distribute 67% of the fees collected in the wireless category and 97% of fees collected in the non-wireless category. Based on recent trends in which more and more individuals and business are utilizing wireless phone services in place of land-lines, it is possible the County could experience more decreases in these revenues in future years if revenues continue to shift from non-wireless to wireless.

- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

118 – Ocean Center

- a) Charges for services revenues are forecasted to increase approximately \$288,000, or 24%, over estimated 2013 levels in 2014. The Forecast maintains a constant level of such revenues in 2015 before applying 2% and 3% growth factors in 2016 and 2017, respectively. Miscellaneous revenues are forecasted to remain in line with 2013 estimated amounts of approximately \$340,000, and the remaining revenues are made up of transfers from the sales tax and tourist development tax funds.

Expenditure assumptions included a flat level of personal services costs, reflective of no raises during the Forecast period with personal services forecasted to remain at a level of approximately \$1.92 million in years 2014-2017. Operating expenditures have been forecasted around the estimated 2013 level of \$3 million, with various fluctuations due to the growth of certain line items identified in the Forecast document and timing of significant repair and maintenance activities.

Reserves for future capital, estimated to be approximately \$668,000 at the end of 2013, are projected to be used during the period and fully depleted as of 2017. Operating reserves are forecasted to be \$309,829 at the end of the Forecast period, slightly below the target fund stabilization reserve of \$328,758, or 5% of annual revenues.

- b) Charges for services revenues are forecasted to increase approximately 26% over estimated 2013 levels, as noted above. While such estimates are based on anticipated revenues given the scheduled events and participants, we noted this to be a significant projected increase for which a significant shortfall would occur if actual revenues were more in line with management's current estimate of ending 2013 revenues. Significant variances in actual expenditures could occur as a result of any modifications made to capital funding plans at the direction of the County Council. Revenue stabilization reserves could also be used for a different purpose at the Council's discretion.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service transfers out to the respective fund transfers in and debt service schedule. We also agreed the annual transfers in from the sales tax and tourist development tax funds to the respective transfers out of those funds.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

121 – Special Assessments Capri Dr. and West Highlands

- a) The key assumptions related to the special assessment fund relate primarily to the timing of the special assessment revenues recognition. Due to the fact that the future revenues to be recognized are based on numerous individual repayment schedules, the timing of recognition and fluctuation in annual revenues was projected based on an extrapolation of percentage decreases over recent years. Expenditures were limited to debt service payments.
- b) Based on the methodology discussed above, the timing of revenue recognition could vary from the forecasted amounts within individual years. However, total revenues to be recognized were properly limited to total deferred revenues. Reserves in the estimated amount of approximately \$1.7 million are restricted by ordinance for the purpose of maintaining and paving dirt roads within the special assessment district.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the total revenues recognized over the Forecast period to the respective deferred revenue amounts,

none of which exceeded the special assessment deferred revenue balance as of September 30, 2012. Debt service transfers were agreed to the respective debt service schedules.

- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

123 – Inmate Welfare Trust

- a) Revenues in the inmate welfare trust fund are restricted by State statute to be used for the benefit of inmates and derived from commissions on certain sales at the corrections facility based on agreements with third party vendors, as outlined in the Forecast document. These commission revenues were forecasted to remain consistent at an annual level of \$520,000, in line with fiscal year 2012 actual revenues of approximately \$522,000 and estimated fiscal year 2013 revenues of approximately \$530,000.

Annual expenditures include a flat budget of approximately \$87,000 for personal services under the assumption no raises will be provided over the Forecast period, and minimal increases have been applied to annual operating expenditures of approximately \$234,000. The fiscal year 2014 amounts include an additional \$303,000 related to software costs, video visitor stations, and capital improvements as outlined in the Forecast document. Based on the above assumptions, reserves are projected to total approximately \$2 million at the end of fiscal year 2013 as forecasted to grow to just over \$2.5 million at the end of the Forecast period. As noted above, the use of any accumulation of reserves is restricted to specified purposes as outlined in the State statutes.

- b) The contracts with the two outside parties from which commission revenues are derived both expire during fiscal year 2014. In the event of any significant modifications to the contracts as part of extensions or contracts with new vendors, commission revenues could vary substantially.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

134 – Road Impact Fees, Zone 4

- a) Impact fees are earned by zone and restricted by ordinance for use toward road projects within that zone, the first requirement of which is to cover the required debt service payments on bonded road projects within the zone. Based on past history and year-to-date progress in fiscal year 2013, fiscal year 2014 commercial impact fee revenues were forecasted in the amount of \$200,000, and each subsequent year's revenues have been increased by an additional 1%. No additional provisions have been made for residential impact fee revenues.

Expenditures have been included in the amounts of approximately \$3.57 million and \$3.42 million in fiscal years 2013 and 2014, respectively, for capital projects related to Orange Camp/Martin Luther King and Kepler Rd. expansion projects in Deland. Transfers to the local option gas tax revenue bond fund are scheduled on an annual basis.

Reserves relate to several years accumulation of fund balance and have been estimated to total approximately \$4.68 million at the end of fiscal year 2013. Based on the significant planned capital improvements in fiscal year 2014 identified above and forecasted shortfall of revenues compared to debt service requirements in subsequent years, reserves are forecasted to be spent down to approximately \$535,000 at the end of fiscal year 2017. Management has indicated they expect such erosion of fund reserves to continue and, as a result, for county transportation trust fund gas tax revenues to potentially be required to help fund the debt service requirements in future years.

- b) The road impact fee revenues could vary substantially from year to year based on commercial and, when reinstated, residential development. We noted no substantial increases were

forecasted in future years. They could increase significantly if the temporary suspension of impact fees is phased out as scheduled by July 2015, and the economy continues to recover. In the event of long-term shortfalls in revenues to cover debt service requirements, a negative impact could ultimately be experienced in the county transportation trust fund.

- c) We noted no inconsistencies in the application of the key assumptions. We agreed all forecasted transfers out of the fund to the respective transfers in to the local option gas tax revenue bond fund.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

135 – Park Impact Fees, Countywide

- a) The key assumptions in the park impact fees fund relate to the 2013 capital improvement expenditures for the Beck Ranch, Trails land acquisition, and Trails development, totaling nearly \$1.4 million, as well as the fund reserves of approximately \$1.56 million to be spent down during fiscal year 2013. Revenues were budgeted to remain flat with approximately \$10,000 in both impact fees and investment income forecasted on an annual basis. No expenditures were forecasted in future years for the purposes of allowing revenues to help build reserves totaling nearly \$250,000 at the end of fiscal year 2017. Such reserves are restricted for their intended use related to park development and improvements.
- b) While park impact fee revenues are restricted by ordinance, any planned capital projects could change at the County Council's discretion. Additionally, any modifications to the current temporary suspension of residential impact fees could affect future revenues, which are also subject to a certain level of fluctuation due to the inherent one-time nature of such fees.
- c) We noted no inconsistencies in the application of the key assumptions. As part of assessing the budgeted impact fee revenues of \$10,000 annually, we researched prior year balances and noted the related revenues in this fund for the fiscal year 2010, the last full year in which the residential impact fees were in effect, to be approximately \$50,000. Based on the phase-in of these impact fees beginning in July 2013 through 2015, we noted the forecasted revenues to simply be budgeted in even, conservative amounts over the course of each year in the Forecast.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

159 – Stormwater Utility

- a) The stormwater utility fund assesses a non-ad valorem assessment on the annual property tax bills for parcels in unincorporated Volusia County, which accounts for the majority of the fund's revenues. These revenues have been estimated at \$4.49 million for fiscal year 2013 and forecasted for the same amount in fiscal year 2014. A one-time increase of approximately 2% to \$4.5 million in stormwater fee revenues has been forecasted for fiscal year 2015 and succeeding years. Miscellaneous revenues have been forecasted to remain relatively consistent, the majority of which is interest revenue that has been projected based on estimated reserve balances and fiscal year 2012 rates of return.

Expenditures for personal services have assumed no raises and remained constant for fiscal years 2014 through 2017 in the amount of approximately \$2.74 million. These amounts were increased from estimated 2013 expenditures by approximately \$108,000, largely due to the implementation of new Florida Retirement System contribution rates. Ongoing operating expenditures have been forecasted in slowly-increasing amounts, just under \$1.7 million in total. Reimbursements received from the public works department are forecasted in all future years to remain at \$2,205,000, the same amount budgeted and estimated for fiscal year 2013. Annual expenditures on capital outlay have generally been forecasted around \$2.4 million

each year and have been based on the division's five-year capital outlay and improvement plans.

Reserves are forecasted to stay near \$5 million throughout the duration of the forecast period.

- b) The only forecasted fluctuation in revenues, which are ultimately dependent on any development in unincorporated Volusia County and the adopted stormwater fee, is a one-time 2% increase in fiscal year 2015. The modification of capital improvement projects could result in substantial changes to the timing and use of reserve funds. Current and future revenues and reserves are restricted by ordinance for use within the stormwater management system.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all forecasted capital improvement expenditures to the five-year capital outlay and capital improvement plans.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

172 – Federal Forfeiture

- a) The key assumptions affecting the federal forfeiture fund relate to the forecasted revenues coming into the fund and intended use of fund balance and future revenues. Based on the lower end of past revenues, the Forecast has assumed \$250,000 of forfeiture revenues in fiscal year 2013 and \$200,000 in forfeiture revenues in years 2014-2017. Budgeted expenditures include planned equipment purchases and renovations as outlined in the Forecast document. Based on the above revenue and expenditure projections, fund reserves are forecasted to vary within the \$150,000-\$300,000 range. All past and future revenues are restricted for law enforcement purposes based on State statute.
- b) As long as the funds are used as legally required for law enforcement purposes, the planned purpose for usage of the funds could be changed. The most significant area where material variances could occur relates to the forecasted revenues, due to the unpredictability of the frequency and magnitude of any events resulting in forfeitures.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Capital Projects Funds

305 – Capital Outlay

- a) We noted the key assumptions in the capital outlay fund to be centered on the accumulation of reserves for the update of the County's public safety radio system, planned to begin in fiscal year 2017-2018 at an estimated cost of \$10 million. Additional smaller projects were also planned as identified in the Forecast. Approximately \$410,000 in annual traffic fine surcharges were forecasted to remain constant, and significant transfers were budgeted to be received from the general, municipal service district, and fire services funds totaling \$8,750,000, \$250,000, and \$280,000, respectively, over the Forecast period. Reserves are forecasted to grow to nearly \$9 million by the end of fiscal year 2016-2017.
- b) Funding requirements and uses could change substantially upon a change in planned CIP projects or if any planned and completed projects ultimately cost substantially more or less than budgeted, the most substantial of which is the public safety radio system update at an estimated cost of \$10 million. Additionally, the accumulation of funds is most contingent upon the largest transfer to help fund the project – a \$5.5 million transfer from the general fund in fiscal year 2016-2017.
- c) We noted no inconsistencies in the application of the key assumptions.

- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

313 – Beach Capital Projects

- a) We noted the key assumptions applied in the trails projects capital project fund were related to expenditures in the planned CIP projects outlined in the Forecast document. Such projects are assumed to be primarily funded by approximately \$1.04 million in ECHO funds during 2014, and \$500,000 on an annual basis from the 5th dollar beach access fee revenues. Additionally, reserves were budgeted to be spent down by approximately \$1 million from \$3.3 million to \$2.3 million during the Forecast period.
- b) Funding requirements and uses could change substantially upon a change in planned CIP projects, or if any planned and completed projects ultimately cost substantially more or less than budgeted. Additionally, the beach access fee revenue monies could be used for other purposes.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

328 – Trails Projects

- a) We noted the key assumptions applied in the trails projects capital project fund were related to expenditures in the planned CIP projects outlined in the Forecast document. Revenues were budgeted based on approximately \$1.6 million in ECHO grant awards in fiscal year 2012-2013 and an annual \$1 million transfer from the ECHO fund. The CIP projects included in the Forecast through 2017 also utilized approximately \$4 million of the \$4.8 million estimated reserves at the end of fiscal year 2013.
- b) In July 2004, the County Council elected to fund trail projects with \$1 million in ECHO funds on an annual basis. While ECHO funds are restricted for their intended use, the portion of this recurring \$1 million transfer in excess of debt service requirements could be modified at the County Council's discretion. Additionally, changes could be made to the planned CIP projects. However, approximately \$500,000 of these transfers each year forecasted to be used for debt service on trails projects.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedule and transfers in for Fund 208.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Debt Service Funds

200 – Summary Series Debt Service Funds

See below for individual procedures performed on each individual fund. For all debt instruments, we noted the assumptions used by management in developing the Forecast are based on the continued existence of all debt as of our report date. Given the current economic conditions as it relates to interest rates and various bonds that have been refinanced in recent years with lower interest rates, we noted a potential likelihood for additional debt issues to change based on the possibility for cost savings through more favorable interest rates. The potential cost savings and effects of any such savings have not been considered in our report.

201 – Subordinate Lien Sales Tax Revenue

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2008 sales tax bonds. The Forecast makes use of \$125,000 of the approximately \$573,000 in beginning reserves on an annual basis for the repayment of the Series 2008 bonds, and budgeted transfers from the sales tax fund are included to cover the excess of debt service requirements over the reserve use.

- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change other than the timing in the application of reserves to ongoing funding requirements.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedule and transfers in from the sales tax trust fund (108).
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

203 – Tourist Development Tax Revenue Bond

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2002 and 2004 tourist development tax bonds. Beginning in 2015, the Forecast projects an annual use of \$50,000 in fund balance reserve to help cover the annual debt service requirements, with the balance covered through a transfer from the tourist development tax fund.
- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change other than the timing in the application of reserves to ongoing funding requirements.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedules.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

204 – Capital Improvement, Series 2012

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2012 sales tax bonds. Budgeted transfers from the sales tax fund equal to annual debt service requirements.
- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedule and transfers in from Fund 108.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

208 – Capital Improvement Revenue Notes, Series 2010

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2010 capital improvement notes. Funding for such requirements is forecasted to come from the following sources: special assessment fund (121) for the obligations of the Capri Drive and West Highlands notes; tourist development tax fund (106) for the obligations of the Ocean Center expansion note; ECHO fund (160 via 328) for the Trails Program note.
- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedule and transfers in from Funds 121, 106, and 328.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

213 & 234 – Local Option Gas Tax Revenue Bond Series 2004 & 2013

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2004 and 2013 local option gas tax bonds. Funding for such requirements is forecasted to come from the County transportation trust fund (103) sixth cent local option gas tax and impact fees from the road impact fee funds (131-134) and is equal to the debt service requirements on an annual basis.
- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedule and transfers in from Funds 103 and 134.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

261 – Limited Tax General Obligation Bonds, Series 2005

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2005 limited tax general obligation bonds. Funding for such requirements is forecasted to come from the annual millage for the ad valorem taxes. Forecasted revenues are equal to the required debt service payments on an annual basis, and include the use of \$50,000 of reserves in years 2014 through 2017.
- b) The millage rate to be assessed as part of annual ad valorem taxes is set by the County Council, and the millage rate may vary depending on the assessed valuations of the property tax base. Such revenues are restricted for the purpose of being used for these debt service payments.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedules.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

295 – Public Transportation Debt Service

- a) The activity within this fund is based on the State Infrastructure Bank loan obtained through the Florida Department of Transportation related to the County's \$26.5 million pledge toward the SunRail project. Only \$5,621,000 has been drawn down on the loan to date and the Forecast assumes future draws as tentatively planned. Debt service requirements are based on the required payments as a result of such future draws. All revenues to fund the project and loan repayments will be through transfers from the general fund.
- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change based on the loan draws to date. The only instance in which a substantial change would likely occur would be if the County did not draw down the full amounts set forth in the loan.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all forecasted debt service requirements to the projected debt service schedule.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

297 – Capital Improvement Debt Service

- a) The overall fund activity is ultimately driven by the principal and interest debt service requirements on the Series 2009A and Series 2009B Capital Improvement Revenue Bonds. Funding for such requirements is forecasted to come from the half-cent sales tax, and

forecasted revenues almost entirely consist of a transfer from the sales tax fund are equal to the required debt service payments on an annual basis

- b) Based on the current debt service requirements and nature of funding, we noted no assumptions highly subject to change.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all debt service payments to the related debt service schedules.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Internal Service Funds:

511 – Computer Replacement Fund

- a) Internal service fund charges to other funds from the computer replacement fund are the entire revenue source for this fund, with the exception of minimal investment income. The charges are forecasted to decrease in total from approximately \$1.22 million to \$1.18 million in 2014 and remain constant through the Forecast period.

Operating expenditures fluctuate due to the planned timing of software upgrades, while the majority of expenditures are for capital outlay and based on the four-year computer replacement program outlined in the Forecast document. The County has a multi-year contract through 2016 for computer procurement, setup, installation, de-installation, disposal, buyback, and warranty with a third-party vendor.

Reserves are projected to fluctuate during the Forecast period due to the timing of expenditures, with a forecasted balance at the end of 2017 of approximately \$2.23 million. No specific purpose outside of the computer replacement program has been identified for the use of these reserves.

- b) The activity most subject to change in this fund relates to the frequency of the replacement program and related expenditures to be incurred during the Forecast period. While it could potentially have a negative impact on organizational productivity, changes could be made to the frequency and/or quality of the computer replacement program. While the total charges to other funds are discretionary (allocations based on the quantity of computers within other funds), any reductions in total charges would result in a shortfall based on the projected expenditures. Total reserves have been projected to decrease from approximately \$3.13 million to \$2.23 million over the Forecast period, and the remaining balance could be used at the discretion of the Council.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

513 – Equipment Maintenance

- a) Internal service fund charges to other funds from the equipment maintenance fund are the entire revenue source for this fund, with the exception of minimal investment and other miscellaneous income. The charges are forecasted to increase in total from approximately \$18.29 million in 2013 to \$20.66 million in 2017. Such increases are based on forecasted increases as follows: 1.046% annual increase in gas and oil cost charges, no change in labor costs and reimbursements, 15% annual increase in parts charges, 5% annual increase in sublets charges, and various replacement program increases based on forecasted expenditures.

Expenditure assumptions included a flat level of personal services costs, reflective of no raises during the Forecast period. Parts and sublets expenditures were forecasted to increase on an annual basis, while fuel and other expenditures were forecasted to increase approximately 2% annually.

Reserves are projected to grow from approximately \$5.58 million to \$10.46 million during the Forecast period, with the balance to be used for significant capital expenditures related to the upgrade and replacement of fleet equipment.

- b) While the majority of the costs absorbed by the equipment replacement fund are charged back to other funds and are for ongoing fleet operating costs, the capital outlay expenditures and replacement program are the most likely to change. Such amounts could increase and/or decrease in any given year due to unexpected needs or modifications to the vehicle replacement program. The intended use of reserves could be changed at the discretion of the County Council, but the reduction or deferral of equipment replacement activities could potentially have a negative impact on overall equipment maintenance and repair costs.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all replacement program expenditures to the vehicle replacement program schedule. As discussed above, we noted this fund to have more inflationary-based increases built in to the forecasted activity than some of the other funds within the Forecast.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

521 – Insurance Management Fund

- a) Internal service fund charges to other funds from the insurance management fund are the entire revenue source for this fund, with the exception of minimal investment and other miscellaneous income. The charges to other funds are broken out between workers' compensation, general liability, physical damage, and commercial insurance. Workers' compensation and commercial insurances charges have been forecasted to remain flat at \$3,650,910 and \$187,335, respectively, from 2014 through 2017. Liability and physical damages expenditures are forecasted at \$3,388,844 and \$2,664,586, respectively, in 2014, and forecasted to increase by 10% in 2015, and then 8% in years 2016 and 2017.

Expenditure assumptions included a flat level of personal services costs, reflective of no raises during the Forecast period. Claims expenditures are estimated to be approximately \$3.67 million in 2013 and forecasted to increase by approximately 3% in each subsequent year presented in the Forecast, while recoveries are budgeted to decrease over time. Commercial insurance is forecasted to increase by 10% annually, while only minimal annual increases are noted within other operating expenditures.

Total reserves are projected to reach nearly \$21.86 million at the end of 2017, a substantial increase from estimated ending 2013 reserves of approximately \$14.88 million. Such reserves are attributed in the amounts of a \$5 million to workers' compensation and liability loss reserve and a \$1 million Federal claims reserve, with the remaining balance of as much as \$15.86 million being attributable to storm damages. The County's property insurance limits the maximum losses to the County at \$20 million per occurrence in the event of a named storm. These reserves are also being built in anticipation of moving to a self-insured model for general liability and workers' compensation claims.

- b) The majority of the costs absorbed by the insurance management fund are charged back to other funds and are for ongoing claims costs and other operational activities, with additional amounts set aside to help fund reserves. The fund's reserves represent the most significant item in the fund subject to change either due to external circumstances (i.e. substantial damages resulting from a named storm) or at the discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

530 – Group Insurance

- a) Internal service fund charges to other funds from the group insurance fund are the primary revenue source for this fund along with premiums charged to employees and retirees. Additional revenues sources include investment and other miscellaneous income. The charges to other funds are broken out between health insurance, dependent health insurance, COBRA and retiree health insurance, life insurance, and vision insurance. The total reimbursements to be charged to other funds decreased by approximately 0.3% in 2014 from 2013, and all such charges have been forecasted to remain constant in subsequent years.

Expenditures include a flat level of approximately \$67,000 in personal services expenditures, reflective of no raises during the period. Other expenditures have been projected to increase by less than 1% annually based on the assumptions identified in the Forecast document. The majority of the fund's expenditures are claims expenditures, which range from an estimated \$32.38 million in expenditures in 2013 to \$39.1 million in forecasted claims expenditures in 2017, an increase of approximately 5% per year.

As the OPEB liability is an implicit rate subsidy and not an outstanding payable that could become due at a future date, the projected increases in the liability from \$18.0 million at the end of 2013 to \$28.4 million at the end of 2017 have not been factored in to the charges to other funds.

The projected reserves at the end of 2017 are forecasted to fall below the 90-day reserve requirement as outlined in the Forecast document. With the inclusion of the OPEB liability, there is a substantial negative reserve balance.

- b) The majority of the costs absorbed by the group insurance fund are charged back to other funds are for ongoing claims costs and other operational activities, with additional amounts set aside to help fund reserves. Primarily due to the growth in claims, annual expenditures are forecasted to exceed revenues in all forecasted years, utilizing reserves until they are depleted in 2017 and the OPEB liability is completely unfunded. Activity within the fund could primarily be controlled by an increase in the charges to other funds (which would ultimately only pass on the burden to other funds, many of which, as noted in our report, do not have substantial reserves available for such purposes) or consider a modification to health insurance premiums, co-pays, or benefits provided, which would both help reduce ongoing costs as well as the long-term OPEB obligation. The current contracts expire on 12/31/2014.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Property Tax Funds:

104 – Library

- a) The library fund is primarily funded by ad valorem taxes, which were billed with a millage rate of 0.602 in fiscal year 2013. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years. The proposed millage rate has been decreased to 0.552 in 2014 and all subsequent years, resulting in an approximately \$869,000 or 6.3% decrease in tax revenues in 2014 as compared to 2013. In subsequent years, tax revenues are forecasted to increase consistent with the total property value increases discussed above. The state aid to library operating grants has been forecasted flat at its 2013 level of \$425,985, as have all other revenues outlined in the Forecast.

Expenditures include a flat level of approximately \$8.45 million in personal services expenditures, reflective of no raises during the period. Only minimal increases in operating

expenditures, forecasted at \$6.9 million in 2014, have been applied based on the assumptions identified in the Forecast document. Capital outlay and improvements have been forecasted based on the division's five-year capital improvement plan.

Reserves are forecast to decrease from an estimated balance of \$7.9 million in 2013 to \$2.8 million at the end of the Forecast period. First, an 8% of revenues target is in place for emergency reserves, equal to approximately \$1.2 million within all years of the Forecast. The remaining balance consists of general reserves to help fund capital outlay and improvements and has been forecast to be spent down by over \$5 million during the Forecast period, primarily related to the specific uses identified in the Forecast document.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5%-3.0% growth rate. The Council could also elect to further increase and/or reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While most ongoing expenditures are non-discretionary from an operational standpoint, we noted any significant transactions or future capital projects are at the ultimate discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

105 – East Volusia Mosquito Control

- a) The vast majority of mosquito control funding is through ad valorem taxes, which were billed with a millage rate of 0.2080 in fiscal year 2013. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years. The proposed millage rate has been decreased to 0.1850 in 2014 and all subsequent years, resulting in an approximately \$315,000 or 11% decrease in tax revenues in 2014 as compared to 2013. In subsequent years, tax revenues are forecasted to increase consistent with the total property value increases discussed above. Other revenues, including delinquent ad valorem taxes (\$15,000) intergovernmental (\$321,200), and charges for services (\$50,000) have been forecasted to remain flat in years 2014-2017.

Expenditures include a flat level of approximately \$1.436 million in personal services expenditures, reflective of no raises during the period. Operating expenditures have been forecasted at approximately \$1.98 million in 2014 and subsequently projected to increase by less than 1% annually based on the assumptions identified in the Forecast document. Community redevelopment agency (CRA) payments have been projected to decrease in 2014 and subsequently increase based on the forecasted changes in property values and millage rate identified above. Capital outlay expenditures have been forecasted based on the division's five-year capital improvement plan.

Reserves are restricted for the intended use of the fund and forecasted to grow to approximately \$7.33 million by the end of the Forecast period. The reserves are made up of a \$2 million Eastside Services Center capital reserve, a 10% of revenues operating reserve (\$434,856 in 2017), \$23,821 in fuel special program reserves, and the balance (\$4,871,998 in 2017) set aside for other equipment replacement.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5%-3.0% growth rate. The Council could also elect to further increase and/or reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While most ongoing expenditures are non-discretionary from an operational standpoint, we noted any significant transactions or future capital projects are at the ultimate discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

114 – Ponce De Leon Inlet and Port District

- a) The Ponce De Leon Inlet and Port District fund is primarily funded by ad valorem taxes, which were billed with a millage rate of 0.0929 in fiscal year 2013. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years. The proposed millage rate has been decreased to 0.0811 in 2014 and all subsequent years, resulting in an approximately \$166,000 or 11% decrease in tax revenues in 2014 as compared to 2013. In subsequent years, tax revenues are forecasted to increase consistent with the total property value increases discussed above. Park access fees have been forecasted to remain constant with estimated 2013 levels at \$376,176.

Expenditures include a flat level of approximately \$615,000 in personal services expenditures, reflective of no raises during the period. Operating expenditures have been forecasted at approximately \$557,000 in 2014 and subsequently projected to increase by less than 1% annually based on the assumptions identified in the Forecast document. Community redevelopment agency (CRA) payments have been projected to decrease in 2014 and subsequently increase based on the forecasted changes in property values and millage rate identified above. Capital outlay expenditures have been forecasted based on the division's five-year capital improvement plan.

After taking into account a target emergency operating reserve of 10% of revenues, \$188,161 in the final year of the Forecast, the remaining reserves are set aside for future capital projects. Based on the planned projects, total reserves have been forecasted to be spent down from approximately \$4.65 million to \$817,000 during the Forecast period.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5%-3.0% growth rate. The Council could also elect to further increase and/or reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While most ongoing expenditures are non-discretionary, we noted any significant transactions or future capital projects are at the ultimate discretion of the County Council.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all

forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan.

- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

140 – Fire Services

- a) The fire services fund is funded by an ad valorem tax in unincorporated Volusia County. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.0% growth factor (3.0% for year 2017) has been applied in all subsequent years. The millage rate has been forecasted to remain constant at its 2013 level of 3.6315 through all years of the Forecast. Additional revenues also include \$200,000 of estimated transport revenues in 2013 and subsequent amounts being increased by 4% annually, as the department has been granted the authority to transport under certain circumstances. A related reduction in emergency medical services fund revenues has been forecasted. All other revenues have been projected to remain constant throughout the Forecast period.

Expenditures include a flat level of approximately \$13.23 million in personal services expenditures, reflective of no raises during the period. 2014 costs were also estimated to decrease by approximately \$204,000 as a result of improved scheduling and overtime management. Operating expenditures have remained consistent over the Forecast period with expenditures increasing by less than 1% annually based on the assumptions outlined in the Forecast document. Remaining expenditures consist of capital outlay and related items which fluctuate from year to year based on the projected capital needs. Overall, expenditures exceed revenues throughout the Forecast, using reserves to balance the budget with shortfalls ranging from approximately \$834,000 in 2014 to \$130,000 in 2017.

Reserves are estimated to be approximately \$6.15 million at the end of 2013 and forecasted to be spent down to \$5.13 million at the end of the period. These amounts are made up of the emergency reserves of \$2,002,151, or approximately 9-10% of annual revenues, a \$20,000 grant match reserve, increasing reserves (\$217,500 set aside annual) to \$1,087,500 for breathing apparatus, and the balance of general reserves of approximately \$2 million at the end of the period.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2%-3% growth rate. The Council could also elect to increase or reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While a plan is in place to reduce personal services expenditures through improved scheduling and overtime control, a significant unfavorable variance could occur if actual expenditures ultimately fall in line with past history rather than the projected decrease.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

160 – Volusia ECHO

- a) The ECHO fund is almost entirely funded by the ECHO ad valorem tax, enacted in 2000 and scheduled to sunset in fiscal year 2021. The fiscal year 2014 tax revenues have been

forecasted based on estimated values from the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years.

Expenditures include a \$1 million set-aside for the trails project (including funding for future improvements and debt service), approximately \$150,000 in tax increment funds to be paid to community redevelopment agencies (CRA), and the remainder to be split between the ECHO grant and water access programs. All revenues have been forecasted to be spent in the year received.

Fund reserves, for future projects at the discretion of the County Council, are forecasted to remain at approximately \$5.59 million for the duration of the period. No changes have been made to the millage rate of 0.2000 in the Forecast.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5% to 3.0% growth rate. The Council could also elect to reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While some expenditures are non-discretionary, we noted many of the forecasted expenditures could be changed at the ultimate discretion of the County Council within the ECHO program requirements.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all transfers out to the trails capital project and debt service funds to the respective transfers in.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

161 – Volusia Forever

- a) The Forever fund is almost entirely funded by the Volusia Forever ad valorem tax, enacted in 2000 and scheduled to sunset in fiscal year 2021. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years. Annual increases to the millage rate of approximately 6.4% in subsequent years within the Forecast have also been applied. Additional revenues also include \$100,000 in annual forecasted land management fees related to timber and mitigation credit sales.

Expenditures include a flat level of approximately \$227,000 in personal services expenditures, reflective of no raises during the period. Operating expenditures are forecasted to be \$431,202 in 2014 and only experience minor cost increases in subsequent years. Additionally, annual repayments to the general fund have also been made in accordance with the interfund advance amortization schedule.

Reserves are forecasted to remain at a level of approximately \$5.3 million. Small amounts totaling approximately \$1.05 million are set aside for future land purchases and a mitigation tract in Barberville, while the bulk of reserves totaling nearly \$4.3 million at the end of 2017 have been set aside for the maintenance of Volusia Forever properties upon the sunset of this additional millage in 2021.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5%-3.0% growth rate. The Council could also elect to further increase and/or reduce the assessed millage rate. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. While most ongoing

expenditures are non-discretionary, we noted any significant transactions or future land purchases are to be consummated at the ultimate discretion of the County Council.

- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We agreed all repayments to the general fund activity and agreed the forecasted advance payments to the respective amortization and repayment schedule.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

Other Major Funds:

120 – Municipal Service District

- a) The municipal services district (MSD) fund is primarily funded by an ad valorem tax in unincorporated Volusia County. The fiscal year 2014 tax revenues have been forecasted based on estimated values from the Property Appraiser, and an annual 2.0% growth factor (3.0% for year 2017) has been applied in all subsequent years. The millage rate has been presented in two different ways: 1) forecasted to remain constant at its 2013 level of 2.0399 through all years of the Forecast and 2) forecasted to increase to a millage rate of 2.1399 in 2014 and remain at that level through 2017. Additional revenues are also generated by sheriff and animal control contracts with municipalities, which have been forecasted at their estimated values for 2014 (estimated increase of approximately \$443,000) and projected to remain flat in subsequent years. Utility taxes and communications taxes (transferred from the sales tax fund) in the estimated amounts of \$6.7 million and \$4.0 million in 2013 have been forecasted to remain flat in all subsequent periods. Sales taxes have been forecasted based on projected transfers to the MSD fund from the sales tax trust fund. All other revenues have been projected to remain constant throughout the Forecast period.

All expenditures have been projected to remain consistent, many of which are being held flat for the duration of the Forecast period except for those identified in the Forecast document. An approximately \$443,000 increase in contract expenditures has been included in the 2014 forecast, consistent with the increase on contract revenues noted above. The most significant increase in expenditures relates to the forecasted transfers out to the County transportation trust fund, which range from an estimated \$3.1 million in 2013 to \$4.0, \$4.7, \$5.0, and \$5.5 million in years 2014 through 2017, respectively.

As a result of the increasing transfers out discussed above, the total fund reserves have been projected to decrease from approximately \$3.14 million at the end of 2013 to \$954,000 at the end of fiscal year 2017 if the millage rate remains flat. This would result in a substantial shortfall from the target emergency reserves of 5%-10%, as the internal target of 6% in emergency reserves would equal \$2,241,153. A fuel reserve of 372,569 that has been included in the Forecast would also be adversely affected by such a shortfall. Should the millage rate be increased, the Forecast projects a total reserve balance of approximately \$3.138 million, which would include the fuel reserve noted above, a \$2,275,145 emergency reserve set at 6% of revenues, and a \$490,586 revenue stabilization reserve at the end of 2017.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2%-3% growth rate. The millage rate can be set at the County Council's discretion. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues. Significant variances in projected road maintenance needs could have an adverse effect to the MSD fund if any funding shortages in the County transportation trust fund are passed on.

- c) We noted no inconsistencies in the application of the key assumptions. We agreed the fiscal year 2014 pre-preliminary assessed total taxable value of property in the taxing authority to the estimates provided by the Property Appraiser, and noted the ad valorem tax revenue estimate to be based on the forecasted millage rate and these values. We also agreed all projected transfers in and out to the respective funds' forecasts. We noted the forecasts with the millage rate increase and flat millage rate to use the same revenue and expense data with the sole exception of ad valorem tax revenues, as expected.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

103 – County Transportation Trust

- a) Over 90% of the County transportation trust fund revenues from external sources are derived from various gas taxes. The respective gas taxes have been projected to increase annually during the Forecast period by percentages ranging from 1% to 5% based on the Florida Department of Revenue 2013 Estimating Conference estimated growth percentages, ranging from \$20.56 million estimated 2013 revenues to \$22.55 projected 2017 revenues. Other intergovernmental revenues, charges for services, and miscellaneous revenues have been forecasted to remain consistent in years 2014-2017. The remaining revenue is made up of an annual transfer from the municipal service district fund to transfer utility tax revenues for transportation needs in unincorporated Volusia County.

Expenditures are forecasted to include a flat level of approximately \$9.45 million in personal services expenditures, reflective of no raises during the period. Other operating expenditures have some areas with steady increases as defined in the Forecast document, while the majority of the fluctuation within operating expenditures (ranging from \$10.37 million to \$13.27 million) is due to timing differences in the completion of significant maintenance projects. Capital outlay expenditures also fluctuate from year to year based on the road program's five-year capital improvement program.

Significant reserves of approximately \$33.67 million are estimated to be on hand at the end of 2013, including a \$15 million capital reserve for the consolidation of public works facilities to centralize field operations. These reserves have been forecasted to be spent down in years 2016 and 2017. \$900,000 of emergency reserves and a \$1 million revenue stabilization fund have been maintained for the duration of the Forecast period. The remaining balances relate to road construction reserves and County transportation trust maintenance reserves totaling around \$16.8 million in 2013 and forecasted to be spent down to approximately \$9.7 million at the end of 2017.

- b) The only area with significant opportunity for change in actual versus forecast relates to the maintenance and use of fund reserves based on the capital improvement plan. While the timing of such projects could be altered at the discretion of the County Council, the funds within this fund remain restricted. We noted no other areas related to revenues or expenditures highly subject to significant fluctuations that have not previously been identified in our general observations.
- c) We noted no inconsistencies in the application of the key assumptions. We agreed all forecasted capital outlay and capital improvements to the respective 5-year capital outlay and improvement plan. We also agreed all projected transfers in and out to the respective funds' forecasts.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

001 – General Fund

- a) The general fund is the main operating fund of the County, primarily funded by ad valorem taxes. The fiscal year 2014 tax revenues have been forecasted based on estimated values from

the Property Appraiser, and an annual 2.5% growth factor (3.0% for year 2017) has been applied in all subsequent years. The millage rate has been presented in two different ways: 1) forecasted to remain constant at its 2013 level of 5.8789 through all years of the Forecast and 2) forecasted to increase by 0.22 mills to a millage rate of 6.0989 in 2014 and remain at that level through 2017. As outlined in the Forecast document, other revenues increased during the years 2014-2017 as follows: charges for services, 2% annual increase based on historical trend analysis; intergovernmental revenues, 1%-2% annual increase for different types of revenues; and state sales tax and revenue sharing, 4% and 1% increases, respectively. Other revenues have been forecasted to remain relatively consistent as outlined in the Forecast document.

We noted the Government Finance Officers' Association (GFOA) recommends local governments maintain a level of at least 2 months of annual expenditures and recurring transfers out in reserves. Based on forecasted expenditures and recurring transfers out (\$189,209,180) and reserves (\$32,995,717 with the proposed millage increase, \$13,238,400 without) at the end of fiscal year 2017 based on the proposed millage increase, we noted a 17.4% ratio to fall slightly above the GFOA recommended minimum benchmark. If the millage rate remained flat, the ratio would calculate to approximately 7.0%, or less than one month worth of reserves.

The majority of expenditures, as outlined in the Forecast document, are for various base governmental services the County provides. Some of the more substantial items occurring in the general fund as a result of service demands in other funds include an annual transfer to the emergency medical services fund, ranging from \$1.5 million in 2013 up to \$3.2 million in 2014. The annual subsidy to the Votran fund has also continued to increase in an effort to cover shortfalls within that fund, increasing from near \$7.4 million in 2013 to over \$9.4 million in 2017. Significant expenditures have also been budgeted for commuter rail debt service payments, including a \$1.2 million transfer in 2014 and projected transfers in excess of \$3 million in years 2015-2017. Annual transfers to the economic development fund have been forecasted in the amount of \$2,259,952 in years 2014 through 2017.

Reserves are substantially impacted depending on which millage rate scenario discussed above is used. Under no increase in the millage rate, total reserves are forecasted to be spent down from nearly \$40 million in 2013 to just over \$13.2 million in 2017. Emergency reserves would fall from approximately 9% to 4%. Under the assumed 0.22 mill increase in the general fund millage rate, emergency reserves are maintained at a 10% level in the amount of \$18,731,532 based on 2017 revenues, while other reserves are forecasted to exceed \$14.3 million. The breakdown of other reserves is outlined in the Forecast document.

- b) While the fiscal year 2014 taxable value was based on a pre-preliminary estimate from the Property Appraiser and is not likely to change significantly, the taxable value for all future years has been forecasted at a 2.5%-3.0% growth rate. The millage rate can be set at the County Council's discretion. Variances in the growth rate or a reduction in the millage rate could have a substantial impact on tax revenues.

As outlined in our report and the Forecast document related to the emergency medical services, Votran, and economic development funds, these funds are highly dependent on general fund subsidies to maintain a balanced budget. In the event of any unfavorable variances from forecasted amounts within these funds, a negative impact would be felt in the general fund. We noted the transfers out to the economic development fund to be an annual transfer made at the sole discretion of the County Council.

- c) We noted no inconsistencies in the application of the key assumptions. We agreed all projected transfers in and out to the respective funds' forecasts. We noted the forecasts with

the millage rate increase and flat millage rate to use the same revenue and expense data with the sole exception of ad valorem tax revenues, as expected.

- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

456 – Volusia Transportation Authority

- a) While reported as an enterprise fund due to the fact that the Votran fund receives a substantial portion of its revenues via charges for services, the majority of the fund's revenues are through subsidies from the Federal and State governments, as well as an operating subsidy from the general fund. The Federal and State forecasts are based on estimates from the respective agencies. The general fund subsidy has been increased by approximately \$839,000 to \$8.23 million in 2014 and continues to increase to amounts over \$9 million in the subsequent years to cover the Votran operating deficit after the erosion of the fund's remaining fund balance in 2013 and 2014.

Expenditures are projected to increase over the course of the Forecast period. 2014 personal services expenditures are projected to increase over \$1.25 million in 2014, with a significant portion due to the west side of the County running a SunRail feeder service. Other built-in increases to other operating expenditures, fuel, and parts/supplies have been reflected and contribute to total operating expenditures increasing from \$21.2 million to nearly \$22 million during the period from 2014 to 2017.

Votran fund balance reserves are projected to be used in their entirety in fiscal year 2014, with no further balances increasing as incremental transfers from the general fund will be required in order for the Votran fund to break even on an annual basis.

- b) The Votran fund is in a critical situation and facing severe financial difficulties. While the Forecast largely assumes the transportation system maintains the status quo, the most significant variances from the forecasted amounts would likely occur at the discretion of the County Council in the event of a substantial reduction or elimination of services due to the increasing burden being placed on the general fund. A significant negative impact could also be felt in the event of any reductions in Federal or State grant funding. Expenditures have been budgeted to increase, but given the unpredictable nature of fuel prices and Votran's significant reliance on fuel, any irregularly high or low fuel costs in future years could significantly impact the forecast in either a positive or negative manner. The impact of any unfavorable variances would ultimately be absorbed by the general fund or offset through reductions in levels of service.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

002 – Emergency Medical Services

- a) The emergency medical services fund (EMS) is funded by charges for services for ambulance fees, with additional amounts from bad debt recoveries and other miscellaneous revenues also accounting for a portion of annual revenues. With the fund unable to pay for all expenditures with its standalone revenues, a subsidy from the general fund is also required in all years of the Forecast, ranging from a low estimated \$1.51 million transfer in 2013 to a \$3.2 million transfer in 2014. The subsidy is intended to cover the billing and administrative costs of the emergency medical services. Ambulance fees have been reduced in 2013 due to a partial shifting of transport authority to fire services, and a 3% annual increase has been applied in the 2014 through 2017 forecasted amounts.

Expenditures are forecasted to include a flat level of approximately \$12.15 million in personal services expenditures, reflective of no raises during the period. Operating

expenditures have been forecasted to increase from estimated expenditures of \$3.72 million in 2013 to \$4.70 million in 2017 based on the assumptions outlined in the Forecast document. Capital outlay expenditures from year-to-year and are based on the department's five-year capital outlay plan.

Reserves of \$1.64 million are forecasted to be established during the period, with \$360,000 being set aside annually in years 2014 through 2017 for cardiac monitors and auto pulse machines, and a one-time \$200,000 set-aside in 2014 for revenue stabilization reserves.

- b) We noted steady increases in ambulance fees and no ongoing annual increase to personal services, creating a situation in which unfavorable variances in either category could negatively impact the overall fund activity. Only \$200,000 of reserves have been established in the fund, and as a result, the impact of any unfavorable variances would ultimately be absorbed by the general fund through the annual transfer from the general fund to subsidize the emergency medical services activities.
- c) We noted no inconsistencies in the application of the key assumptions.
- d) No unusual or inconsistent budget practices were noted within this fund's forecast.

130 – Economic Development

- a) Revenues to the economic development fund are almost entirely limited to a transfer from the general fund. This transfer has been forecasted in the amount of \$2,259,952 for fiscal years 2014 through 2017, a substantial increase from the 2013 transfer of \$1,577,443. The increase is forecast to offset a continued level of operating expenditures in excess of previous transfer amounts as outlined in the Forecast document. Due to the use of fund balance, reserves are forecasted within the \$1.9 million range and are unrestricted but set aside to be used to award incentive grants at the Council's discretion.
 - b) All activities within the economic development fund are ultimately at the discretion of the County Council. These activities are funded by an annual discretionary transfer from the general fund, and the use of the funds is a matter of policy. We noted significant variances from forecasted amounts could occur if the Council elected to substantially increase, reduce, or eliminate the economic development funding.
 - c) We noted no inconsistencies in the application of the key assumptions.
 - d) No unusual or inconsistent budget practices were noted within this fund's forecast.
- 2) As a result of the performance of the above procedures, identify any recommendations for improvement related to current budget forecast practices and any additional recommended practices.

In our performance of the above procedures, we noted the following recommendations for improvement related to budget forecast practices:

1. We noted various funds with different names presented in the budget forecast when compared to the adopted budget or the County's most recent comprehensive annual financial report. For improved consistency and clarity, we recommend the official names for all funds be consistently used throughout all financial reports.
2. We noted different terminology is used in the budgetary process from that in the financial reporting process, primarily as it relates to fund balance classifications. Where feasible, we recommend the language used in budgetary documents be as consistent as possible with the terminology required to be used for financial reporting purposes.
3. Throughout our report, we identified numerous instances in which expenditures typically impacted by inflation were budgeted to remain flat. While cutbacks in other areas can be

made in attempt to offset any unfavorable variances, we recommend inflationary increases be considered when projecting inflation-sensitive expenditures to future years.

- 3) Compare the Forecast to similar budget forecasts of other counties and/or municipalities. Identify any significant similarities or differences between the practices of the other counties and/or municipalities and those of the County of Volusia, Florida.

We identified various key metrics used by the County in preparing the Forecast and compared such metrics to those of five surrounding counties. These metrics included, but were not limited to, fund balance reserve requirements, policies on the use of fund balance reserves, ad valorem tax budget percentages, and personnel budgets. We noted no unusual practices used by the County as compared to the practices of the other counties.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Forecast. Accordingly, we do not express such an opinion on whether the Forecast is presented in conformity with AICPA or other presentation guidelines or on whether the underlying assumptions provide a reasonable basis for the presentation. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Pursuant to Chapter 119, Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the American Institute of Certified Public Accountants require us to indicate that this report is intended solely for the information and use of the Volusia County Council and management of the County of Volusia, and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Daytona Beach, Florida
June 20, 2013

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The Chief Financial Officer (CFO) is responsible for providing all County financial services. These services include financial accounting and reporting, payroll, accounts payable disbursements, cash and investment management, debt management, budgeting, procurement, risk management, and special financial and policy analyses for County Management. Fiscal responsibilities within the Financial and Administrative Services Department are carried out by the Office of the Chief Financial Officer, Management and Budget, Procurement, Personnel, Revenue, and Accounting Divisions.

Volusia County uses a computerized financial accounting system that incorporates a system of internal accounting controls. Such controls have been designed and are continually re-evaluated to provide reasonable, but not absolute, assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition.
2. The reliability of financial records for preparing financial statements and monitoring accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of control should not exceed the benefits likely to be derived.
2. The evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework and are believed to adequately safeguard and provide reasonable assurance of proper recording of financial transactions.

Accounting and budgeting records for governmental fund types and similar trust funds are maintained on a modified accrual basis: Revenues are recorded when available and measurable. Expenditures are recorded when services or goods are received and the liabilities are incurred.

Accounting and budgeting records for proprietary fund types and similar trust funds are maintained on the accrual basis. The accrual basis recognizes revenues when they are earned and expenses when they are incurred. For proprietary funds, accounting and budget records differ to the extent that depreciation, compensated absences, amortization of prepaid expenses, and bad debt expenses are not budgeted for but are a factor in determining fund balance revenues available for appropriation.

The annual operating budget is proposed by the County Manager and enacted by the County Council after public participation. Although budgets are legally controlled at the fund level, management control of the operating budget is additionally maintained at the Division/Activity level.

GENERAL BUDGET PROCEDURE

1. The operating budget authorizing the expenditure of ad valorem taxes, user charges, fees and other revenues will be adopted annually by the Volusia County Council at fund level.
2. The budgeted expenditures and reserves for each fund, including reserves for contingencies, will equal the sum of the projected fund balance at the beginning of the fiscal year and all revenues which reasonably can be expected to be received during the fiscal year.
3. The operating budget will reflect programmatic performance measures for each Division; actual performance will be compared periodically to estimated targets.
4. The Management and Budget Division will prepare an analysis of financial condition at the end of the second, third and fourth quarters of the fiscal year.
5. The Office of the Chief Financial Officer will annually update the Five-Year Capital Improvement Program.
6. If the County Manager certifies there are available projected revenues for appropriation in excess of those estimated in the budget, the County Council may authorize supplemental appropriations up to the amount of such excess by ordinance or resolution adopted following a public hearing held pursuant to Florida Statutes 129.06(f).
7. The transfer of appropriations up to and including \$25,000 among Activities within a Division will require only the Division Director's or his or her designee's approval as long as the transfer is not between funds. Transfers over \$25,000 will require the approval of the Department Director. Transfers of any amount between Divisions within a Department will require the approval of the Department Director. Transfers of any amount between two Departments will require the approval of both Department Directors, or the County Manager or Deputy County Manager. Transfer of appropriations from Personal Services will require approval of the County Manager or Deputy County Manager. Transfers of any amount between funds will require County Council approval. The Supervisor of Elections, Property Appraiser, Sheriff, and County Attorney will have the same transfer authority as the Department Directors for their budgets.
8. Internal Service Funds may be established to account for the provision of goods and services by one Division to other Divisions on a break-even cost reimbursement basis when the establishment of such funds will attain greater economy, efficiency, and effectiveness in the acquisition and distribution of common goods or services utilized by several or all Divisions.

GENERAL BUDGET PROCEDURE

Appropriations in the various user Divisions will constitute an indirect budget ceiling on the Internal Service Fund Activities. Appropriations in Internal Service Funds may be increased with County Manager approval based on increases in the indirect budget ceiling of user Divisions.

It will be the intent of all Internal Service Funds to break even, but in the event a profit or loss should occur, it can be disposed of by crediting or charging the billed Divisions in accordance with their usage. Actual or projected retained earnings may also be used to lower internal service charges in the ensuing fiscal year, rather than crediting Division expenditures in the prior fiscal year. This will apply to all Internal Service Funds, with the exception of the Insurance Management and Group Insurance funds. Before any transfer of retained earnings is made from these funds, the County Manager will present a financial report, along with a proposed transfer of funds, to the County Council. County Council will then review the County Manager's proposal and approve or disapprove, with or without modification, such transfer.

REVENUE PROCEDURES

1. Ad valorem taxes will be anticipated for purposes of operating budget preparation at:
 - a. a minimum of 95% of the projected taxable value of current assessments,
 - b. a minimum of 95% of the projected taxable value from new construction, and
 - c. current millage rates, unless otherwise specified.
2. The use of sales tax revenues will be limited to the General, Ocean Center, and Municipal Service District Funds, unless required for debt service by bond indenture agreements or as directed by County Council. The allocation of sales tax revenue between countywide purposes and Municipal Service District purposes will be in accordance with provisions of Florida Statutes 218.64 and direction of the County Council. Four sales tax bond issues, currently outstanding, were issued for construction/renovation of County facilities and the purchase of property.
3. The use of state revenue sharing monies will be limited to the General and County Transportation Trust funds, unless required for debt service by bond indenture agreements.
4. The use of gas tax revenue sharing monies will be limited to the County Transportation Trust fund. Gas tax revenues will be used in the following manner:

5th and 6th Cent (Constitutional Fuel Tax)	Maintenance
7th Cent (County Fuel Tax)	Operation and Maintenance
9th Cent County Voted (9th Cent Fuel Tax)	50% Resurfacing, 50% Construction
6-Cent Local Option Gas Tax * (1-6 Cents Local Option Fuel Tax)	Operations and Maintenance Construction of County major arterial and collector roads within the cities
Additional 5-Cent Local Option Gas Tax * (1-5 Cents Local Option Fuel Tax)	Transportation Expenditures to meet the Capital Improvement Element of the Comprehensive Plan

- * The Volusia County Council authorizes both the 5-cent and 6-cent local option gas taxes to be distributed between the County and participating municipalities according to formulas agreed to by interlocal agreement. The County receives 57.239% of revenue distributions, and the municipalities share 42.761%. There are fixed percentages for cities based on annual countywide revenues for each calendar year up to \$22,170,519.32. Distributions of annual revenues to municipalities in excess of \$22,170,519.32 are based on an annually adjusted formula that includes population, assessment, and lane mileage; however, the aggregate percentage to all cities remains at 42.761%.

Both distributions are updated annually and must be filed with the State Department of Revenue by July 1 of each year.

5. Utility tax revenues are allocated for the unincorporated areas of the County as follows:
 - a. a minimum of \$750,000 for road operation and maintenance or construction,
 - b. the balance of revenues to be used for any lawful unincorporated area purpose.
6. The use of revenues pledged to bond holders will conform in every respect to bond covenants which commit those revenues.

APPROPRIATION PROCEDURES

1. Fund appropriations by the County Council will be allocated to Divisions, Activities, and line item object codes as deemed appropriate by the County Manager to facilitate managerial control and reporting of financial operations.
2. Divisions are encouraged to prepare their budget requests at levels necessary to provide adequate services to the community. When possible, program expansions should be offset by reductions in other programs that have proven marginal.
3. Emphasis in planning for the delivery of County services will center on the development of goals and performance objectives that lead to end results or service levels to be accomplished. Divisions are asked to give careful attention to the identification of specific performance objectives and service levels and to relate budget requests to those objectives.
4. The budget request for County Divisions will include itemized lists of all necessary capital equipment, and replacement of inadequate capital equipment.
5. Each year County staff will prepare a Five-Year Capital Improvement Program document; this document will identify public facilities and infrastructure that eliminate existing deficiencies, replace inadequate facilities, and meet the needs caused by new growth.
6. The annual budget will include sufficient appropriations to fund capital projects for the first year of the Five-Year Capital Improvement Program. Any project approved for funding will have an adequate budget for operation and maintenance, or the County Manager will request that the County Council re-examine the established service level for this service.
7. Every appropriation (except an appropriation for capital projects and federal, state and local grants) will lapse at the close of the fiscal year to the extent that it has not been carried forward. Appropriations for capital projects and federal, state or local grants will continue in force until the purposes for which they were approved have been accomplished or abandoned. The purpose of any appropriation will be deemed abandoned if three years pass without any disbursement or encumbrance of the appropriation unless re-appropriated by the County Council.
8. Debt service millage will be anticipated at levels that will generate sufficient revenue to make all required payments.
9. Countywide revenues will be allocated to services that provide a countywide benefit.
10. All revenues that are reasonably expected to be unexpended and unencumbered at the end of the fiscal year will be anticipated as "appropriated fund balance" in the budget of the following fiscal year.

RESERVE PROCEDURES

Goal: It is the goal of the County of Volusia to systematically build Emergency Reserves for future fiscal years until the total of such reserves are a minimum of 5% and a maximum of 10% of budgeted current revenues on an annual basis in all tax supported operating funds.

1. Beginning with FY 1999-00, ad valorem taxes received in excess of the 95% collection rate are placed in an Emergency Reserve account until a minimum 5% or a maximum 10% "reserve" position is achieved.
2. To the extent that other funds become available, (i.e. current revenues, expenditure savings, or fund balance) they may be added to the Emergency Reserve to achieve the 5%-10% "reserve" position as quickly as possible.
3. The County Council must approve all transfer of funds once they are placed in an Emergency Reserve account. Recommendations for the use of Emergency Reserves will be through the County Manager's recommended budget that is presented to the County Council on or before July 15 of each year.
4. Recommendations by the County Manager for the use of these funds at other times will be to address emergencies resulting from disasters to the extent that other revenues are not available for emergency expenditures.
5. The Emergency Reserve for future fiscal years is not intended to function as a second contingency fund to address unfunded expenditures or over-expenditures related to the normal provision of County services.
6. If funds are transferred from the Emergency Reserves as part of the annual budget process, or for unbudgeted emergencies during the fiscal year, and the transfer results in an Emergency Reserve of less than 5%, to the extent possible, they will be replaced during the following fiscal year.
7. The County Council and/or County Manager may impose this reserve policy for non-tax supported funds, as deemed appropriate.

DEBT MANAGEMENT PROCEDURES

1. Capital improvements related to enterprise fund operations (e.g., airport, water and wastewater systems, refuse disposal systems, etc.), if financed by debt, should be repaid solely from user fees and charges generated from the respective enterprise fund operation.
2. Capital improvements not related to enterprise fund operations (e.g., roads, parks, public buildings, etc.) may be financed by debt to be repaid from available revenue sources (including ad valorem taxes) pledgeable for same.
3. Cash surpluses, to the extent available and appropriate, should be used to finance scheduled capital improvements.
4. The County will issue debt only for the purposes of constructing or acquiring capital improvements (the approved schedule of capital improvements) and for making major renovations to existing capital improvements. The only exception to the above would involve entering into long-term leases for the acquisition of major equipment when it is cost justifiable to do so.
5. All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event to exceed thirty years.
6. The County shall not construct or acquire a public facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility.
7. The County will at all times manage its debt and sustain its financial position in order to seek and maintain the highest credit rating possible.
8. The County should consider coordinating with other local government entities to the fullest extent possible, so as to minimize the overlapping debt burden to its citizens.
9. The County will ensure that an adequate system of internal control exists so as to provide reasonable assurance as to compliance with appropriate laws, rules, regulations and covenants associated with outstanding debt.
10. Revenue sources will only be pledged for debt when legally available. In those situations where the revenue sources have previously been used for general operating expenditures, they will only be pledged for debt when other sufficient revenue sources are available to replace them.
11. The County will market its debt through the use of competitive bid whenever deemed feasible, cost effective and advantageous to do so. However, it is recognized that, in some situations, certain complexities and intricacies of a particular debt issue are such that it may be advantageous to market the debt via negotiated sale.
12. The County will continually monitor its outstanding debt in relation to existing conditions in the debt market and will refund any outstanding debt when sufficient cost savings can be realized.
13. Credit enhancements (insurance, letters of credit, etc.) will be used only in those instances where the anticipated present value savings in terms of reduced interest expense exceeds the cost of the credit enhancement.
14. In order to maintain a stable debt service burden, the County will attempt to issue debt that carries a fixed interest rate. However, it is recognized that certain circumstances may warrant the issuance of variable rate debt. In those instances, the County should attempt to stabilize debt service payments through the use of an appropriate stabilization arrangement.

Glossary

Ad Valorem Tax - The primary source of revenue for the County. For purposes of taxation, real property includes land and buildings, as well as improvements erected or affixed to the land. The Property Appraiser determines the value of all taxable real property.

Adopted Budget - The financial plan of revenue and expenditures as approved by the County Council at the beginning of the fiscal year.

Advance Payment - A payment made to a recipient upon its request either before outlays are made by the recipient or through the use of predetermined payment schedules.

Allocation - The distribution of available monies among various County departments, divisions or cost centers.

Amortization - The payment of an obligation in a series of installments or transfers or the reduction of the value of an asset by prorating its cost over a number of years.

Annual Budget - An estimate of expenditures for specific purposes during the fiscal year (Oct. 1 - Sept. 30) and the estimated revenues for financing those activities.

Appropriation - An authorization by the County Council to make expenditures and incur obligations from County funds for purposes approved by Council.

Assessed Valuation - A valuation set upon real estate or personal property by the County's Property Appraiser and the State as a basis for levying taxes.

Audit - A review of the County's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law and County Charter.

Balanced Budget - A financial plan for the operation of a program or organization for a specified period of time (fiscal year) that matches

anticipated revenue with proposed expenditures. A budget in which the revenue equals expenditures.

Bond - A written promise to pay a sum of money at a specific date (called a maturity date) together with periodic interest detailed in a bond resolution.

Bond Funds - The revenues derived from issuance of bonds used to finance capital projects.

Budget (Operating) - A financial plan of operation which includes an estimate of proposed expenditures and revenues for a given period.

Budget Transfer - A budgetary transaction that modifies the adopted line item appropriations within a budget.

Capital Budget - An annual plan of proposed expenditures for capital improvements and the means of financing these expenditures.

Capital Improvement Plan - A document that identifies the costs, scheduling, and funding of various large capital items; i.e., buildings, roads, bridges, water and sewer systems. The plan should identify costs associated with existing deficiencies versus capacity for growth.

Capital Improvement Project - Includes land acquisitions, building improvements, transportation improvements, improvements to other public facilities, and equipment over \$25,000.

Capital Outlay - Those items with a per unit cost of more than \$1,000 which include furniture and equipment.

Charges for Service - (Also called User Charges or Fees) The charge for goods or services provided by local government to those private individuals who receive the service. Such charges reduce the reliance on property tax funding.

Contingency - An appropriation of funds to cover unforeseen events that

BUDGET TERMS

occur during the fiscal year, such as federal mandates, short-falls in revenue and unanticipated expenditures.

Consumer Price Index - Measures the prices of consumer goods and is a measure of U.S. inflation. The U.S. Department of Labor publishes the Consumer Price Index every month.

Contractual Service - A service rendered to the County by private firms, individuals or other County departments on a contract basis.

Debt Service - The payment of principal and interest obligations resulting from the issuance of bonds.

Deficit or Budget Deficit - The excess of budget expenditures over revenue receipts.

Enterprise Fund - A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full cost of providing the goods or services to be financed primarily through charges and fees, thus removing the expense from the tax rate.

Expenditure - The sum of money actually paid from County funds.

Fiscal Year - The twelve-month financial period used by the County that begins October 1 and ends September 30 of the following calendar year. The year is represented by the date on which it ends. Example: October 1, 2010 to September 30, 2011 would be fiscal year 2011.

Fixed Assets - Assets of a long-term character, which are intended to continue to be held or used (land, buildings, improvements other than buildings, and machinery and equipment).

Fund - A set of interrelated accounts that records assets and liabilities related to a specific purpose. Also, a sum of money available for specified purposes.

Glossary

Fund Balance - The amount available within a fund at the close of the fiscal year that can be carried over as a revenue for the upcoming fiscal year.

General Fund – The governmental accounting fund supported by ad valorem (property) taxes, licenses and permits, service charges and other general revenue to provide County-wide operating services. This may be referred to as the operating fund.

Governmental Funds – The category of funds, which include general, special revenue, capital project, and debt service. These funds account for short-term activities and are often compared to the budget.

Impact Fee – A fee to fund the anticipated cost of new development's impact on various County services as a result of growth. This fee, such as for water and sewer or fire services, is charged to those responsible for the new development.

Indirect Cost – Costs associated with, but not directly attributable to, the providing of a product or service. These are usually costs incurred by service departments in the support of operating departments.

Interest Income - The revenue derived from the County's regular investment of temporarily idle cash. Interest rates, and hence the earnings, are commercially determined and subject to fluctuating market conditions.

Interfund Transaction - A financial transaction from one fund to another that results in the recording of a receipt and expenditure.

Internal Service Fund - A fund established for the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

Levy – To impose taxes, special assessments or service charges. Another term used for millage rate.

License and Permit Fees - A charge for specific items as required and approved by local and state regulations, i.e., building permit, mobile home, etc.

Local Option Gas Tax - An ordinance of the County Council of Volusia County, Florida pursuant to section 336.025(1)(b), F.S. levying and imposing a local option fuel tax of 6 cents upon every gallon of motor fuel sold in the County of Volusia with the proceeds from said tax being distributed as provided by law. Beginning January 1, 2000 an additional 5 cents was levied and imposed upon every gallon of motor fuel oil, excluding diesel.

Mill - One one-thousandth of a United States dollar. In terms of the millage rate, 1 mill is equal to \$1 per \$1,000 of assessed valuation.

Municipal Service District (MSD) - The Municipal Service District provides municipal (city) type services to residents in the unincorporated areas of the County.

Net Expenses – Total County expenses less reserves, transfers and internal service interfund transfers.

Non-Operating Budget - The capital budget and the internal service budget.

Notice of Proposed Property Taxes (NOPPT) - TRIM Notice - A Notice of Proposed Property Taxes that property owners receive each August, TRIM stands for Truth in Millage. It covers two areas: taxes and values.

Regarding taxes: It shows (1) last year's taxes, (2) taxes as proposed for the current year and, (3) what taxes would be if no budget changes were made.

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Regarding values: It shows the market value, assessed value, exemptions and taxable value for the current year and the prior year.

Objective - Specific, measurable statement, consistent with goals and mission, that targets a desired future state.

Operating Budget - An annual plan of proposed expenditures for the on-going operations of county government. The operating budget excludes the capital and internal service budgets.

Operating Expenditures – Also known as operating and maintenance costs, these are expenditures of day-to-day operations, such as office supplies, maintenance of equipment, and travel. Capital costs are excluded.

Ordinance - A formal legislative enactment by the County Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the county.

Principal – The original amount borrowed through a loan, bond issue, or other form of debt.

Property (Ad Valorem) Taxes – A revenue which is collected on the basis of a rate applied to the taxable valuation of real property.

Proposed Millage – The tax rate certified by the governing body of each taxing authority within a fiscal year. The proposed millage is sent to the Property Appraiser within 35 days after the County's tax roll is certified. This proposed millage is placed on the proposed tax notice sent to property owners.

Proprietary Fund/Agency – Commonly called “self-supporting” or “enterprise”, these funds/agencies pay for all or most of their cost of operations from user fees and receive little or no general property tax support.

Glossary

Reserve - An account used to indicate that a portion of fund equity is legally restricted for a specific appropriation and subsequent spending.

Reserve for Contingencies - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise provided for in the budget.

Restricted Revenue - A source of funds which is mandated by law or policy to be used for a specific purpose.

Retained Earnings - An equity account reflecting the accumulated earnings of an Enterprise or Internal Services Fund.

Revenue - The taxes, fees, charges, special assessments, grants, and other funds collected and received by the county in order to support the services provided.

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Surplus - The difference between revenues received and expenditures made within the current fiscal year.

Tax Levy - The total amount of revenue to be raised by general property taxes.

Taxable Value - The assessed value minus exemptions, such as the Homestead Exemption, is the taxable value. This value multiplied by the millage rate equals the property tax amount.

Truth In Millage Law (TRIM) - A 1980 Florida Law, which changed the budget process for local taxing governments. It was designed to keep the public informed about the taxing intentions of the various taxing authorities.

BUDGET TERMS

Undesignated Fund Equity - That portion of fund balance and retained earnings that are appropriable for expenditure.

Uniform Accounting System - The chart of accounts prescribed by the State of Florida Department of Financial Services Bureau of Local Government to facilitate comparison and evaluation of reports.

Unincorporated Area - Those areas of the County, which lie outside the boundaries of the cities.

User (Fees) Charges - The payment of a fee for direct receipt of a public service by those individuals benefiting from the service.