

COUNTY OF VOLUSIA, FLORIDA



ANNUAL REPORT ON COUNTY DEBT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

ACKNOWLEDGEMENTS

The compilation of this document is attributed to the combined efforts of several individuals deserving of special recognition. The cooperation, contributions and expertise provided by each one are greatly appreciated.

The Accounting Division staff is commended for their expertise and efforts put forth in preparation of the Comprehensive Annual Financial Report. The CAFR is the foundation for information contained in this report.

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Our Financial Advisors serve as consultants and advisors in many areas of financial management. The depth of experience and breadth of knowledge has served the County well in refinancing of bonds issues and data analysis for proposed offerings of debt.

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EXECUTIVE SUMMARY 2013

This document provides a detailed discussion of outstanding debt and debt service obligations for the county. The ensuing report details information relating to the extent, nature and purpose of the county's indebtedness. It is a comprehensive, yet consolidated analysis; one which provides information that can assist in the evaluation, review and planning of future financings, while taking into consideration the impact of such financings on the county's financial health. Data contained in the audited Comprehensive Annual Financial Report for fiscal year ended September 30, 2013 provides its foundation.

As of September 30, 2013, total county outstanding indebtedness was \$254,792,409 and included bonded debt of \$223,239,000, state revolving fund loans of \$12,794,172, and other loans totaling \$18,759,237. The reduction in outstanding county debt over last fiscal year was due primarily to scheduled principal retirements.

FINANCIAL MANAGEMENT STRATEGIES

The county takes a planned approach to the management of debt, funding from internally generated capital where appropriate, and financing when appropriate. Conservative financial strategies and management practices help to minimize exposure to sudden economic shocks or unanticipated expenditures. Quarterly monitoring and evaluation of factors that can affect the financial condition of the county help identify any emerging financial concerns. The practice of multi-year forecasting enables management to take corrective action long before budgetary gaps develop into a crisis. These practices have served the county well during this difficult economic climate. The county has managed to maintain fiscal sustainability and a fiscally resilient government.

The Government Finance Officer's Association and other national associations have published best practices promoting efficiency in government and solvency in public finance. One best practice focuses on the appropriate level of unrestricted fund balance in the General Fund. Credit rating agencies monitor levels of fund balance and unrestricted fund balance to evaluate creditworthiness. In keeping with this best practice, in fiscal year 1999-2000, the County Council adopted a minimum goal of 5% working toward a goal of 10% of current revenues to fund this reserve in ad valorem tax funds. Funding of the reserve accounts provides flexibility in responding to economic downturns or sudden changes in revenue. The importance of these reserves became very evident in 2004 when the county experienced the financial burden of four hurricanes. For the next budget year, approximately 10% has been reserved in the General Fund and 5.5% in the Municipal Service District Fund. Other emergency reserves include the Library at 8%; Ponce DeLeon Authority at 10%; Mosquito Control at 10%; and Fire Services at 10%.

During the economic downturn, measures have been taken to "tighten the belt" by eliminating positions through attrition and becoming more efficient in operations. Management's vigilant review of changes in the economy along with monitoring revenue and expenditure trends has allowed for operational changes that have helped stabilize operations and weather the economic downturn. The county reacted early and has maintained the course, keeping an eye on the fiscal health of the organization making tough decisions when

needed. The organization continues to provide citizens with the services they depend upon; however, few new or expanded programs or capital projects are budgeted.

Our organization is leaner than eight years ago, due to the willingness of the employees, from top to bottom, to embrace change and respond positively to the current realities. A reduction in personal services reflects various changes ranging from retirements, reduced overtime, filling positions at a lower rates, and not funding positions when possible. In addition, to ensure the county does not become reliant on unreserved and undesignated fund balance to fund on-going operating costs, one-time revenues are allocated for one-time capital purchases, to pay off debt or to increase operating reserves.

It has been a challenge to create a balanced budget while maintaining services and attempting to absorb increased costs related to inflationary pressures and state mandates without increasing property tax rates. The county's General Fund property tax revenue has been flat at \$133 million over the past three years, down from its highest point of \$158 million in FY 2008-09. As a result, the county has lost \$9.2 million in buying power from inflation alone (6.9% during the last three years). The county has absorbed countywide consolidated dispatch, various state and federal mandates, and increased cost of goods and services during this period. As a consequence, the 2013-2014 budget reflects a small increase in property tax in both the General Fund and the Municipal Service District Fund to maintain essential services especially with the unfunded state mandate to increase Florida Retirement System (FRS) rates.¹

Management continues to be proactive in identifying impacts to the budget while anticipating needed infrastructure requirements. The legislative sessions are closely monitored looking for changes that will impact the county's budget and/or operations. Any shift in unfunded mandates will not be able to be absorbed without affecting service levels or requiring offsetting revenue streams. The Capital Improvement Plan prioritizes current and future infrastructure requirements to fit within the anticipated level of financial resources. The report develops a plan to fund those requirements over a five-year period and is reviewed and updated annually. It serves as a planning and management tool, rather than a wish list of projects that cannot be fully implemented.

NOTABLES

Bonds Payable

The county continues to take advantage of the low interest rate market, and on January 9, 2013, the county issued \$41,505,000 in Gas Tax Refunding Revenue Bonds, Series 2013 to refund a portion of the outstanding Gas Tax Revenue Bonds, Series 2004. SunTrust Equipment Finance & Leasing Corp (STEFL) submitted the lowest proposed fixed interest rate of 2.035%. The financing will generate debt service savings of \$3,974,714 NPV over the next eleven years and does not extend the original maturity of the bonds.

Notes Payable Issued Commuter Rail

The county has been evaluating the possibility of rail service linking Volusia County and the Orlando metropolitan area since 1997. On July 31, 2007, the county joined Orange, Osceola,

¹ Adopted Budget Fiscal Year 2013-2014

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. Each of these counties and city contributes one member to form the governing board of the commission.

The commission entered into two agreements with the Florida Department of Transportation who will provide the funds for a 50% 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 and debt service payments. Volusia County has pledged \$26.5 million, which will pay for two Westside train stations, train sets and track improvements. On February 27, 2007, the County Council approved using State Infrastructure Bank (SIB) loans to cover the county's share of the local capital costs. The county received approval for two State Infrastructure Bank (SIB) loans totaling \$12.5 million for Phase 1 construction. Draws for Phase I construction began in February 2011 and totaled \$5.6 million by fiscal year end. No additional draws or loans were made in 2012 or in 2013. The county anticipates drawing down the balance of the SIB loans to complete Phase I construction and will need to apply for an additional \$12.4 million SIB loan to complete Phase II construction. Commuter service is projected to begin in 2014.

Gas Tax Interlocal Agreement

Funding for roads has been an ongoing challenge for the county and its municipalities. The interlocal agreements with Volusia municipalities for the allocation of 6 Cent Local Option Gas Tax was scheduled to expire on 8/31/2013. After much discussion and analysis, it was decided not to make any changes to the interlocal agreements for the next five years; however, funding for roads is still a major issue for the county.

ECONOMIC OUTLOOK²

Local Economy

The economy of Volusia County improved in fiscal year 2013 with most industry sectors showing stability or modest growth. Employment increased from 231,935 in October 2012 to 234,246 in October 2013. The unemployment rate made consistent improvement throughout the year, as well, standing at 6.6% in October 2013, down from 8.4% in October 2012. New construction permits increased significantly in fiscal year 2013 over prior year both in number. Permit numbers and values were at the highest point since fiscal year 2008.

Another positive economic indicator relates to foreclosures. Foreclosure filings in Volusia County went down by 25 percent overall in fiscal year 2013 compared to fiscal year 2012. Sales of foreclosed homes rose by 42 percent in the same time period.

Major Initiatives and Programs

In 2013, Daytona International Speedway launched its \$400 million DAYTONA Rising project, which is a reimagining of the race experience to create the world's first true motorsports entertainment complex. On a parallel path, the International Speedway Corporation and Jacoby Development are designing the ONE DAYTONA entertainment, dining, and retail destination project encompassing 181 acres on the north side of

² Comprehensive Annual Financial Report, for the fiscal year ended 9/30/2013

International Speedway Boulevard in Daytona Beach. Preliminary conceptual designs for the first phase of ONE DAYTONA include 1.1 million square feet of world-class shopping, fine dining, hotel, and theaters. These projects are expected to make the Speedway a year round venue attracting many more visitors to the region. The DAYTONA Rising project is anticipated to be completed in January 2016, and both projects are anticipated to generate approximately 6,900 construction jobs over the next several years.

During 2013, Embry Riddle Aeronautical University completed approximately \$47 million of new construction, which included the new Arts and Sciences Building, a new campus loop roadway system, infrastructure improvements in the new Research Park, construction of new sewage lift station facilities and various drainage improvements. These improvements accounted for hundreds of construction jobs and have further enhanced the university's stature as the world's premier aeronautical university. Embry Riddle is currently engaged in a \$278 million multi-year improvements program which will continue over the next several years.

Bayshore Capital, Inc. began the approval process for construction of a 375,000 square foot Hard Rock Hotel and Café in Daytona Beach, which will include 250 hotel rooms, 120 condos, and 250 restaurant seats. The \$100 million first phase is expected to begin construction in 2014. Russian hotel developer Protogroup is also moving forward with plans to construct a \$150 million condo hotel in Daytona Beach. Plans call for 500 hotel rooms and 122 condos, making it the biggest beachside development in the city's history.

Construction commenced for the Cici and Hyatt Brown Museum of Art this year. The 27,000 square foot six-gallery art museum will house the most extensive collection of Florida art in the world. The Browns funded \$14 million for the museum construction and donated paintings collected over a 20-year period. The museum will open in the spring of 2015.

Daytona Beach International Airport (DBIA) saw increased passenger traffic again in 2013. Passenger enplanements and deplanements were at 597,920, representing a 3.2 percent increase over 2012. It is the highest level of traffic since 2008. Aircraft operations (aircraft take offs and landings) at DBIA were approximately 300,000, which makes the airport one of the most active airports in Florida in this category.

SUBSEQUENT EVENTS

In keeping with the practice of refinancing debt when economically and legally feasible, on October 1, 2013, the county issued \$8,050,000 in Capital Improvement (Parking Facility) Refunding Revenue Bonds, Series 2013. The proceeds refunded Parking Facility Revenue Bonds, Series 2007. This financing allowed the County to take advantage of favorable interest rates and will save over \$1.1M in debt service payments over the next ten years.

CLOSING COMMENTS

Management continues to monitor declining revenues and their potential impact on bond covenants and debt service requirements. Mini-budget workshops are convened throughout the year at county council meetings to allow the council to focus on specific areas of the budget and make decisions regarding potential service level modification. These sessions

facilitate review of the department operating plans and offer input and guidance to the manager for service level changes and preparation of next year's budget.

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. The debt burden is low, and the county has significant debt capacity remaining. All proposed financings are analyzed for their impact on the county's financial picture.

An objective measure of the county's fiscal performance is evidenced by the latest financial analysis and review by Fitch Rating Agency. Rating agencies evaluate default risk over the life of a debt issue, incorporating an assessment of all future events to the extent they are known or considered likely. They routinely review and evaluate current financial and economic conditions and are particularly interested in focusing on the scenarios that could result in a rating change over a one- to two-year period.

In January, Fitch Ratings began a routine review of outstanding county debt rated by their agency. Fitch affirmed bond ratings on the following Volusia County bond issues:

- Limited Tax General Obligation Bonds, Series 2005 at "A-"
- Gas Tax Revenue Bonds, Series 2004 at "A+"
- Tourist Development Tax Revenue Bonds, Series 2004 at "A".

In addition, Fitch has affirmed the county's implied general obligation unlimited tax (GOULT) rating at "AA". The rating outlook is "Stable" for all bonds.

Of particular note are several assertions in their 2014 report³:

- Volusia County has an extended history of sound financial operations that contribute to strong reserves and liquidity.
- Use of the county's reserve policy provides a safety net to respond to unanticipated changes in revenue or expenses.
- Debt levels are low and are expected to remain so given the county's moderate capital needs and limited debt plans.
- The rapid pace at which the county repays its outstanding debt future tempers the county's debt service burden calculation.
- Debt service coverage on revenue bonds remains satisfactory for the respective rating levels.
- Capital needs appear manageable.

These comments are a reflection fiscal policy established by the County Council and implemented by county management and includes sound management practices, continued vigilance in long range monitoring of revenue and expense trends, maintaining strong reserve balances, prudent fiscal practices and a conservative approach to debt management.

While the county continues to face great challenges, strong financial management, manageable debt levels, and financial flexibility, are all indicators of good fiscal health.

April 2014

³Press release by Fitch Ratings dated February 21, 2014

TYPES OF DEBT ISSUED BY VOLUSIA COUNTY

Local government bonded debt is usually divided into three different types: general obligation bonds, non-self-supporting revenue bonds and self-supporting revenue bonds.

- **General obligation (“G.O.”) bonds** are backed by a pledge of the full faith and credit of the issuing entity. The full faith and credit is a pledge of the general taxing powers for the payment of the debt obligation. Because of the impact on property owners, the issuance of general obligation debt in Florida requires the consent of the voters through a referendum.
- **Non-self-supporting revenue bonds** - Bonded debt for which local government has pledged its general revenues. These revenues may include either ad valorem (property tax) and/or non-ad valorem (building and zoning permit fees, franchise fees, gas taxes, sales tax, etc.)
- **Self-supporting debt** – Bonded debt that the local government has pledged to repay with revenues generated from operations. Examples would include a water bond that is repaid from water utility income, and special assessment bonds that are repaid from fees levied on properties within a special assessment district.

Other Financing Instruments:

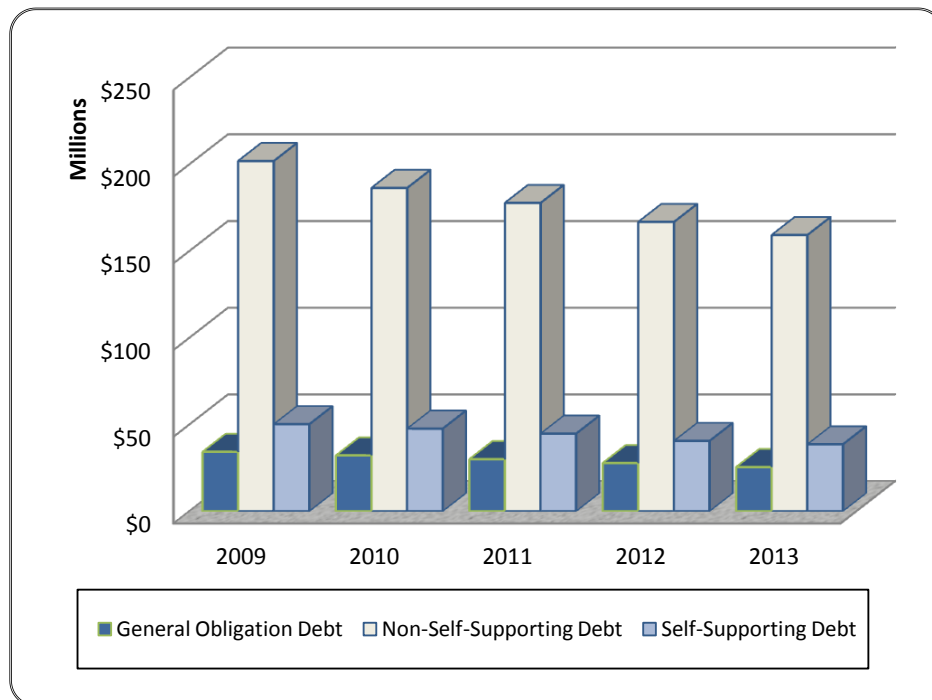
Short-term tax-exempt financing instruments are often used to partially fund the capital outlay and capital improvement programs. This type of financing offers low interest rates,

flexible repayment terms, and minimal issuance costs. Additionally, there are no underwriter fees, rating agency fees, printing costs or reserve funds. These loans are generally subject to annual appropriation.

- **Commercial Paper Loan Program** – The Florida Local Government Finance Commission (FLGFC) was established to provide short-term borrowing for a term of up to five years. The program provides short-term variable interest rates, to participating counties, cities, school boards and special districts in Florida. The program offers very low interest rates, low fees and the repayment terms are very flexible. With the current low interest rate environment, this program has offered interest rates that is unmatched by private sector lenders.
- **SRF Loans** – The State of Florida, pursuant to Section 403.1835, Florida Statutes, makes low cost loans to local governments for the construction of wastewater pollution control facilities. Loan repayments can be recycled into additional loans.
- **Fixed or Variable Rate Loans** – A fixed rate loan is one in which the interest rate does not fluctuate with general market conditions. A variable rate loan has the interest rate tied to a rate that is adjusted upward or downward each time the base rate changes. The County uses fixed rate loans when the borrowing is relatively small and it is advantageous to lock in a fixed rate for a longer term.

**Volusia County Bonded Debt
Summary of Outstanding Bond Debt
Last Five Fiscal Years**

| General Obligation Debt | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Limited Tax G. O. Bonds, Series 2005 | \$34,230,000 | \$32,145,000 | \$29,985,000 | \$27,750,000 | \$25,430,000 |
| Non-Self-Supporting Debt | | | | | |
| Capital Improvement Revenue Bonds | \$9,530,000 | \$9,530,000 | 8,222,000 | 6,785,000 | 9,939,000 |
| Gas Tax Revenue Bonds | 54,900,000 | 52,350,000 | 49,720,000 | 47,015,000 | 47,345,000 |
| Subordinate Lien Sales Tax Bonds | 61,525,000 | 50,690,000 | 48,170,000 | 43,595,000 | 34,915,000 |
| Tourist Development Tax Rev. Bonds | 75,960,000 | 73,835,000 | 71,645,000 | 69,380,000 | 67,040,000 |
| Total Non Self-Supporting Debt | \$201,915,000 | \$186,405,000 | \$177,757,000 | \$166,775,000 | \$159,239,000 |
| Self-Supporting Debt | | | | | |
| Parking Facility Revenue Bonds | 9,995,000 | 9,775,000 | 9,310,000 | 8,820,000 | 8,300,000 |
| Water & Sewer Refunding Rev. Bonds | 7,925,000 | 7,325,000 | 6,700,000 | 5,450,000 | 5,450,000 |
| Airport System Revenue Bonds | 32,255,000 | 30,530,000 | 28,715,000 | 26,260,000 | 24,820,000 |
| Total Self-Supporting Debt | \$50,175,000 | \$47,630,000 | \$44,725,000 | \$40,530,000 | \$38,570,000 |
| Total Bonded Debt | \$286,320,000 | \$266,180,000 | \$252,467,000 | \$235,055,000 | \$223,239,000 |



Schedule of Bond Ratings

As of September 30, 2013

| <u>Bond Issue</u> | <u>Issue Date</u> | <u>Par Amount</u> | <u>Interest Rate</u> | <u>Outstanding 9/30/2013</u> | <u>Final Maturity</u> | <u>Insurer</u> | <u>Surety</u> | <u>Underlying Bond Ratings</u> |
|--|-------------------|-------------------|----------------------|------------------------------|-----------------------|----------------|---------------|--------------------------------|
| <u>General Obligation Debt:</u> | | | | | | | | |
| Limited Tax General Obligation Debt: | | | | | | | | |
| Bonds, Series 2005 | 10/19/2004 | \$39,875,000 | 3.5-4.25% | \$25,430,000 | 2021 | AMBAC* | None | (F)A- (S&P)A |
| <u>Non-Self Supporting Debt</u> | | | | | | | | |
| Capital Improvement Revenue: | | | | | | | | |
| Bond, Series 2009A | 9/10/2009 | \$3,718,000 | 2.63% | \$1,701,000 | 2014 | None | None | |
| Bond, Series 2009B | 9/10/2009 | \$5,812,000 | 2.63% | \$3,458,000 | 2016 | None | None | |
| Bond, Series 2012 | 7/3/2012 | \$4,780,000 | 1.955% | \$4,780,000 | 2021 | None | None | |
| Gas Tax Revenue: | | | | | | | | |
| Bonds, Series 2004 | 10/19/2004 | \$64,215,000 | 2.75-5.0% | \$5,840,000 | 2024 | FSAμ§8 | FSA# | (F)A+ (S&P)A |
| Bonds, Series 2013 | 1/9/2013 | \$41,505,000 | 2.035% | \$41,505,000 | 2024 | None | None | |
| Subordinate Lien: Sales Tax Refunding Revenue: | | | | | | | | |
| Bonds, Series 2008 | 2/27/2008 | \$42,605,000 | 3.0-5.25% | \$34,915,000 | 2018 | FSAμ§8 | FSA | (M) Aa3 |
| Tourist Development Tax Refunding Revenue: | | | | | | | | |
| Bonds, Series 2002 | 10/3/2002 | \$22,565,000 | 2.0-3.375% | \$2,425,000 | 2013 | FSAμ§8 | FSA# | (F)A |
| Bonds, Series 2004 | 9/2/2004 | \$55,451,336 | 3.0-5.03% | \$64,615,000 | 2035 | FSAμ§8 | FSA# | (F)A |
| <u>Self Supporting Debt:</u> | | | | | | | | |
| Airport System Revenue Refunding: | | | | | | | | |
| Bonds, Series 2000 | 8/1/2000 | \$30,795,000 | 6.35-7% | \$18,485,000 | 2021 | MBIA*§ | MBIA# | |
| Bond, Series 2012 | 9/7/2012 | \$6,335,000 | 1.75% | \$6,335,000 | 2021 | None | None | |
| Parking Facility Revenue: | | | | | | | | |
| Bonds, Series 2007 | 10/1/2007 | \$10,815,000 | 5.125% | \$8,300,000 | 2024 | None | None | |
| Water and Sewer Refunding Revenue: | | | | | | | | |
| Bond, Series 2012 | 9/7/2012 | \$5,450,000 | 1.61% | \$5,450,000 | 2019 | None | None | |
| Total Outstanding | | | | <u>\$223,239,000</u> | | | | |

* Due to bond insurer rating downgrades of MBIA and AMBAC, Material Events Notices were filed 4/16/08 as required.

Despite the rating downgrades of the surety providers, the County is not obligated to replace the surety policy per the financing documents. The ratings requirements only applied at the time of acquiring the surety.

μ Event notice filed 3/4/2010. On 02/24/2010, Fitch revised the rating for FSA.

§ Event notice filed 12/2/2011. On 11/30/2011, Standard & Poor's revised the rating for Assured Guaranty, Assured Guaranty Municipal, and FSA.

§ Event notice filed 1/31/13. On 01/17/2013, Moody's revised the rating for Assured Guaranty, Assured Guaranty Municipal, and FSA.

§ Event notice filed 3/4/13. On 02/28/2013, Standard & Poor's revised the rating for MBIA now National.

VOLUSIA COUNTY
BOND RATINGS
2014 UPDATE

Rating agencies evaluate default risk over the life of a debt issue, incorporating an assessment of all future events to the extent they are known or considered likely. They routinely review and evaluate current financial and economic conditions and are particularly interested in focusing on the scenarios that could result in a rating change over a one- to two-year period.

In January, Fitch Ratings began a routine surveillance on outstanding county debt that had been rated by their agency. On February 21, 2014, Fitch Ratings issued a press release to announce the results of their review:

Fitch **affirmed** bond ratings on the following Volusia County bond issues:

- Limited Tax General Obligation Bonds, Series 2005 at “A-“
- Gas Tax Revenue Bonds, Series 2004 at “A+”
- Tourist Development Tax Revenue Bonds, Series 2004 at “A”.

In addition, Fitch has affirmed the county’s implied general obligation unlimited tax (GOULT) rating at “AA”.

The rating outlook is “**Stable**” for all bonds.

Fitch also reviewed the county’s Fitch rated debt in 2012. The results of that review were the same as the most recent surveillance. They **affirmed** their ratings and reported the rating outlook as “**Stable**”.

Of particular note are several assertions in their 2014 report:

- Volusia County has an extended history of sound financial operations that contribute to strong reserves and liquidity.
- Use of the county’s reserve policy provides a safety net to respond to unanticipated changes in revenue or expenses.
- Debt levels are low and are expected to remain so given the county’s moderate capital needs and limited debt plans.
- The rapid pace at which the county repays its outstanding debt future tempers the county’s debt service burden calculation.
- Debt service coverage on revenue bonds remains satisfactory for the respective rating levels.
- Capital needs appear manageable.

These comments are a reflection fiscal policy established by the County Council and implemented by county management and includes sound management practices, continued vigilance in long range monitoring of revenue and expense trends, maintaining strong reserve balances, prudent fiscal practices and a conservative approach to debt management.

BOND RATINGS

GENERAL INFORMATION

Most bond issues are assigned a rating by a rating agency, such as *Fitch Ratings*, *Moody's Investors Service*, and/or *Standard & Poor's*. The rating is an extremely important factor in determining an issues' marketability and the interest rate a local government will pay. Ratings are relied upon by investors in making investment decisions and by underwriters in determining whether to underwrite a particular issue.

In order for a bond issue to be rated, the local government must contract with a rating agency and pay a fee. The local government provides the rating agency with operational and financial information. The agency rates the bond issue based on a detailed analysis of this information. The agencies review ratings on a regular basis to determine if the risk of default has changed over time. If they feel that the level of risk has changed, the agencies may downgrade or upgrade a rating. This review is often referred to as "surveillance".

An underlying rating is a rating that would be assigned without bond insurance. It is intended to reflect the creditworthiness of the credit instrument on its own merit.

AGENCY RATINGS

Fitch and Standard & Poor's rates bond issues from **AAA** to **D**. Bonds which are rated **AAA**, are considered to carry the highest credit quality and have an exceptionally strong ability to pay interest and repay principal. The ratings may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

Moody's rates bond issues from **Aaa** to **C**. Bonds which are rated **Aaa** are judged to be of the highest quality and carry the smallest degree of risk. Moody's applies numerical modifiers 1, 2, and 3 in each rating classification. The Modifier 1 indicates that the issue ranks in the higher end of the rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates that the issue ranks in the lower end of the category.

The following are the assignment approaches of the major rating services for the high to medium grade securities.¹

| Quality | Moody's | S&P | Fitch | Rating Definitions Provided by Moody's and S&P |
|--------------------|----------------------|----------------------|----------------------|---|
| Investment Grade | | | | |
| Highest Quality | Aaa | AAA | AAA | Minimal Credit Risk - Extremely strong financial commitment |
| High Quality | Aa1 Aa2 Aa3 | AA+ AA AA - | AA+ AA AA - | Very Low Credit Risk - Very strong financial commitment |
| Upper Medium Grade | A1 A2 A3 | A+ A A - | A+ A A - | Low Credit Risk - Strong financial commitment |
| Medium Grade | Baa1 Baa2 Baa3 | BBB+ BBB BBB - | BBB+ BBB BBB - | Moderate Credit Risk - May possess certain speculative characteristics |

¹ Source: Public Financial Management

| |
|---|
| Airport System Refunding Revenue Bond, Series 2012 |
|---|

| |
|--------------------|
| \$6,335,000 |
|--------------------|

Purpose

To provide funds sufficient to refund the County's outstanding Airport System Refunding Revenue Bonds, Series 2003. The Series 2003 bonds were issued to advance refund the County's outstanding Airport System Refunding Revenue Bonds, Series 1993, which refunded a portion of the 1991 Bond issue. The 1991 Bond Issue was used to finance the construction of a new airport terminal facility and related improvements.

Dated Date September 7, 2012

Issue Date September 7, 2012

Interest Rate 1.75%

Final Maturity October 1, 2021

Revenue Pledged Net Revenues derived from operation of the Airport System

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule May be redeemed on any interest payment date at 100%

Insurance None

Surety None

Ratings None

Bond Holder SunTrust Equipment Finance and Leasing Corporation

Arbitrage Calculation None

Account Number 451-910-7035

Airport System Refunding Revenue Bond, Series 2012
\$6,335,000

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------------|---------------------|--------------------|---------------|-------------------------|----------------------------|----------------------------|
| | | | | | | \$6,335,000 |
| FY 2012-2013 | 04/01/13 | | | 62,822.08 | 62,822.08 | 6,335,000 |
| | 10/01/13 | 650,000 | 1.75% | 55,431.25 | | 5,685,000 |
| FY 2013-2014 | 04/01/14 | | | 49,743.75 | 755,175.00 | 5,685,000 |
| | 10/01/14 | 670,000 | 1.75% | 49,743.75 | | 5,015,000 |
| FY 2014-2015 | 04/01/15 | | | 43,881.25 | 763,625.00 | 5,015,000 |
| | 10/01/15 | 680,000 | 1.75% | 43,881.25 | | 4,335,000 |
| FY 2015-2016 | 04/01/16 | | | 37,931.25 | 761,812.50 | 4,335,000 |
| | 10/01/16 | 690,000 | 1.75% | 37,931.25 | | 3,645,000 |
| FY 2016-2017 | 04/01/17 | | | 31,893.75 | 759,825.00 | 3,645,000 |
| | 10/01/17 | 700,000 | 1.75% | 31,893.75 | | 2,945,000 |
| FY 2017-2018 | 04/01/18 | | | 25,768.75 | 757,662.50 | 2,945,000 |
| | 10/01/18 | 715,000 | 1.75% | 25,768.75 | | 2,230,000 |
| FY 2018-2019 | 04/01/19 | | | 19,512.50 | 760,281.25 | 2,230,000 |
| | 10/01/19 | 730,000 | 1.75% | 19,512.50 | | 1,500,000 |
| FY 2019-2020 | 04/01/20 | | | 13,125.00 | 762,637.50 | 1,500,000 |
| | 10/01/20 | 740,000 | 1.75% | 13,125.00 | | 760,000 |
| FY 2020-2021 | 04/01/21 | | | 6,650.00 | 759,775.00 | 760,000 |
| | 10/01/21 | 760,000 | 1.75% | 6,650.00 | | - |
| FY 2021-2022 | 04/01/22 | | | | 766,650.00 | |
| | | \$6,335,000 | | \$575,265.83 | \$6,910,265.83 | |

| |
|--|
| Airport System Revenue Refunding Bonds, Series 2000 |
|--|

| |
|---------------------|
| \$30,795,000 |
|---------------------|

Purpose

To provide funds sufficient to advance refund a portion of the County's outstanding Airport System Refunding Revenue Bonds, Series 1991. The 1991 Bond Issue was used to finance a portion of the cost of acquiring, constructing, expanding and installing certain airport terminal facilities at the Daytona Beach International Airport.

Dated Date August 1, 2000

Issue Date August 15, 2000

Interest Rate 6.35% - 7%

Final Maturity October 1, 2021

Revenue Pledged Net Revenues derived from operation of the Airport System

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule Non-callable

Insurance MBIA

Surety MBIA

Ratings None

Refunding Status Not advance refundable.

Arbitrage Calculation 8/15/2010

Account Number 451-910-7020

Airport System Revenue Refunding Bonds, Series 2000
\$30,795,000

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------------|---------------------|---------------------|---------------|-------------------------|----------------------------|----------------------------|
| | 10/01/00 | | | 356,039.58 | | \$30,795,000 |
| FY 2000-2001 | 04/01/01 | | | 1,068,118.75 | 1,424,158.33 | 30,795,000 |
| | 10/01/01 | 705,000 | 6.35% | 1,068,118.75 | | 30,090,000 |
| FY 2001-2002 | 04/01/02 | | | 1,045,735.00 | 2,818,853.75 | 30,090,000 |
| | 10/01/02 | 750,000 | 6.45% | 1,045,735.00 | | 29,340,000 |
| FY 2002-2003 | 04/01/03 | | | 1,021,547.50 | 2,817,282.50 | 29,340,000 |
| | 10/01/03 | 790,000 | 6.55% | 1,021,547.50 | | 28,550,000 |
| FY 2003-2004 | 04/01/04 | | | 995,675.00 | 2,807,222.50 | 28,550,000 |
| | 10/01/04 | 845,000 | 6.65% | 995,675.00 | | 27,705,000 |
| FY 2004-2005 | 04/01/05 | | | 967,578.75 | 2,808,253.75 | 27,705,000 |
| | 10/01/05 | 905,000 | 6.75% | 967,578.75 | | 26,800,000 |
| FY 2005-2006 | 04/01/06 | | | 937,035.00 | 2,809,613.75 | 26,800,000 |
| | 10/01/06 | 965,000 | 6.80% | 937,035.00 | | 25,835,000 |
| FY 2006-2007 | 04/01/07 | | | 904,225.00 | 2,806,260.00 | 25,835,000 |
| | 10/01/07 | 1,025,000 | 7.00% | 904,225.00 | | 24,810,000 |
| FY 2007-2008 | 04/01/08 | | | 868,350.00 | 2,797,575.00 | 24,810,000 |
| | 10/01/08 | 1,100,000 | 7.00% | 868,350.00 | | 23,710,000 |
| FY 2008-2009 | 04/01/09 | | | 829,850.00 | 2,798,200.00 | 23,710,000 |
| | 10/01/09 | 1,175,000 | 7.00% | 829,850.00 | | 22,535,000 |
| FY 2009-2010 | 04/01/10 | | | 788,725.00 | 2,793,575.00 | 22,535,000 |
| | 10/01/10 | 1,260,000 | 7.00% | 788,725.00 | | 21,275,000 |
| FY 2010-2011 | 04/01/11 | | | 744,625.00 | 2,793,350.00 | 21,275,000 |
| | 10/01/11 | 1,350,000 | 7.00% | 744,625.00 | | 19,925,000 |
| FY 2011-2012 | 04/01/12 | | | 697,375.00 | 2,792,000.00 | 19,925,000 |
| | 10/01/12 | 1,440,000 | 7.00% | 697,375.00 | | 18,485,000 |
| FY 2012-2013 | 04/01/13 | | | 646,975.00 | 2,784,350.00 | 18,485,000 |
| | 10/01/13 | 1,545,000 | 7.00% | 646,975.00 | | 16,940,000 |
| FY 2013-2014 | 04/01/14 | | | 592,900.00 | 2,784,875.00 | 16,940,000 |
| | 10/01/14 | 1,650,000 | 7.00% | 592,900.00 | | 15,290,000 |
| FY 2014-2015 | 04/01/15 | | | 535,150.00 | 2,778,050.00 | 15,290,000 |
| | 10/01/15 | 1,765,000 | 7.00% | 535,150.00 | | 13,525,000 |
| FY 2015-2016 | 04/01/16 | | | 473,375.00 | 2,773,525.00 | 13,525,000 |
| | 10/01/16 | 1,890,000 | 7.00% | 473,375.00 | | 11,635,000 |
| FY 2016-2017 | 04/01/17 | | | 407,225.00 | 2,770,600.00 | 11,635,000 |
| | 10/01/17 | 2,025,000 | 7.00% | 407,225.00 | | 9,610,000 |
| FY 2017-2018 | 04/01/18 | | | 336,350.00 | 2,768,575.00 | 9,610,000 |
| | 10/01/18 | 2,165,000 | 7.00% | 336,350.00 | | 7,445,000 |
| FY 2018-2019 | 04/01/19 | | | 260,575.00 | 2,761,925.00 | 7,445,000 |
| | 10/01/19 | 2,320,000 | 7.00% | 260,575.00 | | 5,125,000 |
| FY 2019-2020 | 04/01/20 | | | 179,375.00 | 2,759,950.00 | 5,125,000 |
| | 10/01/20 | 2,475,000 | 7.00% | 179,375.00 | | 2,650,000 |
| FY 2020-2021 | 04/01/21 | | | 92,750.00 | 2,747,125.00 | 2,650,000 |
| | 10/01/21 | 2,650,000 | 7.00% | 92,750.00 | | - |
| FY 2021-2022 | | | | | 2,742,750.00 | |
| | | \$30,795,000 | | \$29,143,069.58 | \$59,938,069.58 | |

| |
|--|
| Capital Improvement Refunding Revenue Bond, Series 2012 \$4,780,000 |
|--|

Purpose To provide funds sufficient to advance refund the County's outstanding Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003. The 2003 bonds advance refunded a portion of the County's outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1993, which refunded the 1991 Bond issue. The 1991 Bond Issue was used to finance the Justice Center, acquire 250 N. Beach Street and fund several other projects.

Dated Date July 3, 2012

Issue Date July 3, 2012

Interest Rate 1.955%

Final Maturity October 1, 2021

Revenue Pledged Local Government Half Cent Sales Tax

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule October 1, 2012 through September 30, 2016 at 101.25%
October 1, 2016 and thereafter 100%

Insurance None

Surety None

Underlying Ratings None

Bond Holder Banc of America Public Capital Corp.

Arbitrage Calculation None

Account Number 204-910-2900

| |
|---|
| <p align="center">Capital Improvement Refunding Revenue Bond, Series 2012</p> <p align="center">\$4,780,000</p> |
|---|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------------|---------------------|------------------|---------------|-------------------------|----------------------------|----------------------------|
| FY 2011-2012 | | | | | | \$4,780,000 |
| | 10/01/12 | | | 22,843.09 | | 4,780,000 |
| FY 2012-2013 | 04/01/13 | | | 46,724.50 | 69,567.59 | 4,780,000 |
| | 10/01/13 | 485,000 | 1.955% | 46,724.50 | | 4,295,000 |
| FY 2013-2014 | 04/01/14 | | | 41,983.63 | 573,708.13 | 4,295,000 |
| | 10/01/14 | 495,000 | 1.960% | 41,983.63 | | 3,800,000 |
| FY 2014-2015 | 04/01/15 | | | 37,145.00 | 574,128.63 | 3,800,000 |
| | 10/01/15 | 500,000 | 1.955% | 37,145.00 | | 3,300,000 |
| FY 2015-2016 | 04/01/16 | | | 32,257.50 | 569,402.50 | 3,300,000 |
| | 10/01/16 | 525,000 | 1.955% | 32,257.50 | | 2,775,000 |
| FY 2016-2017 | 04/01/17 | | | 27,125.63 | 584,383.13 | 2,775,000 |
| | 10/01/17 | 530,000 | 1.955% | 27,125.63 | | 2,245,000 |
| FY 2017-2018 | 04/01/18 | | | 21,944.88 | 579,070.51 | 2,245,000 |
| | 10/01/18 | 545,000 | 1.955% | 21,944.88 | | 1,700,000 |
| FY 2018-2019 | 04/01/19 | | | 16,617.50 | 583,562.38 | 1,700,000 |
| | 10/01/19 | 555,000 | 1.955% | 16,617.50 | | 1,145,000 |
| FY 2019-2020 | 04/01/20 | | | 11,192.38 | 582,809.88 | 1,145,000 |
| | 10/01/20 | 565,000 | 1.955% | 11,192.38 | | 580,000 |
| FY 2020-2021 | 04/01/21 | | | 5,669.50 | 581,861.88 | 580,000 |
| | 10/01/21 | 580,000 | 1.955% | 5,669.50 | | - |
| FY 2021-2022 | | | | | 585,669.50 | |
| | | \$4,780,000 | | \$504,164.13 | \$5,284,164.13 | |

| |
|---|
| Capital Improvement Revenue Bond, Series 2009A \$3,718,000 |
|---|

| | |
|------------------------------|--|
| Purpose | To finance capital expenditures including the purchase of Sheriff's vehicles (GF and MSD) and a helicopter (GF). |
| Dated Date | September 10, 2009 |
| Issue Date | September 10, 2009 |
| Interest Rate | 2.63% |
| Final Maturity | October 1, 2014 |
| Revenue Pledged | Subordinate lien on the Local Government Half Cent Sales Tax |
| Payment Dates | Annual payments due October 1; semiannual interest payable on April 1 and October 1 |
| Call Schedule | May be redeemed at any time, with a prepayment fee. |
| Insurance | None |
| Surety | None |
| Ratings | None |
| Bond Holder | Bank of America, N.A. |
| Refunding Status | Advance refundable |
| Arbitrage Calculation | None |
| Account Number | 297-910-9800 |
| Transfer From | 108-920-0012 |

| |
|---|
| Capital Improvement Revenue Bond, Series 2009A \$3,718,000 |
|---|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------|--------------|-------------|--------|------------------|---------------------|---------------------|
| | | | | | | \$3,718,000 |
| | 4/1/2010 | | | \$54,595.73 | | |
| FY 2009-2010 | 10/1/2010 | 550,000 | 2.63% | 48,891.70 | 653,487.43 | 3,168,000 |
| | 4/1/2011 | | | 41,659.20 | | |
| FY 2010-2011 | 10/1/2011 | 650,000 | 2.63% | 41,659.20 | 733,318.40 | 2,518,000 |
| | 4/1/2012 | | | 33,111.70 | | |
| FY 2011-2012 | 10/1/2012 | 817,000 | 2.63% | 33,111.70 | 883,223.40 | 1,701,000 |
| | 4/1/2013 | | | 22,368.15 | | |
| FY 2012-2013 | 10/1/2013 | 839,000 | 2.63% | 22,368.15 | 883,736.30 | 862,000 |
| | 4/1/2014 | | | 11,335.30 | | |
| FY 2013-2014 | 10/1/2014 | 862,000 | 2.63% | 11,335.30 | 884,670.60 | - |
| | | \$3,718,000 | | \$320,436.13 | \$4,038,436.13 | |

Debt Service Schedule (General Fund Portion)

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------|--------------|-------------|--------|------------------|---------------------|---------------------|
| | | | | | | \$2,351,340 |
| | 4/1/2010 | | | \$34,527.47 | | |
| FY 2009-2010 | 10/1/2010 | 347,831 | 2.63% | 30,920.12 | 413,278.95 | 2,003,509 |
| | 4/1/2011 | | | 26,346.14 | | |
| FY 2010-2011 | 10/1/2011 | 411,073 | 2.63% | 26,346.14 | 463,765.70 | 1,592,435 |
| | 4/1/2012 | | | 20,940.52 | | |
| FY 2011-2012 | 10/1/2012 | 516,688 | 2.63% | 20,940.52 | 558,568.72 | 1,075,748 |
| | 4/1/2013 | | | 14,146.08 | | |
| FY 2012-2013 | 10/1/2013 | 530,601 | 2.63% | 14,146.08 | 558,893.09 | 545,147 |
| | 4/1/2014 | | | 7,168.68 | | |
| FY 2013-2014 | 10/1/2014 | 545,147 | 2.63% | 7,168.68 | 559,483.97 | - |
| | | \$2,351,340 | | \$202,650.43 | \$2,553,990.43 | |

Debt Service Schedule (MSD Portion)

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------|--------------|-------------|--------|------------------|---------------------|---------------------|
| | | | | | | \$1,366,660 |
| | 4/1/2010 | | | \$20,068.26 | | |
| FY 2009-2010 | 10/1/2010 | 202,169 | 2.63% | 17,971.58 | 240,208.48 | 1,164,491 |
| | 4/1/2011 | | | 15,313.06 | | |
| FY 2010-2011 | 10/1/2011 | 238,927 | 2.63% | 15,313.06 | 269,552.69 | 925,565 |
| | 4/1/2012 | | | 12,171.18 | | |
| FY 2011-2012 | 10/1/2012 | 300,312 | 2.63% | 12,171.18 | 324,654.68 | 625,252 |
| | 4/1/2013 | | | 8,222.07 | | |
| FY 2012-2013 | 10/1/2013 | 308,399 | 2.63% | 8,222.07 | 324,843.21 | 316,853 |
| | 4/1/2014 | | | 4,166.62 | | |
| FY 2013-2014 | 10/1/2014 | 316,853 | 2.63% | 4,166.62 | 325,186.64 | - |
| | | \$1,366,660 | | \$117,785.70 | \$1,484,445.70 | |

| |
|---|
| Capital Improvement Refunding Revenue Bond, Series 2009B \$5,812,000 |
|---|

Purpose To refinance all of the County's outstanding Subordinate Lien Sales Tax Revenue Bonds, Series 1998. The 1998 bonds financed the West Volusia courthouse and refunded the 1996 sales tax bonds.

Dated Date September 10, 2009

Issue Date September 10, 2009

Interest Rate 2.63%

Final Maturity October 1, 2016

Revenue Pledged Subordinate lien on the Local Government Half Cent Sales Tax

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule May be redeemed at any time, with a prepayment fee.

Insurance None

Surety None

Ratings None

Bond Holder Bank of America, N.A.

Refunding Status Advance refundable

Arbitrage Calculation None

Account Number 297-910-9900

Transfer From 108-920-0012

| |
|---|
| Capital Improvement Refunding Revenue Bond, Series 2009B \$5,812,000 |
|---|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|------------------------|-------------------------|--------------------|---------------|-----------------------------|--------------------------------|--------------------------------|
| | | | | | | \$5,812,000 |
| FY 2009-2010 | 4/1/2010 | | | \$85,344.38 | | |
| | 10/1/2010 | 758,000 | 2.63% | 76,427.80 | 919,772.18 | 5,054,000 |
| FY 2010-2011 | 4/1/2011 | | | 66,460.10 | | |
| | 10/1/2011 | 787,000 | 2.63% | 66,460.10 | 919,920.20 | 4,267,000 |
| FY 2011-2012 | 4/1/2012 | | | 56,111.05 | | |
| | 10/1/2012 | 809,000 | 2.63% | 56,111.05 | 921,222.10 | 3,458,000 |
| FY 2012-2013 | 4/1/2013 | | | 45,472.70 | | |
| | 10/1/2013 | 830,000 | 2.63% | 45,472.70 | 920,945.40 | 2,628,000 |
| FY 2013-2014 | 4/1/2014 | | | 34,558.20 | | |
| | 10/1/2014 | 853,000 | 2.63% | 34,558.20 | 922,116.40 | 1,775,000 |
| FY 2014-2015 | 4/1/2015 | | | 23,341.25 | | |
| | 10/1/2015 | 876,000 | 2.63% | 23,341.25 | 922,682.50 | 899,000 |
| FY 2015-2016 | 4/1/2016 | | | 11,821.85 | | |
| | 10/1/2016 | 899,000 | 2.63% | 11,821.85 | 922,643.70 | - |
| | | \$5,812,000 | | \$637,302.48 | \$6,449,302.48 | |

| |
|--|
| Gas Tax Refunding Revenue Bonds, Series 2013 \$41,505,000 |
|--|

Purpose To refund the Gas Tax Revenue Bonds, Series 2004 bonds maturing on and after October 1, 2015 which were issued to finance the costs of acquisition, construction, and reconstruction of roads and bridges and other transportation improvements within the County.

Dated Date January 9, 2013

Issue Date January 9, 2013

Interest Rate 2.035%

Final Maturity October 1, 2024

Revenue Pledged Six Cents Local Option Gas Tax

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule October 1, 2018 and thereafter at 100%

Insurance None

Surety None

Underlying Ratings None

Bond Holder SunTrust Equipment Finance and Leasing Corp

Refunding Status

Arbitrage Calculation

Account Number 234-910-2600

Transfer From 131, 132, 133, 134 (Road Impact Fees)

| |
|---|
| <p align="center">Gas Tax Refunding Revenue Bonds, Series 2013</p> <p align="center">\$41,505,000</p> |
|---|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|------------------------|-------------------------|------------------|---------------|-----------------------------|--------------------------------|--------------------------------|
| | | | | | | \$41,505,000 |
| FY 2012-2013 | 04/01/13 | | | 192,387.20 | | 41,505,000 |
| | 10/01/13 | 475,000 | 2.035% | 422,313.38 | 1,089,700.58 | 41,030,000 |
| FY 2013-2014 | 04/01/14 | | | 417,480.25 | | 41,030,000 |
| | 10/01/14 | 605,000 | 2.035% | 417,480.25 | 1,439,960.50 | 40,425,000 |
| FY 2014-2015 | 04/01/15 | | | 411,324.38 | | 40,425,000 |
| | 10/01/15 | 3,685,000 | 2.035% | 411,324.38 | 4,507,648.76 | 36,740,000 |
| FY 2015-2016 | 04/01/16 | | | 373,829.50 | | 36,740,000 |
| | 10/01/16 | 3,760,000 | 2.035% | 373,829.50 | 4,507,659.00 | 32,980,000 |
| FY 2016-2017 | 04/01/17 | | | 335,571.50 | | 32,980,000 |
| | 10/01/17 | 3,835,000 | 2.035% | 335,571.50 | 4,506,143.00 | 29,145,000 |
| FY 2017-2018 | 04/01/18 | | | 296,550.38 | | 29,145,000 |
| | 10/01/18 | 3,915,000 | 2.035% | 296,550.38 | 4,508,100.76 | 25,230,000 |
| FY 2018-2019 | 04/01/19 | | | 256,715.25 | | 25,230,000 |
| | 10/01/19 | 3,995,000 | 2.035% | 256,715.25 | 4,508,430.50 | 21,235,000 |
| FY 2019-2020 | 04/01/20 | | | 216,066.13 | | 21,235,000 |
| | 10/01/20 | 4,080,000 | 2.035% | 216,066.13 | 4,512,132.26 | 17,155,000 |
| FY 2020-2021 | 04/01/21 | | | 174,552.13 | | 17,155,000 |
| | 10/01/21 | 4,160,000 | 2.035% | 174,552.13 | 4,509,104.26 | 12,995,000 |
| FY 2021-2022 | 04/01/22 | | | 132,224.13 | | 12,995,000 |
| | 10/01/22 | 4,245,000 | 2.035% | 132,224.13 | 4,509,448.26 | 8,750,000 |
| FY 2022-2023 | 04/01/23 | | | 89,031.25 | | 8,750,000 |
| | 10/01/23 | 4,335,000 | 2.035% | 89,031.25 | 4,513,062.50 | 4,415,000 |
| FY 2023-2024 | 04/01/24 | | | 44,922.63 | | 4,415,000 |
| | 10/01/24 | 4,415,000 | 2.035% | 44,922.63 | 4,504,845.26 | - |
| | | \$41,505,000 | | \$ 6,111,235.64 | \$ 47,616,235.64 | |

| |
|---|
| Gas Tax Revenue Bonds, Series 2004 <i>(Defeased and refunded - see note below)</i> |
|---|

| |
|---------------------|
| \$64,215,000 |
|---------------------|

| | |
|------------------------------|---|
| Purpose | To finance the costs of acquisition, construction, and reconstruction of roads and bridges and other transportation improvements within the County. |
| Dated Date | October 19, 2004 |
| Issue Date | October 19, 2004 |
| Interest Rate | 2.75% - 5.0% |
| Final Maturity | October 1, 2024 |
| Revenue Pledged | Six Cents Local Option Gas Tax |
| Payment Dates | Annual payments due October 1; semiannual interest payable on April 1 and October 1 |
| Call Schedule | October 1, 2014 and thereafter at 100% |
| Insurance | FSA |
| Surety | FSA |
| Underlying Ratings | Fitch: A+ Standard & Poor's: A |
| Refunding Status | Advance Refundable |
| Arbitrage Calculation | 11/2/2014 |
| Account Number | 234-910-2600 |
| Transfer From | 131, 132, 133, 134 (Road Impact Fees) |

NOTE: On January 09, 2013, the 2004 series maturities on and after 10/1/2015 were defeased by depositing in irrevocable escrow cash and direct, non-callable obligations of the United States of Americas, State and Local Government Series, principal of and interest on which will be sufficient to pay the principal of, redemption premium and interest on the Refunded Bonds upon their redemption on October 1, 2014.

Gas Tax Revenue Bonds, Series 2004
\$64,215,000

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------|--------------|--------------|--------|------------------|---------------------|---------------------|
| | | | | | | \$64,215,000 |
| FY 2004-2005 | 04/01/05 | | | 1,081,651.01 | 1,081,651.01 | 64,215,000 |
| | 10/01/05 | 2,080,000 | 3.00% | 1,306,692.50 | | 62,135,000 |
| FY 2005-2006 | 04/01/06 | | | 1,275,492.50 | 4,662,185.00 | 62,135,000 |
| | 10/01/06 | 2,340,000 | 3.00% | 1,275,492.50 | | 59,795,000 |
| FY 2006-2007 | 04/01/07 | | | 1,240,392.50 | 4,855,885.00 | 59,795,000 |
| | 10/01/07 | 2,410,000 | 3.00% | 1,240,392.50 | | 57,385,000 |
| FY 2007-2008 | 04/01/08 | | | 1,204,242.50 | 4,854,635.00 | 57,385,000 |
| | 10/01/08 | 2,485,000 | 2.75% | 1,204,242.50 | | 54,900,000 |
| FY 2008-2009 | 04/01/09 | | | 1,170,073.75 | 4,859,316.25 | 54,900,000 |
| | 10/01/09 | 2,550,000 | 3.00% | 1,170,073.75 | | 52,350,000 |
| FY 2009-2010 | 04/01/10 | | | 1,131,823.75 | 4,851,897.50 | 52,350,000 |
| | 10/01/10 | 2,630,000 | 3.00% | 1,131,823.75 | | 49,720,000 |
| FY 2010-2011 | 04/01/11 | | | 1,092,373.75 | 4,854,197.50 | 49,720,000 |
| | 10/01/11 | 2,705,000 | 3.00% | 1,092,373.75 | | 47,015,000 |
| FY 2011-2012 | 04/01/12 | | | 1,051,798.75 | 4,849,172.50 | 47,015,000 |
| | 10/01/12 | 2,785,000 | 3.10% | 1,051,798.75 | | 44,230,000 |
| FY 2012-2013 | 04/01/13 | | | 1,008,631.25 | 4,845,430.00 | 44,230,000 |
| | 10/01/13 | 2,875,000 | 3.25% | 1,008,631.25 | | 41,355,000 |
| FY 2013-2014 | 04/01/14 | | | 961,912.50 | 4,845,543.75 | 41,355,000 |
| | 10/01/14 | 2,965,000 | 3.35% | 961,912.50 | | 38,390,000 |
| FY 2014-2015 | 04/01/15 | | | 912,248.75 | 4,839,161.25 | 38,390,000 |
| | 10/01/15 | 3,065,000 | 5.00% | 912,248.75 | | 35,325,000 |
| FY 2015-2016 | 04/01/16 | | | 835,623.75 | 4,812,872.50 | 35,325,000 |
| | 10/01/16 | 3,220,000 | 5.00% | 835,623.75 | | 32,105,000 |
| FY 2016-2017 | 04/01/17 | | | 755,123.75 | 4,810,747.50 | 32,105,000 |
| | 10/01/17 | 3,380,000 | 5.00% | 755,123.75 | | 28,725,000 |
| FY 2017-2018 | 04/01/18 | | | 670,623.75 | 4,805,747.50 | 28,725,000 |
| | 10/01/18 | 3,550,000 | 5.00% | 670,623.75 | | 25,175,000 |
| FY 2018-2019 | 04/01/19 | | | 581,873.75 | 4,802,497.50 | 25,175,000 |
| | 10/01/19 | 3,725,000 | 5.00% | 581,873.75 | | 21,450,000 |
| FY 2019-2020 | 04/01/20 | | | 488,748.75 | 4,795,622.50 | 21,450,000 |
| | 10/01/20 | 3,915,000 | 4.125% | 488,748.75 | | 17,535,000 |
| FY 2020-2021 | 04/01/21 | | | 408,001.88 | 4,811,750.63 | 17,535,000 |
| | 10/01/21 | 4,075,000 | 5.000% | 408,001.88 | | 13,460,000 |
| FY 2021-2022 | 04/01/22 | | | 306,126.88 | 4,789,128.76 | 13,460,000 |
| | 10/01/22 | 4,280,000 | 5.000% | 306,126.88 | | 9,180,000 |
| FY 2022-2023 | 04/01/23 | | | 199,126.88 | 4,785,253.76 | 9,180,000 |
| | 10/01/23 | 4,495,000 | 4.300% | 199,126.88 | | 4,685,000 |
| FY 2023-2024 | 04/01/24 | | | 102,484.38 | 4,796,611.26 | 4,685,000 |
| | 10/01/24 | 4,685,000 | 4.375% | 102,484.38 | 4,787,484.38 | |
| | | \$64,215,000 | | \$33,181,791.05 | \$97,396,791.05 | |

Note: The bonds maturing on and after October 1, 2015 were refunded on January 10, 2013 with Gas Tax Refunding Revenue Bonds, Series 2013.

Bonds maturing before October 1, 2015 were non-callable. The following revised schedule reflects the 2004 Gas Tax Bonds outstanding at 1/10/2013 after the refunding:

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------|--------------|--------------|--------|------------------|---------------------|---------------------|
| | | | | | | \$5,840,000 |
| FY 2012-2013 | 04/01/13 | | | 96,382.50 | | 5,840,000 |
| | 10/01/13 | 2,875,000 | | 96,382.50 | 3,067,765.00 | 2,965,000 |
| FY 2013-2014 | 04/01/14 | | | 49,663.75 | | 2,965,000 |
| | 10/01/14 | 2,965,000 | | 49,663.75 | 3,064,327.50 | - |
| | | \$ 5,840,000 | | \$ 292,092.50 | \$ 6,132,092.50 | |

| |
|---|
| Limited Tax General Obligation Bonds, Series 2005 \$39,875,000 |
|---|

| | |
|------------------------------|--|
| Purpose | To finance the cost of acquisition and improvement of environmentally sensitive, water resource protection and outdoor recreation lands. |
| Dated Date | November 10, 2005 |
| Issue Date | November 10, 2005 |
| Interest Rate | 3.5% - 4.25% |
| Final Maturity | October 1, 2021 |
| Revenue Pledged | Limited tax levy of ad valorem taxes in an amount not to exceed 00.2 mil per year on all taxable property within the County |
| Payment Dates | Annual payments due October 1; semiannual interest payable on April 1 and October 1 |
| Call Schedule | October 1, 2016 and thereafter at 100% |
| Insurance | AMBAC |
| Surety | None |
| Underlying Ratings | Fitch: A- Standard & Poor's: A |
| Refunding Status | Advance refundable |
| Arbitrage Calculation | 11/10/2010 |
| Account Number | 261-910-1100 |
| Transfer From | 161-250-1100 |

Limited Tax General Obligation Bonds, Series 2005
\$39,875,000

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|----------------|-----------------|--------------|--------|---------------------|------------------------|------------------------|
| | | | | | | \$39,875,000 |
| FY 2005-2006 | 04/01/06 | | | 604,434.69 | 604,434.69 | 39,875,000 |
| | 10/01/06 | 1,685,000 | 3.50% | 771,618.75 | | 38,190,000 |
| FY 2006-2007 | 04/01/07 | | | 742,131.25 | 3,198,750.00 | 38,190,000 |
| | 10/01/07 | 1,945,000 | 3.50% | 742,131.25 | | 36,245,000 |
| FY 2007-2008 | 04/01/08 | | | 708,093.75 | 3,395,225.00 | 36,245,000 |
| | 10/01/08 | 2,015,000 | 3.50% | 708,093.75 | | 34,230,000 |
| FY 2008-2009 | 04/01/09 | | | 672,831.25 | 3,395,925.00 | 34,230,000 |
| | 10/01/09 | 2,085,000 | 3.50% | 672,831.25 | | 32,145,000 |
| FY 2009-2010 | 04/01/10 | | | 636,343.75 | 3,394,175.00 | 32,145,000 |
| | 10/01/10 | 2,160,000 | 3.63% | 636,343.75 | | 29,985,000 |
| FY 2010-2011 | 04/01/11 | | | 597,193.75 | 3,393,537.50 | 29,985,000 |
| | 10/01/11 | 2,235,000 | 3.63% | 597,193.75 | | 27,750,000 |
| FY 2011-2012 | 04/01/12 | | | 556,684.38 | 3,388,878.13 | 27,750,000 |
| | 10/01/12 | 2,320,000 | 3.75% | 556,684.38 | | 25,430,000 |
| FY 2012-2013 | 04/01/13 | | | 513,184.38 | 3,389,868.76 | 25,430,000 |
| | 10/01/13 | 2,405,000 | 3.88% | 513,184.38 | | 23,025,000 |
| FY 2013-2014 | 04/01/14 | | | 466,587.50 | 3,384,771.88 | 23,025,000 |
| | 10/01/14 | 2,500,000 | 4.00% | 466,587.50 | | 20,525,000 |
| FY 2014-2015 | 04/01/15 | | | 416,587.50 | 3,383,175.00 | 20,525,000 |
| | 10/01/15 | 2,600,000 | 4.00% | 416,587.50 | | 17,925,000 |
| FY 2015-2016 | 04/01/16 | | | 364,587.50 | 3,381,175.00 | 17,925,000 |
| | 10/01/16 | 2,700,000 | 4.00% | 364,587.50 | | 15,225,000 |
| FY 2016-2017 | 04/01/17 | | | 310,587.50 | 3,375,175.00 | 15,225,000 |
| | 10/01/17 | 2,810,000 | 4.00% | 310,587.50 | | 12,415,000 |
| FY 2017-2018 | 04/01/18 | | | 254,387.50 | 3,374,975.00 | 12,415,000 |
| | 10/01/18 | 2,925,000 | 4.00% | 254,387.50 | | 9,490,000 |
| FY 2018-2019 | 04/01/19 | | | 195,887.50 | 3,375,275.00 | 9,490,000 |
| | 10/01/19 | 3,040,000 | 4.00% | 195,887.50 | | 6,450,000 |
| FY 2019-2020 | 04/01/20 | | | 135,087.50 | 3,370,975.00 | 6,450,000 |
| | 10/01/20 | 3,160,000 | 4.13% | 135,087.50 | | 3,290,000 |
| FY 2020-2021 | 04/01/21 | | | 69,912.50 | 3,365,000.00 | 3,290,000 |
| | 10/01/21 | 3,290,000 | 4.25% | 69,912.50 | | - |
| FY 2021-2022 | | | | | 3,359,912.50 | |
| | | \$39,875,000 | | \$14,656,228.46 | \$54,531,228.46 | |

| |
|---|
| Parking Facility Revenue Bonds, Series 2007 \$10,815,000 |
|---|

| | |
|------------------------------|--|
| Purpose | To finance the cost of acquisition of the Ocean Center Parking Garage adjacent to the Ocean Center from the Volusia Redevelopment Parking Corporation. |
| Dated Date | October 1, 2007 |
| Issue Date | October 1, 2007 |
| Interest Rate | 5.125% |
| Final Maturity | April 1, 2024 |
| Revenue Pledged | Net revenues of the parking garage, and a subordinate lien on Tourist Development Tax Revenues |
| Payment Dates | Semiannual principal and interest payments are due October 1 |
| Call Schedule | October 1, 2008 through September 30, 2009 at 102% October 1, 2009 through September 30, 2010 at 101% October 1, 2010 and thereafter at 100% |
| Insurance | None |
| Surety | None |
| Ratings | None |
| Bond Holder | TAGE Public Finance LLC |
| Refunding Status | Advance Refundable |
| Arbitrage Calculation | 10/1/2012 |
| Account Number | 475-130-2500 |

Parking Facility Revenue Bonds, Series 2007
\$10,815,000

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|--------------------|---------------------|------------------|---------------|-------------------------|----------------------------|----------------------------|
| | | | | | | \$10,815,000 |
| FY 2007-2008 | 04/01/08 | 195,000.00 | 5.125% | 277,134.38 | 472,134.38 | 10,620,000 |
| | 10/01/08 | 200,000.00 | 5.125% | 272,137.50 | | 10,420,000 |
| FY 2008-2009 | 04/01/09 | 210,000.00 | 5.125% | 267,012.50 | 949,150.00 | 10,210,000 |
| | 10/01/09 | 215,000.00 | 5.125% | 261,631.25 | | 9,995,000 |
| FY 2009-2010 | 04/01/10 | 220,000.00 | 5.125% | 256,121.88 | 952,753.13 | 9,775,000 |
| | 10/01/10 | 230,000.00 | 5.125% | 250,484.38 | | 9,545,000 |
| FY 2010-2011 | 04/01/11 | 235,000.00 | 5.125% | 244,590.63 | 960,075.01 | 9,310,000 |
| | 10/01/11 | 240,000.00 | 5.125% | 238,568.75 | | 9,070,000 |
| FY 2011-2012 | 04/01/12 | 250,000.00 | 5.125% | 232,418.75 | 960,987.50 | 8,820,000 |
| | 10/01/12 | 255,000.00 | 5.125% | 226,012.50 | | 8,565,000 |
| FY 2012-2013 | 04/01/13 | 265,000.00 | 5.125% | 219,478.13 | 965,490.63 | 8,300,000 |
| | 10/01/13 | 270,000.00 | 5.125% | 212,687.50 | | 8,030,000 |
| FY 2013-2014 | 04/01/14 | 280,000.00 | 5.125% | 205,768.75 | 968,456.25 | 7,750,000 |
| | 10/01/14 | 290,000.00 | 5.125% | 198,593.75 | | 7,460,000 |
| FY 2014-2015 | 04/01/15 | 295,000.00 | 5.125% | 191,162.50 | 974,756.25 | 7,165,000 |
| | 10/01/15 | 305,000.00 | 5.125% | 183,603.13 | | 6,860,000 |
| FY 2015-2016 | 04/01/16 | 315,000.00 | 5.125% | 175,787.50 | 979,390.63 | 6,545,000 |
| | 10/01/16 | 325,000.00 | 5.125% | 167,715.63 | | 6,220,000 |
| FY 2016-2017 | 04/01/17 | 335,000.00 | 5.125% | 159,387.50 | 987,103.13 | 5,885,000 |
| | 10/01/17 | 345,000.00 | 5.125% | 150,803.13 | | 5,540,000 |
| FY 2017-2018 | 04/01/18 | 355,000.00 | 5.125% | 141,962.50 | 992,765.63 | 5,185,000 |
| | 10/01/18 | 365,000.00 | 5.125% | 132,865.63 | | 4,820,000 |
| FY 2018-2019 | 04/01/19 | 375,000.00 | 5.125% | 123,512.50 | 996,378.13 | 4,445,000 |
| | 10/01/19 | 390,000.00 | 5.125% | 113,903.13 | | 4,055,000 |
| FY 2019-2020 | 04/01/20 | 400,000.00 | 5.125% | 103,909.38 | 1,007,812.51 | 3,655,000 |
| | 10/01/20 | 410,000.00 | 5.125% | 93,659.38 | | 3,245,000 |
| FY 2020-2021 | 04/01/21 | 425,000.00 | 5.125% | 83,153.13 | 1,011,812.51 | 2,820,000 |
| | 10/01/21 | 435,000.00 | 5.125% | 72,262.50 | | 2,385,000 |
| FY 2021-2022 | 04/01/22 | 450,000.00 | 5.125% | 61,115.63 | 1,018,378.13 | 1,935,000 |
| | 10/01/22 | 465,000.00 | 5.125% | 49,584.38 | | 1,470,000 |
| FY 2022-2023 | 04/01/23 | 475,000.00 | 5.125% | 37,668.75 | 1,027,253.13 | 995,000 |
| | 10/01/23 | 490,000.00 | 5.125% | 25,496.88 | | 505,000 |
| FY 2023-2024 | 04/01/24 | 505,000.00 | 5.125% | 12,940.63 | 1,033,437.51 | - |
| | | \$10,815,000 | | \$5,443,134.46 | \$16,258,134.46 | |

| |
|---|
| Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008 \$42,605,000 |
|---|

Purpose To provide funds sufficient to advance refund a portion of the County's outstanding Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 1998, which was issued for the primary purpose of financing the acquisition and equipping of the County's court facilities and the refurbishment of existing court facilities. A portion of the bonds refunded the County's outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1996.

Dated Date February 27, 2008

Issue Date February 27, 2008

Interest Rate 3.0%- 5.25%

Final Maturity October 1, 2018

Revenue Pledged Local Government Half Cent Sales Tax

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule Not subject to redemption prior to maturity

Insurance FSA

Surety FSA

Underlying Ratings Moody's: Aa3

Refunding Status Not advance refundable.

Arbitrage Calculation 2/27/2013

Account Number 201-910-2700

Transfer From 108-920-0012

| |
|--|
| <p align="center">Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008</p> <p align="center">\$42,605,000</p> |
|--|

Debt Service Schedule

| Fiscal | Payment | | | Interest | Fiscal | Balance |
|---------------|----------------|---------------------|---------------|------------------------|------------------------|--------------------|
| Year | Date | Principal | Coupon | Payment | Debt Service | Outstanding |
| | | | | | | \$42,605,000 |
| FY 2007-2008 | 04/01/08 | | | 181,251.28 | 181,251.28 | 42,605,000 |
| | 10/01/08 | | | 959,565.63 | | 42,605,000 |
| FY 2008-2009 | 04/01/09 | | | 959,565.63 | 1,919,131.26 | 42,605,000 |
| | 10/01/09 | | | 959,565.63 | | 42,605,000 |
| FY 2009-2010 | 04/01/10 | | | 959,565.63 | 1,919,131.26 | 42,605,000 |
| | 10/01/10 | | | 959,565.63 | | 42,605,000 |
| FY 2010-2011 | 04/01/11 | | | 959,565.63 | 1,919,131.26 | 42,605,000 |
| | 10/01/11 | 3,790,000 | 3.000% | 959,565.63 | | 38,815,000 |
| FY 2011-2012 | 04/01/12 | | | 902,715.63 | 5,652,281.26 | 38,815,000 |
| | 10/01/12 | 3,900,000 | 3.000% | 902,715.63 | | 34,915,000 |
| FY 2012-2013 | 04/01/13 | | | 844,215.63 | 5,646,931.26 | 34,915,000 |
| | 10/01/13 | 4,015,000 | 3.125% | 844,215.63 | | 30,900,000 |
| FY 2013-2014 | 04/01/14 | | | 781,481.25 | 5,640,696.88 | 30,900,000 |
| | 10/01/14 | 4,190,000 | 5.000% | 781,481.25 | | 26,710,000 |
| FY 2014-2015 | 04/01/15 | | | 676,731.25 | 5,648,212.50 | 26,710,000 |
| | 10/01/15 | 5,855,000 | 5.000% | 676,731.25 | | 20,855,000 |
| FY 2015-2016 | 04/01/16 | | | 530,356.25 | 7,062,087.50 | 20,855,000 |
| | 10/01/16 | 6,115,000 | 5.000% | 530,356.25 | | 14,740,000 |
| FY 2016-2017 | 04/01/17 | | | 377,481.25 | 7,022,837.50 | 14,740,000 |
| | 10/01/17 | 7,185,000 | 5.250% | 377,481.25 | | 7,555,000 |
| FY 2017-2018 | 04/01/18 | | | 188,875.00 | 7,751,356.25 | 7,555,000 |
| | 10/01/18 | 7,555,000 | 5.000% | 188,875.00 | 7,743,875.00 | - |
| | | \$42,605,000 | | \$15,501,923.21 | \$58,106,923.21 | |

| |
|---|
| Tourist Development Tax Revenue Bonds, Series 2004 |
|---|

| |
|---------------------|
| \$55,451,336 |
|---------------------|

Purpose To provide funds to renovate and expand the County's Ocean Center.

Dated Date September 2, 2004

Issue Date September 2, 2004

Interest Rate 3.0% - 5.03%

Final Maturity December 1, 2034

Revenue Pledged Tourist Development Tax - (\$.01)

Payment Dates Annual payments due December 1; semiannual interest payable on June 1 and December 1

Call Schedule December 1, 2014 and thereafter at 100% (CABs are not callable.)

Insurance FSA

Surety FSA

Underlying Ratings Fitch: A

Refunding Status Advance refundable.

Arbitrage Calculation 9/2/2014

Account Number 203-910-2500

Transfer From 106-920-0012

Tourist Development Tax Revenue Bonds, Series 2004
\$55,451,336

Note: Balance on balance sheet includes unamortized bond cost.

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|------------------------|-------------------------|------------------|---------------|-----------------------------|--------------------------------|--------------------------------|
| | 12/01/04 | | | \$556,645.56 | | \$55,451,336 |
| FY 2004-2005 | 06/01/05 | | | 1,125,800.00 | 1,682,445.56 | 55,451,336 |
| | 12/01/05 | 95,000 | 3.00% | 1,125,800.00 | | 55,356,336 |
| FY 2005-2006 | 06/01/06 | | | 1,124,375.00 | 2,345,175.00 | 55,356,336 |
| | 12/01/06 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2006-2007 | 06/01/07 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/07 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2007-2008 | 06/01/08 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/08 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2008-2009 | 06/01/09 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/09 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2009-2010 | 06/01/10 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/10 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2010-2011 | 06/01/11 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/11 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2011-2012 | 06/01/12 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/12 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2012-2013 | 06/01/13 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/13 | | 3.00% | 1,124,375.00 | | 55,356,336 |
| FY 2013-2014 | 06/01/14 | | | 1,124,375.00 | 2,248,750.00 | 55,356,336 |
| | 12/01/14 | 1,571,666.45 | 4.40% | 2,007,708.55 | | 53,784,670 |
| FY 2014-2015 | 06/01/15 | | | 1,124,375.00 | 4,703,750.00 | 53,784,670 |
| | 12/01/15 | 1,484,980.40 | 4.52% | 2,094,394.60 | | 52,299,689 |
| FY 2015-2016 | 06/01/16 | | | 1,124,375.00 | 4,703,750.00 | 52,299,689 |
| | 12/01/16 | 1,404,849.20 | 4.61% | 2,174,525.80 | | 50,894,840 |
| FY 2016-2017 | 06/01/17 | | | 1,124,375.00 | 4,703,750.00 | 50,894,840 |
| | 12/01/17 | 1,328,425.05 | 4.69% | 2,250,949.95 | | 49,566,415 |
| FY 2017-2018 | 06/01/18 | | | 1,124,375.00 | 4,703,750.00 | 49,566,415 |
| | 12/01/18 | 1,254,210.40 | 4.77% | 2,325,164.60 | | 48,312,205 |
| FY 2018-2019 | 06/01/19 | | | 1,124,375.00 | 4,703,750.00 | 48,312,205 |
| | 12/01/19 | 1,182,278.90 | 4.85% | 2,397,096.00 | | 47,129,926 |
| FY 2019-2020 | 06/01/20 | | | 1,124,375.00 | 4,703,749.90 | 47,129,926 |
| | 12/01/20 | 1,112,753.30 | 4.93% | 2,466,621.70 | | 46,017,172 |
| FY 2020-2021 | 06/01/21 | | | 1,124,375.00 | 4,703,750.00 | 46,017,172 |
| | 12/01/21 | 1,042,172.05 | 5.03% | 2,537,202.95 | | 44,975,000 |
| FY 2021-2022 | 06/01/22 | | | 1,124,375.00 | 4,703,750.00 | 44,975,000 |
| | 12/01/22 | 2,520,000.00 | 5.00% | 1,124,375.00 | | 42,455,000 |
| FY 2022-2023 | 06/01/23 | | | 1,061,375.00 | 4,705,750.00 | 42,455,000 |
| | 12/01/23 | 2,650,000.00 | 5.00% | 1,061,375.00 | | 39,805,000 |
| FY 2023-2024 | 06/01/24 | | | 995,125.00 | 4,706,500.00 | 39,805,000 |
| | 12/01/24 | 2,785,000.00 | 5.00% | 995,125.00 | | 37,020,000 |
| FY 2024-2025 | 06/01/25 | | | 925,500.00 | 4,705,625.00 | 37,020,000 |
| | 12/01/25 | 2,925,000.00 | 5.00% | 925,500.00 | | 34,095,000 |
| FY 2025-2026 | 06/01/26 | | | 852,375.00 | 4,702,875.00 | 34,095,000 |
| | 12/01/26 | 3,075,000.00 | 5.00% | 852,375.00 | | 31,020,000 |
| FY 2026-2027 | 06/01/27 | | | 775,500.00 | 4,702,875.00 | 31,020,000 |

| |
|--|
| Tourist Development Tax Revenue Bonds, Series 2004 \$55,451,336 |
|--|

Debt Service Schedule (continued)

| | | | | | | |
|--------------|----------|---------------|-------|-----------------|------------------|------------|
| | 12/01/27 | 3,235,000.00 | 5.00% | 775,500.00 | | 27,785,000 |
| FY 2027-2028 | 06/01/28 | | | 694,625.00 | 4,705,125.00 | 27,785,000 |
| | 12/01/28 | 3,400,000.00 | 5.00% | 694,625.00 | | 24,385,000 |
| FY 2028-2029 | 06/01/29 | | | 609,625.00 | 4,704,250.00 | 24,385,000 |
| | 12/01/29 | 3,575,000.00 | 5.00% | 609,625.00 | | 20,810,000 |
| FY 2029-2030 | 06/01/30 | | | 520,250.00 | 4,704,875.00 | 20,810,000 |
| | 12/01/30 | 3,755,000.00 | 5.00% | 520,250.00 | | 17,055,000 |
| FY 2030-2031 | 06/01/31 | | | 426,375.00 | 4,701,625.00 | 17,055,000 |
| | 12/01/31 | 3,950,000.00 | 5.00% | 426,375.00 | | 13,105,000 |
| FY 2031-2032 | 06/01/32 | | | 327,625.00 | 4,704,000.00 | 13,105,000 |
| | 12/01/32 | 4,150,000.00 | 5.00% | 327,625.00 | | 8,955,000 |
| FY 2032-2033 | 06/01/33 | | | 223,875.00 | 4,701,500.00 | 8,955,000 |
| | 12/01/33 | 4,365,000.00 | 5.00% | 223,875.00 | | 4,590,000 |
| FY 2033-2034 | 06/01/34 | | | 114,750.00 | 4,703,625.00 | 4,590,000 |
| | 12/01/34 | 4,590,000.00 | 5.00% | 114,750.00 | | - |
| FY 2034-2035 | 06/01/35 | | | | 4,704,750.00 | |
| | | 55,451,335.75 | | \$65,349,659.71 | \$120,800,995.46 | |

| |
|---|
| Tourist Development Tax Refunding Revenue Bonds, Series 2002 |
|---|

| |
|---------------------|
| \$22,565,000 |
|---------------------|

Purpose To provide funds sufficient to advance refund a portion of the County's outstanding Tourist Development Tax Refunding Revenue Bonds, Series 1993. The 1993 Bond Issue was used to refund the 1986 issue, which was used to construct the Ocean Center.

Dated Date September 15, 2002

Issue Date October 3, 2002

Interest Rate 2.0% - 3.375%

Final Maturity December 1, 2013

Revenue Pledged Tourist Development Tax (\$.02)

Payment Dates Annual payments due December 1; semiannual interest payable on June 1 and December 1

Call Schedule December 1, 2010 to November 30, 2011 @101%
December 1, 2011 & thereafter @100%

Insurance FSA

Surety FSA

Underlying Ratings Fitch: A

Refunding Status Not advance refundable.

Arbitrage Calculation None due.

Account Number 203-910-2300

Transfer From 106-920-0012

| |
|--|
| Tourist Development Tax Refunding Revenue Bonds, Series 2002 \$22,565,000 |
|--|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|------------------------|-------------------------|---------------------|---------------|-----------------------------|--------------------------------|--------------------------------|
| | 12/01/02 | | | \$134,807.64 | | \$22,565,000 |
| FY 2002-2003 | 06/01/03 | | | 319,281.25 | 454,088.89 | 22,565,000 |
| | 12/01/03 | 1,645,000 | 3.000% | 319,281.25 | | 20,920,000 |
| FY 2003-2004 | 06/01/04 | | | 294,606.25 | 2,258,887.50 | 20,920,000 |
| | 12/01/04 | 1,700,000 | 2.000% | 294,606.25 | | 19,220,000 |
| FY 2004-2005 | 06/01/05 | | | 277,606.25 | 2,272,212.50 | 19,220,000 |
| | 12/01/05 | 1,820,000 | 2.000% | 277,606.25 | | 17,400,000 |
| FY 2005-2006 | 06/01/06 | | | 259,406.25 | 2,357,012.50 | 17,400,000 |
| | 12/01/06 | 1,970,000 | 2.125% | 259,406.25 | | 15,430,000 |
| FY 2006-2007 | 06/01/07 | | | 238,475.00 | 2,467,881.25 | 15,430,000 |
| | 12/01/07 | 2,015,000 | 2.500% | 238,475.00 | | 13,415,000 |
| FY 2007-2008 | 06/01/08 | | | 213,287.50 | 2,466,762.50 | 13,415,000 |
| | 12/01/08 | 2,070,000 | 2.750% | 213,287.50 | | 11,345,000 |
| FY 2008-2009 | 06/01/09 | | | 184,825.00 | 2,468,112.50 | 11,345,000 |
| | 12/01/09 | 2,125,000 | 3.000% | 184,825.00 | | 9,220,000 |
| FY 2009-2010 | 06/01/10 | | | 152,950.00 | 2,462,775.00 | 9,220,000 |
| | 12/01/10 | 2,190,000 | 3.125% | 152,950.00 | | 7,030,000 |
| FY 2010-2011 | 06/01/11 | | | 118,731.25 | 2,461,681.25 | 7,030,000 |
| | 12/01/11 | 2,265,000 | 3.250% | 118,731.25 | | 4,765,000 |
| FY 2011-2012 | 06/01/12 | | | 81,925.00 | 2,465,656.25 | 4,765,000 |
| | 12/01/12 | 2,340,000 | 3.375% | 81,925.00 | | 2,425,000 |
| FY 2012-2013 | 06/01/13 | | | 42,437.50 | 2,464,362.50 | 2,425,000 |
| | 12/01/13 | 2,425,000 | 3.500% | 42,437.50 | | - |
| FY 2013-2014 | 06/01/14 | | | | 2,467,437.50 | |
| | | \$22,565,000 | | \$4,501,870.14 | \$27,066,870.14 | |

| |
|--|
| Water and Sewer Refunding Revenue Bond, Series 2012 |
|--|

| |
|--------------------|
| \$5,450,000 |
|--------------------|

Purpose

To provide funds sufficient to refund County's outstanding Water and Sewer Revenue Refunding and Improvement Bonds, Series 2003 and Series 1998. The Series 2003 bonds advance refunded a portion of the County's outstanding Water and Sewer Revenue Refunding and Improvement Bonds, Series 1993. The 1993 Bond Issue was used to finance the cost of certain capital improvements to the County's water and sewer system. The Series 1998 bonds advance refunded a portion of the County's outstanding Water and Sewer Revenue Refunding and Improvement Bonds, Series 1989. The 1989 Bond Issue was used to finance the cost of certain capital improvements to the County's water and sewer system.

Dated Date September 7, 2012

Issue Date September 7, 2012

Interest Rate 1.61%

Final Maturity October 1, 2019

Revenue Pledged Net Revenues from operation of the County's Water and Sewer

Payment Dates Annual payments due October 1; semiannual interest payable on April 1 and October 1

Call Schedule May be redeemed on any interest payment date at 100%

Insurance None

Surety None

Ratings None

Bond Holder SunTrust Equipment Finance and Leasing Corporation

Arbitrage Calculation None

Account Number 457-780-4204

Bond Holder SunTrust Equipment Finance and Leasing Corp

| |
|---|
| <p align="center">Water and Sewer Refunding Revenue Bond, Series 2012</p> <p align="center">\$5,450,000</p> |
|---|

Debt Service Schedule

| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
|------------------------|-------------------------|------------------|---------------|-----------------------------|--------------------------------|--------------------------------|
| | | | | | | \$5,450,000 |
| FY 2012-2013 | 04/01/13 | | | 49,722.16 | 49,722.16 | 5,450,000 |
| | 10/01/13 | 740,000 | 1.61% | 43,872.50 | | 4,710,000 |
| FY 2013-2014 | 04/01/14 | | | 37,915.50 | 821,788.00 | 4,710,000 |
| | 10/01/14 | 750,000 | 1.61% | 37,915.50 | | 3,960,000 |
| FY 2014-2015 | 04/01/15 | | | 31,878.00 | 819,793.50 | 3,960,000 |
| | 10/01/15 | 765,000 | 1.61% | 31,878.00 | | 3,195,000 |
| FY 2015-2016 | 04/01/16 | | | 25,719.75 | 822,597.75 | 3,195,000 |
| | 10/01/16 | 780,000 | 1.61% | 25,719.75 | | 2,415,000 |
| FY 2016-2017 | 04/01/17 | | | 19,440.75 | 825,160.50 | 2,415,000 |
| | 10/01/17 | 790,000 | 1.61% | 19,440.75 | | 1,625,000 |
| FY 2017-2018 | 04/01/18 | | | 13,081.25 | 822,522.00 | 1,625,000 |
| | 10/01/18 | 805,000 | 1.61% | 13,081.25 | | 820,000 |
| FY 2018-2019 | 04/01/19 | | | 6,601.00 | 824,682.25 | 820,000 |
| | 10/01/19 | 820,000 | 1.61% | 6,601.00 | | - |
| FY 2019-2020 | 04/01/20 | | | | 826,601.00 | |
| | | \$5,450,000 | | \$362,867.16 | \$5,812,867.16 | |

BOND CALL SCHEDULE

| |
|---|
| FY 2013-2014 |
| Airport System Refunding Revenue Bond, Series 2012, callable on any interest payment date @ 100%. |
| Capital Improvement Refunding Revenue Bond, Series 2012, callable 10/1/2012-9/30/16 at 101.25%; thereafter at 100%. |
| Capital Improvement Revenue Bond, Series 2009A and 2009 B, callable anytime with a prepayment fee. |
| Parking Facility Revenue Bonds, Series 2007, callable 10/1/2010 and thereafter at 100% |
| Water and Sewer Refunding Revenue Bond, Series 2012, callable on any interest payment date @ 100% |
| |
| FY 2014-2015 |
| Tourist Development Tax Revenue Bonds, Series 2004, callable on 12/1/2014 and thereafter @ 100% (Except: CABS are not callable) |
| Gas Tax Revenue Bonds, Series 2004, callable 10/1/14 and thereafter @ 100% |
| |
| FY 2015-2016 |
| |
| |
| FY 2016-2017 |
| Limited Tax General Obligation Bonds, Series 2005, callable on 10/1/2016 and thereafter @ 100% |
| |
| FY 2017-2018 |
| |
| |
| FY 2018-2019 |
| Gas Tax Refunding Revenue Bonds, Series 2013, callable on 10/1/2018 and thereafter @ 100% |

KEY DEBT RATIOS

FISCAL YEAR ENDING SEPTEMBER 30, 2013

Management takes a planned approach to the management of the County's finances. Quarterly monitoring, annual trend analysis of the County's financial condition and multi-year forecasting help identify any emerging financial concerns. Evaluating the long-term impact of financing options also helps management make informed decisions when recommending the issuance of debt for capital spending. Maintaining strong fiscal health helps provide financial flexibility and protection from economic changes or unanticipated expenditures.

Debt ratios are among the analytical measures used by credit agencies to evaluate the financial strength of entities. Management also reviews these ratios annually to evaluate the County's debt profile. The County has maintained a relatively low amount of debt and key indicators show favorable trends as shown in the following table.

| | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
|--|----------------|----------------|----------------|----------------|----------------|
| General Obligation Debt | \$34,230,000 | \$32,145,000 | \$29,985,000 | \$27,750,000 | \$25,430,000 |
| General Obligation Debt Per Capita | \$66 | \$63 | \$60 | \$56 | \$51 |
| Non-Self Supporting Revenue Debt | \$201,915,000 | \$186,405,000 | \$177,757,000 | \$166,775,000 | \$159,239,000 |
| Non-Self Supporting Revenue Debt Per Capita | \$392 | \$366 | \$358 | \$334 | \$318 |
| Direct Debt [1] | \$262,309,675 | \$236,635,491 | \$223,027,933 | \$210,639,606 | \$199,140,978 |
| Direct Debt Per Capita | \$509 | \$465 | \$450 | \$422 | \$392 |
| Debt per Capita as a % of Personal Income per Capita | 2.03% | 1.94% | 1.90% | 1.76% | 1.65% |

[1]Includes: LTGO, Non-self supporting debt [less unamortized bond costs] and Notes Payable.

RESTRUCTURING OF DEBT

There are usually three major reasons for restructuring debt: to reduce the issuer's interest costs, to restructure debt service; or to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. Due to the legal, financial advisory, and issuance costs associated with the issuance of the new refunding bond, present value savings should be calculated to determine whether a refunding is financially feasible. The following is a brief discussion of restructuring methods.

- *Refunding* – A process whereby an issuer refinances an outstanding bond issue by issuing new bonds. The proceeds of the new bond issue either are used to immediately retire the outstanding obligations or are used to purchase a portfolio of U.S. Treasury securities whose cash flows are used to pay off the remaining debt service of the old, refunded bonds until they are called or mature.
 - *Current Refunding* – a refunding in which the prior, refunded bonds are called or mature within 90 days of issuance of the refunding bonds.
 - *Advance Refunding* – the prior, refunded bonds remain outstanding until maturity or their first call date. The maturity or call date may be years in the future. Governmental bonds are generally limited to one advance refunding.
 - *Forward Refunding* – the issuer may lock in existing low interest rates and refund the bonds on their first call date. Therefore, all the terms of the transaction are agreed upon today, but the transaction does not occur until the first day of the current refunding period.
- *Defeasance* – To discharge the lien of an indenture relating to a bond issue and, in the process, render inoperative restrictions under which the issuer has been obligated to comply. Ordinarily, an issuer may defease an indenture requirement by depositing with a trustee an amount sufficient fully to pay all amounts under a bond contract as they become due. When defeased, the security lien of an indenture is released, and the debt is legally satisfied even though it may not have been formally retired.

CURRENT REFUNDINGS¹

From time to time, governments may take advantage of lower interest rates, revise payment schedules, or modify restrictive language in old debt agreements by issuing new debt to refinance existing debt. On January 9, 2013, the County issued \$41,505,000 in gas tax refunding revenue bond with a 2.035 percent interest rate. The proceeds were used to redeem \$38,390,000 of outstanding 2004 Series bonds to reduce its total debt service payments over the next eleven years by \$4,486,600 realizing an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,974,714.

¹ Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2013

SUBSEQUENT EVENTS²

On October 31, 2013, the county issued \$8,030,000 in capital improvement revenue notes. The proceeds were used to refund the parking facility revenue bonds, series 2007. The refinancing allowed the county to take advantage of favorable interest rates.

² Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2013

ARBITRAGE

Arbitrage refers to the profit earned by investing tax-exempt bond funds in higher yielding investments. Under federal arbitrage regulations, an issuer of tax-exempt bonds is allowed to earn this profit for a certain period of time during the construction period of the related project. Once this time period has expired, the profit realized on any recurring bond proceeds is subject to rebate to the federal government. These federal arbitrage regulations apply to all of the County's governmental and business-type tax exempt bonds. As of fiscal year 2013, no amounts are subject to rebate.¹

The following is a table of arbitrage rebate calculation due dates:

Arbitrage Rebate Calculations Schedule
As of 9/30/2013

| Bond Issue | Par Amount | Dated Date | Issue Date | Next Required Calc Date | Last Calculation Date |
|--|-----------------|------------|------------|-------------------------|-----------------------|
| Tourist Development Tax Revenue Bonds, Series 2004 | \$55,451,335.75 | 9/2/2004 | 9/2/2004 | 9/2/2014 | 9/2/2009 |
| Gas Tax Revenue Bonds, Series 2004 | \$64,215,000 | 11/2/2004 | 11/2/2004 | 10/1/2014 | 11/2/2009 |
| Limited Tax G.O. Bonds, Series 2005 | \$39,875,000 | 11/10/2005 | 11/10/2005 | 11/10/2015 | 11/10/2010 |
| Parking Facility Bonds, Series 2007 | \$10,815,000 | 10/1/2007 | 10/1/2007 | 10/31/2013 | 10/1/2012 |
| Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008 | \$42,605,000 | 2/27/2008 | 2/27/2008 | 2/27/2018 | 2/27/2013 |
| Capital Improvement Revenue Bonds, Series 2009A and Series 2009B | \$9,530,000 | 9/10/2009 | 9/10/2009 | 9/10/2014 | N/A |
| Capital Improvement Refunding Revenue Bonds, Series 2012 | \$4,780,000 | 7/3/2012 | 7/3/2012 | 7/3/2017 | N/A |
| Airport System Refunding Revenue Bonds, Series 2012 | \$6,335,000 | 9/7/2012 | 9/7/2012 | 9/7/2017 | N/A |
| Water and Sewer Refunding Revenue Bonds, Series 2012 | \$5,450,000 | 9/7/2012 | 9/7/2012 | 9/7/2017 | N/A |
| Gas Tax Refunding Revenue Bonds, Series 2013 | \$41,505,000 | 1/9/2013 | 1/9/2013 | 1/9/2018 | N/A |
| Capital Improvement Revenue Note (Parking Facility), Series 2013 | \$8,030,000 | 10/31/2013 | 10/31/2013 | 10/31/2018 | N/A |

¹ Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2013

**County of Volusia
History of Bond Issues
As of April 2014**

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|-------------|--|-----------------------|------------------|--|--|
| 4/15/2014 | Tourist Development Tax Refunding Revenue Bond, Series 2014A and Series 2014B <i>To refund a portion of the TDT Revenue Bonds, Series 2004, originally issued to fund the expansion of the Ocean Center and certain costs associated with issuing the 2004 bonds. Debt service savings of \$6.2M NPV (PFM).</i> | 3.510% | \$46,380,000 | 12/1 & 6/1 - 2034 | Tourist Development Tax Revenue |
| 10/31/2013 | Capital Improvement (Parking Facility) Revenue Note, Series 2013 <i>To refinance the Parking Facility Revenue Bonds, Series 2007 bonds, originally issued to finance the acquisition of the Ocean Center Parking Garage adjacent to the Ocean Center, from the Volusia Redevelopment Parking Corporation. Debt service savings of \$1.1M NPV (PFM).</i> | 2.330% | \$8,050,000 | 10/1 & 4/1 - 2024 | Net revenues of the parking garage, and a subordinate lien on Tourist Development Tax Revenues |
| 1/9/2013 | Gas Tax Refunding Revenue Bonds, Series 2013 <i>To fund a portion of the County's outstanding Gas Tax Revenue Bonds, Series 2004 which were issued to finance construction of road programs included in the County's 5 year Road Program. Debt Service savings of \$3,974,714 NPV (CAFR).</i> | 2.035% | \$41,505,000 | 10/1 & 4/1 - 2024 | Sixth cent local option gas tax |
| 9/7/2012 | Water and Sewer Refunding Revenue Bond, Series 2012 <i>To refund County's outstanding Water and Sewer Revenue Refunding Bonds, Series 2003 and Series 1998. Debt service savings of \$362,109 NPV (CAFR).</i> | 1.61% | \$5,450,000 | 10/1 & 4/1 - 2019 | Net revenues derived from operations, connection fees and investment income. |
| 9/7/2012 | Airport System Refunding Revenue Bond, Series 2012 <i>To refund the County's outstanding Airport System Revenue Refunding Bonds, Series 2003. Debt service savings of \$538,093 NPV (CAFR).</i> | 1.75% | \$6,335,000 | 10/1 & 4/1 - 2021 | Net revenues derived from operation of the Airport System |
| 7/3/2012 | Capital Improvement Refunding Revenue Bond, Series 2012 <i>To refund the County's outstanding Sales Tax Revenue Bonds, Series 2003. Debt service savings of \$363,326 NPV (CAFR).</i> | 1.955% | \$4,780,000 | 10/1 & 4/1 - 2021 | Subordinate lien on the Local Government Half Cent Sales Tax |
| 10/1/2010 | Subordinate Lien Sales Tax Refunding Bonds, Series 2001B - Retired at maturity (10/1/2010) | | | | |
| 5/3/2010 | Subordinate Lien Sales Tax Refunding Bonds, Series 2001A - Paid off \$6,300,000 with fund balance | | | | |
| 9/10/2009 | Capital Improvement Revenue Bonds, Series 2009A <i>To finance capital expenditures including the purchase of Sheriff's vehicles and a helicopter.</i> | 2.63% | \$3,718,000 | 10/1 & 4/1 - 2014 | Subordinate lien on the Local Government Half Cent Sales Tax |

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|--------------------|--|------------------------------|-------------------------|---|--|
| 9/10/2009 | Capital Improvement Revenue Bonds, Series 2009B <i>To refinance all of the County's outstanding Subordinate Lien Sales Tax Revenue Bonds, Series 1998.</i> | 2.63% | \$5,812,000 | 10/1 & 4/1 - 2016 | Subordinate lien on the Local Government Half Cent Sales Tax |
| 2/27/2008 | Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008 <i>To refund a portion of the outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1998 and pay costs associated with the issuance of the Series 2008 Bonds.</i> | 3.0 % - 5.0% | \$42,605,000 | 10/1 & 4/1 - 2018 | Subordinate lien on the Local Government Half Cent Sales Tax |
| 10/1/2007 | Parking Facility Revenue Bonds, Series 2007 <i>To finance acquisition of the Ocean Center Parking Garage adjacent to the Ocean Center, from the Volusia Redevelopment Parking Corporation.</i> | 5.13% | \$10,815,000 | 10/1 & 4/1 - 2024 | Net revenues of the parking garage, and a subordinate lien on Tourist Development Tax Revenues |
| 11/10/2005 | Limited Tax General Obligation Bonds, Series 2005 <i>To finance acquisition costs and improvement of environmentally sensitive, water, resource protection and outdoor recreation lands.</i> | 3.5 % - 4.25 % | \$39,875,000 | 10/1 & 4/1 - 2021 | Ad Valorem Taxes not to exceed .20 mill/year |
| 10/19/2004 | Gas Tax Revenue Bonds, Series 2004 <i>To finance construction of Road Programs included in the 5 Year Road Program</i> | 2.75 % - 5% | \$64,215,000 | 10/1 & 4/1 - 2024 | Sixth cent local option gas tax |
| 9/2/2004 | Tourist Development Tax Revenue Bonds, Series 2004 <i>To fund expansion of the Ocean Center and certain costs associated with the issuance of the Series 2004 Bonds.</i> | 3.0 % - 5.03% | \$55,451,335.75 | 12/1 & 6/1 - 2034 | Tourist Development Tax Revenue |
| 7/3/2003 | Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003 <i>To currently refund all the outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1993 and pay costs associated with the issuance of the Series 2003 Bonds.</i> | 2.0 % - 4.0% | \$8,255,000 | 10/1 & 4/1 - 2021 | Local Government Half Cent Sales Tax |
| 7/3/2003 | Water and Sewer Refunding Revenue Bonds, Series 2003 <i>To currently refund the outstanding Water and Sewer Refunding and Improvement Revenue Bonds, Series 1993 and pay certain costs associated with the issuance of the Series 2002 Bonds.</i> | 2.0 % - 4.0% | \$6,975,000 | 10/1 & 4/1 - 2019 | Net revenues derived from operations, connection fees and investment income |
| 7/3/2003 | Airport System Refunding Revenue Bonds, Series 2003 <i>To refund the outstanding Airport System Revenue Refunding Bonds, Series 1993 and pay certain costs associated with the issuance of the Series 2002 Bonds.</i> | 2.0 % - 4.1% | \$11,110,000 | 10/1 & 4/1 - 2021 | Net revenues derived from operation of the Airport System. |

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|-------------|---|-----------------------|------------------|--|---|
| 10/17/2002 | Senior Lien Parking Facility Revenue Bonds, Series 1999A (Volusia Redevelopment Parking Corporation); <u>Note</u> : a cash payment of \$375,000 was paid to satisfy the Series 1999B bonds which are no longer outstanding. <i>Modified to include a Guaranty Agreement secured by a subordinate lien on TDT Revenue. Originally issued to finance a portion of the cost of acquisition of land, construction of a 1,500 space public parking garage adjacent to the Ocean Center, and a portion of financing costs.</i> | 5.125% | \$12,490,000 | 10/1 & 4/1 - 2024 | Net revenues of the parking garage and a subordinate lien on Tourist Development Tax Revenues |
| 10/3/2002 | Tourist Development Tax Refunding Revenue Bonds, Series 2002 <i>To currently refund all of the outstanding Tourist Development Tax Refunding Revenue Bonds, Series 1993 and pay certain costs associated with the issuance of the Series 2002 Bonds.</i> | 2.0 % - 3.5% | \$22,565,000 | 12/1 & 6/1 - 2013 | Local Option Tourist Development Tax Revenue |
| 7/3/2001 | Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2001A <i>To refund a portion of the outstanding Sale Tax Improvement Revenue Bonds, Series 1994 and pay certain costs associated with the issuance of the Series 2001A Bonds.</i> | 4.0 % - 5.0% | \$11,930,000 | 10/1 & 4/1 - 2014 | Local Government Half Cent Sales Tax |
| 7/3/2001 | Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2001B <i>To refund a portion of the outstanding Sale Tax Improvement Revenue Bonds, Series 1991A and pay certain costs associated with the issuance of the Series 2001B Bonds.</i> | 4.0 % - 4.2% | \$23,985,000 | 10/1 & 4/1 - 2010 | Local Government Half Cent Sales Tax |
| 8/1/2000 | Airport System Revenue Refunding Bonds, Series 2000 <i>To refund the outstanding Airport System Revenue Bonds, Series 1991, maturing on/after 10/01/2001.</i> | 7.00 % - 6.35% | \$30,795,000 | 10/1 & 4/1 - 2021 | Net revenues derived from system operations |
| 8/11/1999 | Senior Lien Parking Facility Revenue Bonds, Series 1999B (Community Development Properties Inc. Project) <i>To finance remaining portion of the cost of acquisition of land, construction of a 1,500 space public parking garage adjacent to the Ocean Center.</i> | 9.50% | \$275,000 | 10/1 & 4/1 - 2024 | Net revenues of the parking garage |
| 7/1/1999 | Senior Lien Parking Facility Revenue Bonds, Series 1999A (Community Development Properties Inc. Project) <i>To finance a portion of the cost of acquisition of land, construction of a 1,500 space public parking garage adjacent to the Ocean Center, and a portion of financing costs.</i> | 6% | \$13,160,000 | 10/1 & 4/1 - 2024 | Net revenues of the parking garage |
| 9/1/1998 | Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998 <i>To refund the Series 1996 bond issue and to finance construction of the West Volusia Courthouse and misc projects.</i> | 5.125 % - 4.0% | \$59,250,000 | 10/1 & 4/1 - 2018 | Local Government Half Cent Sales Tax |
| 7/1/1998 | Water and Sewer Refunding Revenue Bonds, Series 1998 <i>To refund the remaining portion of the Water and Sewer Bonds, Series 1989.</i> | 4.875 % - 4.0% | \$5,085,000 | 10/1 & 4/1 - 2016 | Net revenues derived from operations, connection fees and investment income |

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|-------------|---|-----------------------|------------------|--|--|
| 10/1/1996 | Sales Tax Improvement Revenue Bonds, Series 1996 <i>To finance 2 regional library facilities, acquire property for beach parking, a training facility for Sheriff's Dept., an agriculture center, improvements to existing facilities, and misc. other projects.</i> | 5.50 % - 3.60% | \$10,000,000 | 10/1 & 4/1 - 2016 | Local Government Half Cent Sales Tax |
| 4/15/1995 | Special Assessment Improvement Bonds, Series 1995 <i>To finance the Bethune Beach Wastewater Project.</i> | 6.875 % - 6.0% | \$2,735,000 | 01/01 & 07/01 - 2005 | Proceeds of Assessments levied and collected against properties benefited by the project. |
| 6/1/1994 | Sales Tax Improvement Revenue Bonds, Series 1994 <i>To finance construction of 2 regional libraries, acquire beach-front property, Gemini Springs, renovate DeLand Courthouse and other projects.</i> | 5.750 % - 4.0% | \$17,625,000 | 10/1 & 4/1 - 2014 | Local Government Half Cent Sales Tax |
| 5/1/1994 | Guaranteed Entitlement Revenue Bonds, Series 1994 <i>To finance the acquisition and construction of an 800 MHz communications system.</i> | 5.0% - 3.50% | \$14,280,000 | 10/1 & 4/1 - 2004 | (1) Portion of State Revenue Sharing derived from certain taxes on cigarettes and intangible personal property, and (2) a \$12.50 surcharge on moving violations |
| 12/1/1993 | Water and Sewer Revenue Refunding and Improvement Bonds, Series 1993 <i>To refund a portion of the 1989 bond issue and finance the acquisition and construction of certain system capital improvements.</i> | 5.250 % - 2.60% | \$7,470,000 | 10/1 & 4/1 - 2019 | Net revenues derived from system operations and up to \$1 Million of Public Service Taxes |
| 8/15/1993 | Sales Tax Refunding Revenue Bonds, Series 1993 <i>To refund the 1991 bond issue.</i> | 5.375 % - 2.60% | \$9,905,000 | 10/1 & 4/1 - 2021 | Local Government Half Cent Sales Tax |
| 8/1/1993 | Airport System Revenue Refunding Bonds, Series 1993 <i>To refund a portion of the 1991 bond issue.</i> | 5.650 % - 2.70% | \$13,365,000 | 10/1 & 4/1 - 2021 | Net revenues derived from system operations |
| 3/4/1993 | Tourist Development Tax Refunding Revenue Bonds, Series 1993 <i>To refund the 1986 bond issue.</i> | 5.250 % - 2.50% | \$33,530,000 | 12/1 & 6/1 - 2013 | Local Option Tourist Development Tax |
| 9/15/1992 | Gas Tax Revenue Bonds, Series 1992 <i>To finance construction of the East Coast Beltline from Beville to Taylor Rd.</i> | 6.40% - 4.0% | \$5,640,000 | 12/1 & 6/1 - 2005 | Ninth Cent Voted Gas Tax |
| 1/15/1992 | Limited Tax General Obligation Refunding Bonds, Series 1992 <i>To refund the Starke Bonds and the 1988 Limited G.O. Issue.</i> | 5.875 % - 3.0% | \$18,805,000 | 7/1 & 1/1 - 2004 | County-Wide Ad Valorem Tax Levy |
| 1/1/1992 | Sales Tax Refunding Revenue Bonds, Series 1991A <i>To refund the 1986A, B and C bond issues.</i> | 6.40% - 4.0% | \$37,170,000 | 10/1 & 4/1 - 2010 | Local Government Half Cent Sales Tax |
| 9/1/1991 | Sales Tax Improvement Revenue Bonds, Series 1991 <i>To complete financing of Justice Center, acquire 250 N Beach St and several other projects.</i> | 6.750 % - 6.0% | \$8,980,000 | 10/1 & 4/1 - 2021 | Local Government Half Cent Sales Tax |

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|-------------|--|-----------------------|------------------|--|---|
| 5/15/1991 | Airport System Revenue Bonds, Series 1991 <i>To finance construction of new airport terminal facility and related improvements.</i> | 7.0% - 5.70% | \$46,030,000 | 10/1 & 4/1 - 2021 | Net revenues derived from system operations |
| 8/1/1989 | Water & Sewer Revenue Bonds, Series 1989 <i>To refund the 1986 issue and provide financing for acquisition and construction of water and sewer facilities.</i> | 6.850 % - 6.0% | \$9.5 Million | 10/1 & 4/1 - 2020 | Net revenues derived from system operations and up to \$1 Million of Public Service Taxes |
| 3/23/1989 | Service Fee Limited Revenue Bonds <i>To acquire the Justice Center site</i> <i>NOTE: Actual payments were made as early as possible with final payment 04/15/2001.</i> | 8.0 % | \$1,839,335 | 10/15 & 4/15 - 2009 | Court Facility Fees |
| 6/1/1988 | Limited Tax General Obligation Bonds <i>To finance the balance of the Endangered Lands Acquisition Program.</i> | 7.90% - 7.0% | \$16.5 Million | 7/1 & 1/1 - 2017 | County-Wide Ad Valorem Tax Levy |
| 11/30/1987 | Starke General Obligation Bonds <i>To purchase endangered land known as Starke Tract. (Blue Springs area)</i> | 9.875% | \$3.5 Million | Interest @ Mo - 1998 | County-Wide Ad Valorem Tax Levy |
| 10/1/1986 | Tourist Development Tax Refunding Revenue Bonds, Series 1986 <i>To refund the 1983 bond issue.</i> | 7.250% - 4.25% | \$32,755,000 | 12/1 & 6/1 - 2014 | Local Option Tourist Development Tax |
| 8/25/1986 | Water & Sewer Revenue Bonds, Series 1986 <i>To acquire several small water systems in southwest part of county.</i> | 9.04% | \$2,203,596 | 8/25 & 2/25 - 2016 | Net revenues derived from system operations |
| 8/1/1986 | West Volusia Library District General Obligation Bonds <i>To finance construction of the West Volusia Regional Library.</i> | 7.40% - 7.0% | \$2 Million | 12/1 & 6/1 - 1996 | Ad Valorem Taxes levied in district |
| 8/1/1986 | Sales Tax Improvement Revenue Bonds, Series 1986C <i>To finance construction of Justice Center.</i> | 7.750 % - 4.25% | \$6 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 8/1/1986 | Sales Tax Improvement Revenue Bonds, Series 1986B <i>To finance construction of several projects including Public Safety Facility, Vehicle Maint. Facility, portion of DeLand Admin Center.</i> | 7.750 % - 4.25% | \$12 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 7/1/1986 | Sales Tax Refunding Revenue Bonds, Series 1986A <i>To refund the 1983 bond issue.</i> | 7.750 % - 4.50% | \$22.5 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 8/1/1983 | Tourist Development Tax and Civic Center Facilities Revenue Bonds <i>To finance construction of the Ocean Center.</i> | 9.50% - 8.90% | \$29 Million | 12/1 & 6/1 - 2014 | Local Option Tourist Development Tax |
| 6/1/1983 | Sales Tax Improvement Revenue Bonds <i>To finance construction of the Branch Jail.</i> | 10.375% - 8.5% | \$21 Million | 1/1 & 7/1 - 2004 | Local Government Half Cent Sales Tax |

| <u>Date</u> | <u>Name and Brief Details</u> | <u>Interest Rates</u> | <u>Principal</u> | <u>Pay Dates & Original Maturity</u> | <u>Pledge</u> |
|--------------------|--|------------------------------|-------------------------|---|---|
| 5/15/1991 | Airport System Revenue Bonds, Series 1991 <i>To finance construction of new airport terminal facility and related improvements.</i> | 7.0% - 5.70% | \$46,030,000 | 10/1 & 4/1 - 2021 | Net revenues derived from system operations |
| 8/1/1989 | Water & Sewer Revenue Bonds, Series 1989 <i>To refund the 1986 issue and provide financing for acquisition and construction of water and sewer facilities.</i> | 6.850 % - 6.0% | \$9.5 Million | 10/1 & 4/1 - 2020 | Net revenues derived from system operations and up to \$1 Million of Public Service Taxes |
| 3/23/1989 | Service Fee Limited Revenue Bonds <i>To acquire the Justice Center site</i> <i>NOTE: Actual payments were made as early as possible with final payment 04/15/2001.</i> | 8.0 % | \$1,839,335 | 10/15 & 4/15 - 2009 | Court Facility Fees |
| 6/1/1988 | Limited Tax General Obligation Bonds <i>To finance the balance of the Endangered Lands Acquisition Program.</i> | 7.90% - 7.0% | \$16.5 Million | 7/1 & 1/1 - 2017 | County-Wide Ad Valorem Tax Levy |
| 11/30/1987 | Starke General Obligation Bonds <i>To purchase endangered land known as Starke Tract. (Blue Springs area)</i> | 9.875% | \$3.5 Million | Interest @ Mo - 1998 | County-Wide Ad Valorem Tax Levy |
| 10/1/1986 | Tourist Development Tax Refunding Revenue Bonds, Series 1986 <i>To refund the 1983 bond issue.</i> | 7.250% - 4.25% | \$32,755,000 | 12/1 & 6/1 - 2014 | Local Option Tourist Development Tax |
| 8/25/1986 | Water & Sewer Revenue Bonds, Series 1986 <i>To acquire several small water systems in southwest part of county.</i> | 9.04% | \$2,203,596 | 8/25 & 2/25 - 2016 | Net revenues derived from system operations |
| 8/1/1986 | West Volusia Library District General Obligation Bonds <i>To finance construction of the West Volusia Regional Library.</i> | 7.40% - 7.0% | \$2 Million | 12/1 & 6/1 - 1996 | Ad Valorem Taxes levied in district |
| 8/1/1986 | Sales Tax Improvement Revenue Bonds, Series 1986C <i>To finance construction of Justice Center.</i> | 7.750 % - 4.25% | \$6 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 8/1/1986 | Sales Tax Improvement Revenue Bonds, Series 1986B <i>To finance construction of several projects including Public Safety Facility, Vehicle Maint. Facility, portion of DeLand Admin Center.</i> | 7.750 % - 4.25% | \$12 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 7/1/1986 | Sales Tax Refunding Revenue Bonds, Series 1986A <i>To refund the 1983 bond issue.</i> | 7.750 % - 4.50% | \$22.5 Million | 10/1 & 4/1 - 2011 | Local Government Half Cent Sales Tax |
| 8/1/1983 | Tourist Development Tax and Civic Center Facilities Revenue Bonds <i>To finance construction of the Ocean Center.</i> | 9.50% - 8.90% | \$29 Million | 12/1 & 6/1 - 2014 | Local Option Tourist Development Tax |
| 6/1/1983 | Sales Tax Improvement Revenue Bonds <i>To finance construction of the Branch Jail.</i> | 10.375% - 8.5% | \$21 Million | 1/1 & 7/1 - 2004 | Local Government Half Cent Sales Tax |

**Refinancing History of Sales Tax Bonds
As of 9/30/2013**

| Series | Issue Date | Par | Final Maturity | Purpose |
|---|-------------------|--------------|---------------------------|--|
| 1983 | 6/1/1983 | \$21,000,000 | 2004 | Branch Jail |
| 1986A | 7/1/1986 | \$22,500,000 | 2011 | Refunded 1983-Branch Jail |
| 1986B | 8/1/1986 | \$12,000,000 | 2011 | Public Safety Facility, Veh Maint, DeLand Admin Center |
| 1986C | 8/1/1986 | \$6,000,000 | 2011 | Justice Center |
| 1991 | 9/1/1991 | \$8,980,000 | 2021 | Complete Justice Center, acquire 250 N Beach |
| 1991A | 1/1/1992 | \$37,170,000 | 2010 | To refund 1986A, B and C bonds |
| 1993 | 8/15/1993 | \$9,905,000 | 2021 | To refund the 1991 bond issue |
| 1994 | 6/1/1994 | \$17,625,000 | 2014 | 2 regional libraries , beach front property, Gemini Springs, and historic courthouse renovations |
| 1996 | 10/1/1996 | \$10,000,000 | 2016 | 2 regional libraries#, beach front property, sheriff's training facility, ag center, and misc projects |
| 1998 §** | 9/1/1998 | \$59,250,000 | 2018 | West Volusia Courthouse and refund 1996 bond issue |
| 2001A* | 7/3/2001 | \$11,930,000 | 2014 | Refund 1994 bond issue |
| 2001B*** | 7/3/2001 | \$23,985,000 | 2010 | Refund 1991A bonds |
| 2003 | 7/3/2003 | \$8,255,000 | 2021 | Refund 1993 bonds |
| 2008 | 2/27/2008 | \$42,605,000 | 2018 | Refund a portion of 1998 bonds |
| 2009B** | 9/10/2009 | \$5,812,000 | 2016 | Refund the remaining 1998 bonds |
| Capital Improvement Refunding Revenue Bonds | | | | |
| 2012 | 7/3/2012 | \$4,780,000 | 2021 | Refund 2003 bonds |
| Capital Improvement Refunding Revenue Bonds | | | | |

NOTES:

§Refinanced a portion of the bonds on 2/27/2008 with the 2008 bonds

*Paid off 5/3/2010 with fund balance (\$6.3M)

**A portion of the bonds legally defeased 9/10/09. Balance refinanced with BOA Capital Improvement Revenue Bonds 2009B.

***Last payment 9/30/2010

Deltona and Port Orange Library paid off 4/15/2010

#DeBary Library and SE Library

Refinancing History of Tourist Development Tax Bonds
As of 9/30/2013

| Series | Issue Date | Par | Interest Rate | Final Maturity | Purpose |
|---------------|-------------------|-----------------------------|----------------------|---------------------------|---|
| 1983* | 8/1/1983 | \$25,000,000 \$4,000,000 | 8.9% - 9.5% | 2014 | Finance the cost of the acquisition and construction of a Civic Center and Parking Facilities, land and other facilities related to the Civic Center, including all costs of issuance of the bonds. |
| 1986** | 10/1/1986 | \$32,755,000 | 4.00% - 7.25% | 2014 | To finance the cost of advance refunding the County's outstanding Tourist Development Tax Revenue Bonds, dated August 1, 1983 and the Civic Center Facilities Revenue Bonds, dated August 1, 1983 |
| 1993*** | 3/4/1993 | \$33,530,000 | 2.5% - 5.25% | 2013 | To provide funds to refund all of the County's outstanding Tourist Development Tax Refunding Revenue Bonds, Series 1986 and pay financing costs. |
| 2002 | 10/3/2002 | \$22,565,000 | 2.0%-3.5% | 2013 | To provide funds sufficient to advance refund a portion of the outstanding Tourist Development Tax Refunding Revenue Bonds, Series 1993. |
| 2004# | 9/2/2004 | \$55,451,335.75 | 3.0% - 5.03% | 2035 | To acquire, construct and equip the Series 2004 Project (Ocean Center Expansion) and pay financing costs. |

NOTES:

*The 1983 bonds are special obligations of the County payable solely from and secured by a first lien on and pledge of the Gross Operating Revenues, the Tourist Development Tax proceeds and secured by a first lien upon and pledge of the Parking Revenues and CCRF Investment Earnings, and by a lien upon and pledge of the Subordinated Tourist Development Tax Proceeds, the Subordinated Operating Revenues of the Civic Center and the City funds (via interlocal agreement - not to exceed \$3.1 million per year).

**The 1986 bonds are payable solely from and secured by a first lien on and pledge of the Tourist Development Tax, the Net Operating Earnings, and certain Investment earnings, and by a lien upon and the pledge of the City Funds pledged toward the payment of the Bonds and required to be paid to the County by the City of Daytona Beach, Florida for deposit to the Sinking Fund created in the Resolution and pursuant to the conditions and terms of the Interlocal Agreement (not to exceed \$3.1 million per year).

***The 1993 bonds are payable from and secured by a prior lien on and pledge of the Tourist Development Tax Revenues, subject to the release provisions, the City Funds required to be paid to the County by the City of Daytona Beach, Florida for deposit to the Debt Service Fund pursuant to the conditions and terms of the Interlocal Agreement and until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof in certain funds and accounts.

#The 2004 bonds are payable from and secured by a prior lien on and pledge of the Tourist Development Tax Revenues, on a parity basis with the County's Tourist Development Tax Refunding Revenue Bonds, Series 2002.

Notes Payable

September 30, 2013

LOANS WITH FINANCIAL INSTITUTIONS AND STATE INFRASTRUCTURE BANK

Loans listed in this section are fixed rate loans secured by a “covenant to budget and appropriate” non-ad valorem revenues and are detailed as follows.

STATE INFRASTRUCTURE BANK (SIB)

The county has been a partner of the Central Florida Commuter Rail Commission since 2007. As a commission partner, the county entered into two loan agreements with the Florida Department of Transportation (FDOT) State Infrastructure Bank (SIB) to finance an assigned portion of the acquisition and construction costs of a commuter rail system. The county received approval for two loans through the SIB, totaling \$12,500,000. In FY 2011, the county received \$5,621,000 of the \$10,200,000 amount authorized in the first loan. No additional draws or loans were made in 2012 OR 2013. The County intends to apply for an additional \$12.4 million in SIB loans to complete Phase II construction.

CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2010

In November 2010, the county council approved the refinancing of seven installment purchase agreements whose total remaining principal balance equaled \$17,750,000. These notes were originally issued by the Florida Association of Counties through their commercial paper program to acquire or construct various improvements. The Capital Improvement Revenue Note, Series 2010 (issued through JP Morgan, Chase) carried a favorable fixed rate of 3.02%.

| Fund/Loan Description | Loan Number | Loan Amount | Interest Rate | Balance Outstanding | Final Payment Date |
|---|---|--------------------|----------------------|----------------------------|---------------------------|
| <u>GENERAL FUND</u> Sun Rail | SIB AO172 | \$10,200,000 | 1.50% | \$3,324,237 | 10/2019 |
| <u>AIRPORT</u> Airport Land Acquisition | Capital Improvement Revenue Note, Series 2010 | 1,361,000 | 3.02% | 936,000 | 12/2016 |
| <u>OCEAN CENTER</u> Ocean Center Expansion | Capital Improvement Revenue Note, Series 2010 | 9,875,000 | 3.02% | 9,135,000 | 12/2030 |
| <u>SPECIAL ASSESSMENT DISTRICTS</u> Capri Drive | Capital Improvement Revenue Note, Series 2010 | 648,000 | 3.02% | 501,000 | 12/2018 |
| West Highlands | | 1,142,000 | 3.02% | 883,000 | 12/2018 |
| Trails Trail Program | Capital Improvement Revenue Note, Series 2010 | 4,724,000 | 3.02% | 3,980,000 | 12/2021 |
| Total | | | | \$18,759,237 | |

State Revolving Fund (SRF) Loan Program

The State of Florida, pursuant to Section 403.1835, Florida Statutes, makes low cost loans to local governments to finance the construction of wastewater pollution control facilities. Eligible projects include new construction and/or improvements to wastewater sewer systems, sewerage pump stations, sewerage treatment facilities, reclaimed water reuse facilities, storm water management facilities, and estuary protection facilities. Disbursements are made to project sponsors after costs are incurred. Interest rates on these projects ranged from 2.99% - 3.24%. These loans are for a 20 year term.

| LOAN DESCRIPTION | INTEREST RATE | ORIGINAL LOAN AMOUNT | BALANCE OUTSTANDING | FINAL PAYMENT DATE |
|--|------------------|-------------------------|------------------------|-----------------------|
| SE WASTEWATER FACILITIES | 3.24% | \$9,023,326 | \$3,304,117 | 2/15/2020 |
| DELTONA NORTH WATER RECLAMATION FACILITY | 2.99% | 1,776,210 | 441,336 | 06/15/2017 |
| SW REGIONAL WATER RECLAMATION FACILITY | 3.05% | 2,993,386 | 1,245,300 | 05/15/2020 |
| SW REGIONAL WATER RECLAMATION EXPANSION | 3.05% | 9,849,963 | 7,803,419 | 06/15/2027 |
| TOTAL | | | \$12,794,172 | |

Debt Service Schedules
Notes Payable

| State Infrastructure Bank (SIB) Central Florida Commuter Rail - Revision 8 to Debt Service Schedule | | | | | | |
|--|--------------|-----------------|--------|------------------|---------------------|---------------------|
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| Authorized | | | | | | \$10,200,000 * |
| 1st Draw | 3/14/2011 | | | | | \$4,340,000 |
| 2nd Draw | 9/21/2011 | | | | | \$1,281,000 |
| FY 2011-2012 | 10/1/2011 | 1,163,623.97 | 1.50% | 36,376.03 | 1,200,000.00 | 4,457,376 |
| FY 2012-2013 | 10/1/2012 | 1,133,139.36 | 1.50% | 66,860.64 | 1,200,000.00 | 3,324,237 |
| FY 2013-2014 | 10/1/2013 | 1,150,136.45 | 1.50% | 49,863.55 | 1,200,000.00 | 2,174,100 |
| Estimated Draw | FY 14 | | | | | 4,579,000 |
| FY 2014-2015 | 10/1/2014 | 1,098,703.50 | 1.50% | 101,296.50 | 1,200,000.00 | 5,654,397 |
| FY 2015-2016 | 10/1/2015 | 1,115,184.05 | 1.50% | 84,815.95 | 1,200,000.00 | 4,539,213 |
| FY 2016-2017 | 10/1/2016 | 1,131,911.81 | 1.50% | 68,088.19 | 1,200,000.00 | 3,407,301 |
| FY 2017-2018 | 10/1/2017 | 1,148,890.49 | 1.50% | 51,109.51 | 1,200,000.00 | 2,258,410 |
| FY 2018-2019 | 10/1/2018 | 1,166,123.84 | 1.50% | 33,876.16 | 1,200,000.00 | 1,092,287 |
| FY 2019-2020 | 10/1/2019 | 1,092,286.53 | 1.50% | 16,384.30 | 1,108,670.83 | - |
| | | \$10,200,000.00 | | \$508,670.83 | \$10,708,670.83 | |

*NOTE: \$10,200,000 authorized to borrow. \$5.6M drawn in FY 11, nothing drawn in FY 12. See file for additional detail.

| Capital Improvement Revenue Note, Series 2010 Airport | | | | | | |
|--|--------------|----------------|--------|------------------|---------------------|---------------------|
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| | | | | | | \$1,361,000 |
| FY 2010-2011 | 6/1/2011 | | | 19,980.24 | 19,980.24 | 1,361,000 |
| | 12/1/2011 | 208,000 | 3.02% | 20,551.10 | | 1,153,000 |
| FY 2011-2012 | 6/1/2012 | | | 17,410.30 | 245,961.40 | 1,153,000 |
| | 12/1/2012 | 217,000 | 3.02% | 17,410.30 | | 936,000 |
| FY 2012-2013 | 6/1/2013 | | | 14,133.60 | 248,543.90 | 936,000 |
| | 12/1/2013 | 224,000 | 3.02% | 14,133.60 | | 712,000 |
| FY 2013-2014 | 6/1/2014 | | | 10,751.20 | 248,884.80 | 712,000 |
| | 12/1/2014 | 230,000 | 3.02% | 10,751.20 | | 482,000 |
| FY 2014-2015 | 6/1/2015 | | | 7,278.20 | 248,029.40 | 482,000 |
| | 12/1/2015 | 237,000 | 3.02% | 7,278.20 | | 245,000 |
| FY 2015-2016 | 6/1/2016 | | | 3,699.50 | 247,977.70 | 245,000 |
| FY 2016-2017 | 12/1/2016 | 245,000 | 3.02% | 3,699.50 | 248,699.50 | - |
| | | \$1,361,000.00 | | \$147,076.94 | \$1,508,076.94 | |

| Capital Improvement Revenue Note, Series 2010 | | | | | | |
|---|--------------|-------------|--------|------------------|---------------------|---------------------|
| Ocean Center | | | | | | |
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| | | | | | | \$9,875,000 |
| FY 2010-2011 | 6/1/2011 | | | 144,970.49 | 144,970.49 | 9,875,000 |
| | 12/1/2011 | 362,000 | 3.02% | 149,112.50 | | 9,513,000 |
| FY 2011-2012 | 6/1/2012 | | | 143,646.30 | 654,758.80 | 9,513,000 |
| | 12/1/2012 | 378,000 | 3.02% | 143,646.30 | | 9,135,000 |
| FY 2012-2013 | 6/1/2013 | | | 137,938.50 | 659,584.80 | 9,135,000 |
| | 12/1/2013 | 389,000 | 3.02% | 137,938.50 | | 8,746,000 |
| FY 2013-2014 | 6/1/2014 | | | 132,064.60 | 659,003.10 | 8,746,000 |
| | 12/1/2014 | 401,000 | 3.02% | 132,064.60 | | 8,345,000 |
| FY 2014-2015 | 6/1/2015 | | | 126,009.50 | 659,074.10 | 8,345,000 |
| | 12/1/2015 | 413,000 | 3.02% | 126,009.50 | | 7,932,000 |
| FY 2015-2016 | 6/1/2016 | | | 119,773.20 | 658,782.70 | 7,932,000 |
| | 12/1/2016 | 426,000 | 3.02% | 119,773.20 | | 7,506,000 |
| FY 2016-2017 | 6/1/2017 | | | 113,340.60 | 659,113.80 | 7,506,000 |
| | 12/1/2017 | 439,000 | 3.02% | 113,340.60 | | 7,067,000 |
| FY 2017-2018 | 6/1/2018 | | | 106,711.70 | 659,052.30 | 7,067,000 |
| | 12/1/2018 | 452,000 | 3.02% | 106,711.70 | | 6,615,000 |
| FY 2018-2019 | 6/1/2019 | | | 99,886.50 | 658,598.20 | 6,615,000 |
| | 12/1/2019 | 466,000 | 3.02% | 99,886.50 | | 6,149,000 |
| FY 2019-2020 | 6/1/2020 | | | 92,849.90 | 658,736.40 | 6,149,000 |
| | 12/1/2020 | 480,000 | 3.02% | 92,849.90 | | 5,669,000 |
| FY 2020-2021 | 6/1/2021 | | | 85,601.90 | 658,451.80 | 5,669,000 |
| | 12/1/2021 | 494,000 | 3.02% | 85,601.90 | | 5,175,000 |
| FY 2021-2022 | 6/1/2022 | | | 78,142.50 | 657,744.40 | 5,175,000 |
| | 12/1/2022 | 509,000 | 3.02% | 78,142.50 | | 4,666,000 |
| FY 2022-2023 | 6/1/2023 | | | 70,456.60 | 657,599.10 | 4,666,000 |
| | 12/1/2023 | 524,000 | 3.02% | 70,456.60 | | 4,142,000 |
| FY 2023-2024 | 6/1/2024 | | | 62,544.20 | 657,000.80 | 4,142,000 |
| | 12/1/2024 | 540,000 | 3.02% | 62,544.20 | | 3,602,000 |
| FY 2024-2025 | 6/1/2025 | | | 54,390.20 | 656,934.40 | 3,602,000 |
| | 12/1/2025 | 557,000 | 3.02% | 54,390.20 | | 3,045,000 |
| FY 2025-2026 | 6/1/2026 | | | 45,979.50 | 657,369.70 | 3,045,000 |
| | 12/1/2026 | 573,000 | 3.02% | 45,979.50 | | 2,472,000 |
| FY 2026-2027 | 6/1/2027 | | | 37,327.20 | 656,306.70 | 2,472,000 |
| | 12/1/2027 | 591,000 | 3.02% | 37,327.20 | | 1,881,000 |
| FY 2027-2028 | 6/1/2028 | | | 28,403.10 | 656,730.30 | 1,881,000 |
| | 12/1/2028 | 608,000 | 3.02% | 28,403.10 | | 1,273,000 |
| FY 2028-2029 | 6/1/2029 | | | 19,222.30 | 655,625.40 | 1,273,000 |
| | 12/1/2029 | 627,000 | 3.02% | 19,222.30 | | 646,000 |
| FY 2029-2030 | 6/1/2030 | | | 9,754.60 | 655,976.90 | 646,000 |
| FY 2030-2031 | 12/1/2030 | 646,000 | 3.02% | 9,754.60 | 655,754.60 | - |
| | | \$9,875,000 | | \$3,422,168.79 | \$13,297,168.79 | |

| Capital Improvement Revenue Note, Series 2010 | | | | | | |
|---|--------------|-----------|--------|------------------|---------------------|---------------------|
| SAD - Capri Drive | | | | | | |
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| | | | | | | \$648,000 |
| FY 2010-2011 | 6/1/2011 | | | 9,513.00 | 9,513.00 | 648,000 |
| | 12/1/2011 | 72,000 | 3.02% | 9,784.80 | | 576,000 |
| FY 2011-2012 | 6/1/2012 | | | 8,697.60 | 90,482.40 | 576,000 |
| | 12/1/2012 | 75,000 | 3.02% | 8,697.60 | | 501,000 |
| FY 2012-2013 | 6/1/2013 | | | 7,565.10 | 91,262.70 | 501,000 |
| | 12/1/2013 | 77,000 | 3.02% | 7,565.10 | | 424,000 |
| FY 2013-2014 | 6/1/2014 | | | 6,402.40 | 90,967.50 | 424,000 |
| | 12/1/2014 | 80,000 | 3.02% | 6,402.40 | | 344,000 |
| FY 2014-2015 | 6/1/2015 | | | 5,194.40 | 91,596.80 | 344,000 |
| | 12/1/2015 | 82,000 | 3.02% | 5,194.40 | | 262,000 |
| FY 2015-2016 | 6/1/2016 | | | 3,956.20 | 91,150.60 | 262,000 |
| | 12/1/2016 | 85,000 | 3.02% | 3,956.20 | | 177,000 |
| FY 2016-2017 | 6/1/2017 | | | 2,672.70 | 91,628.90 | 177,000 |
| | 12/1/2017 | 87,000 | 3.02% | 2,672.70 | | 90,000 |
| FY 2017-2018 | 6/1/2018 | | | 1,359.00 | 91,031.70 | 90,000 |
| FY 2018-2019 | 12/1/2018 | 90,000 | 3.02% | 1,359.00 | 91,359.00 | - |
| | | \$648,000 | | \$90,992.60 | \$738,992.60 | |

| Capital Improvement Revenue Note, Series 2010 | | | | | | |
|---|--------------|-------------|--------|------------------|---------------------|---------------------|
| SAD - West Highlands | | | | | | |
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| | | | | | | \$1,142,000 |
| FY 2010-2011 | 6/1/2011 | | | 16,765.19 | 16,765.19 | 1,142,000 |
| | 12/1/2011 | 127,000 | 3.02% | 17,244.20 | | 1,015,000 |
| FY 2011-2012 | 6/1/2012 | | | 15,326.50 | 159,570.70 | 1,015,000 |
| | 12/1/2012 | 132,000 | 3.02% | 15,326.50 | | 883,000 |
| FY 2012-2013 | 6/1/2013 | | | 13,333.30 | 160,659.80 | 883,000 |
| | 12/1/2013 | 136,000 | 3.02% | 13,333.30 | | 747,000 |
| FY 2013-2014 | 6/1/2014 | | | 11,279.70 | 160,613.00 | 747,000 |
| | 12/1/2014 | 141,000 | 3.02% | 11,279.70 | | 606,000 |
| FY 2014-2015 | 6/1/2015 | | | 9,150.60 | 161,430.30 | 606,000 |
| | 12/1/2015 | 145,000 | 3.02% | 9,150.60 | | 461,000 |
| FY 2015-2016 | 6/1/2016 | | | 6,961.10 | 161,111.70 | 461,000 |
| | 12/1/2016 | 149,000 | 3.02% | 6,961.10 | | 312,000 |
| FY 2016-2017 | 6/1/2017 | | | 4,711.20 | 160,672.30 | 312,000 |
| | 12/1/2017 | 154,000 | 3.02% | 4,711.20 | | 158,000 |
| FY 2017-2018 | 6/1/2018 | | | 2,385.80 | 161,097.00 | 158,000 |
| FY 2018-2019 | 12/1/2018 | 158,000 | 3.02% | 2,385.80 | 160,385.80 | - |
| | | \$1,142,000 | | \$160,305.79 | \$1,302,305.79 | |

| Capital Improvement Revenue Note, Series 2010 Trails | | | | | | |
|---|-----------------|-------------|--------|------------------|------------------------|------------------------|
| Fiscal Year | Payment Date | Principal | Coupon | Interest Payment | Fiscal Debt Service | Balance Outstanding |
| | | | | | | \$4,724,000 |
| FY 2010-2011 | 6/1/2011 | | | 69,350.94 | 69,350.94 | 4,724,000 |
| | 12/1/2011 | 364,000 | 3.02% | 71,332.40 | | 4,360,000 |
| FY 2011-2012 | 6/1/2012 | | | 65,836.00 | 501,168.40 | 4,360,000 |
| | 12/1/2012 | 380,000 | 3.02% | 65,836.00 | | 3,980,000 |
| FY 2012-2013 | 6/1/2013 | | | 60,098.00 | 505,934.00 | 3,980,000 |
| | 12/1/2013 | 392,000 | 3.02% | 60,098.00 | | 3,588,000 |
| FY 2013-2014 | 6/1/2014 | | | 54,178.80 | 506,276.80 | 3,588,000 |
| | 12/1/2014 | 403,000 | 3.02% | 54,178.80 | | 3,185,000 |
| FY 2014-2015 | 6/1/2015 | | | 48,093.50 | 505,272.30 | 3,185,000 |
| | 12/1/2015 | 415,000 | 3.02% | 48,093.50 | | 2,770,000 |
| FY 2015-2016 | 6/1/2016 | | | 41,827.00 | 504,920.50 | 2,770,000 |
| | 12/1/2016 | 428,000 | 3.02% | 41,827.00 | | 2,342,000 |
| FY 2016-2017 | 6/1/2017 | | | 35,364.20 | 505,191.20 | 2,342,000 |
| | 12/1/2017 | 441,000 | 3.02% | 35,364.20 | | 1,901,000 |
| FY 2017-2018 | 6/1/2018 | | | 28,705.10 | 505,069.30 | 1,901,000 |
| | 12/1/2018 | 454,000 | 3.02% | 28,705.10 | | 1,447,000 |
| FY 2018-2019 | 6/1/2019 | | | 21,849.70 | 504,554.80 | 1,447,000 |
| | 12/1/2019 | 468,000 | 3.02% | 21,849.70 | | 979,000 |
| FY 2019-2020 | 6/1/2020 | | | 14,782.90 | 504,632.60 | 979,000 |
| | 12/1/2020 | 482,000 | 3.02% | 14,782.90 | | 497,000 |
| FY 2020-2021 | 6/1/2021 | | | 7,504.70 | 504,287.60 | 497,000 |
| FY 2021-2022 | 12/1/2021 | 497,000 | 3.02% | 7,504.70 | 504,504.70 | - |
| | | \$4,724,000 | | \$897,163.14 | \$5,621,163.14 | |

CONDUIT DEBT OBLIGATIONS¹

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

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

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

A summary of outstanding issues at September 30, 2013 is comprised of the following:

| Entity | Number of Series Outstanding | Original Issued | Aggregate Principal Outstanding |
|---|------------------------------------|--------------------|---------------------------------------|
| Volusia County Health Facilities Authority | | | |
| Housing Finance Authority of Volusia County | 11 | \$82,780,000 | \$68,590,000 |
| Volusia County Industrial Development Authority | 6 | 55,005,000 | 47,944,436 |
| Volusia County Educational Facilities Authority | 6 | 244,670,000 | 208,275,421 |

¹ Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2013

**VOLUSIA COUNTY CONDUIT BOND HISTORY
THROUGH 09/30/2013**

| COUNCIL DATE | ISSUING AUTHORITY | PURPOSE | AMOUNT | RESOLUTION NO. |
|-------------------------|----------------------------------|--|----------------------------|---------------------------|
| | | 2013 | | |
| 02/08/13 | Housing Finance Authority | Brookhaven Project – Palm Coast, FL | 9,500,000 | 2013-12 |
| | | 2012 | | |
| | | None | | |
| | | 2011 | | |
| 12/01/11 | Educational Facilities Authority | VCEFA Educational Facilities Revenue & Refund Bond, Series 2011 Stetson University, Inc. Project | \$10,000,000 | 2011-171 |
| | | 2010 | | |
| 12/16/10 | Industrial Development Authority | Issuance of Recovery Zone Facility Bonds on behalf of Pace Analytical Services, Inc. | Not to Exceed \$2,500,000 | 2010-224 |
| 11/18/10 | Educational Facilities Authority | Educational Facilities Authority Educational Facilities Revenue & Refunding Bond, Series 2010 (Stetson University, Inc. Project) | Not to Exceed \$30,000,000 | 2010-213 |
| 08/19/10 | Industrial Development Authority | Amendment to outstanding Jacksonville Economic Development Commission Special Facility Airport Revenue Bonds relating to the Holland Sheltair Aviation Group Facility @ DBIA | Not to Exceed \$61,400,00 | 2010-143 |
| 03/04/10 | Housing Finance Authority | Brevard County Single Family Mortgage Revenue Bond Program for 2010 funding for low rate mortgage loans for first time home buyers in Volusia County | Not to Exceed \$50,000,000 | 2010-33 |
| 01/21/10 | Industrial Development Authority | Approval of industrial development authority revenue bond in a principal amount not to exceed \$4,500,000 for the Volusia/Flagler Family YMCA Project-Refunding Series 2007 Bond | Not to Exceed \$4,500,000 | 2010-11 |
| 01/21/10 | Industrial Development Authority | Industrial Revenue Bonds through the Volusia County Industrial Development Authority on behalf of Juno AO Real Estate, LLC re: A O Precision Mfg., LLC | Not to Exceed \$4,700,000 | 2010-12 |

| | | | | | | |
|----------|---|--|-------------|---|--|-------------------------------|
| | | | 2009 | | | |
| | | | None | | | |
| | | | 2008 | | | |
| 05/22/08 | Industrial Development Authority | Issuance of up to \$6,000,000 industrial development authority bonds on behalf of Management By Innovation, Inc. | | Not To Exceed \$6,000,000 | | 2008-85 |
| 03/13/08 | Industrial Development Authority | Industrial Development Authority revenue bonds on behalf of Edgewater Power Boats, LLC. | | Not To Exceed \$5,000,000 | | 2008-43 |
| 03/13/08 | Industrial Development Authority | Industrial Development Authority revenue bonds on behalf of Holly Hill RHF Housing, Inc. | | Not To Exceed \$26,000,000 | | 2008-44 |
| | | | 2007 | | | |
| 09/20/07 | Industrial Development Authority | Intellitec Crossing, LLC Note: This agenda item was prepared by Rick Michael/Economic Development | | Not to Exceed \$6,500,000 | | 2007-184 |
| 08/23/07 | Industrial Development Authority | West Volusia YMCA | | Not To Exceed \$9,000,000 | | 2007-152 |
| 04/05/07 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Cape Morris Cove Apt Project) | | \$ 13,500,000 \$ 6,750,000 \$ 5,000,000 | | 2007-54 2007-55 2007-56 |
| 03/15/07 | Lee County Industrial Development Authority | Health Care Facilities Refunding Revenue Bonds, Series 2007 | | \$130,000,000 | | 2007-49 |
| 02/22/07 | Industrial Development Authority | McDonough Properties, LLC d/b/a Florida Folder Service, Inc. | | Not To Exceed \$2,700,00 | | 2007-22 |
| | | | 2006 | | | |
| 11/02/06 | Industrial Development Authority | Tiffany & Associates, Inc. | | Not To Exceed \$3,000,000 | | 2006-226 |

| | | | | |
|----------|----------------------------------|---|---|----------|
| 03/02/06 | Housing Finance Authority | Multi-Family Housing Revenue Refunding Bonds (Arbors Apartments Project), Series 1999C | \$7,605,000 | 2006-51 |
| | | 2005 | | |
| 07/28/05 | Educational Facilities Authority | VCEFA Revenue and Refunding Bonds (Embry-Riddle Aeronautical University, Inc. Project) | Not To Exceed \$110,000,000 | 2005-143 |
| 03/24/05 | Industrial Development Authority | Ideal Project (Spot Properties LLC) Note: This agenda item was prepared by Rick Michael/Economic Development) | Not To Exceed \$6,000,000 | 2005-58 |
| 03/10/05 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Enterprise Cove Apartments, Phase I & II), Series 2005 | Not To Exceed \$11,250,000 | 2005-35 |
| 02/24/05 | Educational Facilities Authority | Stetson Bond Refinance, 2005 | Not to Exceed \$25,000,000 | 2005-25 |
| | | 2004 | | |
| 10/07/04 | Industrial Development Authority | Inter-local Agreement between the Jacksonville Economic Development Commission and County of Volusia for the purpose of issuance of one or more tax-exempt and/or taxable series of industrial revenue bonds (IRBs). These industrial revenue bonds will be issued by the Jacksonville Economic Development Commission on behalf of the Holland-Sheltair Aviation Group | Not To Exceed \$15,500,000 | 2004-195 |
| 08/05/04 | Industrial Development Authority | The Evangelical Lutheran Good Samaritan Society Revenue Bonds (Note: This agenda item was prepared by Rick Michael/Economic Development) | Aggregate Principal Amount of \$3,300,000 | 2004-155 |
| 07/08/04 | Housing Finance Authority | Participation in Brevard County Mortgage Revenue Bond Program for 2004 | Not To Exceed \$75,000,000 | 2004-127 |
| 02/19/04 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Enterprise Cove Apartments), Series 2004 | Not To Exceed \$11,000,000 | 2004-38 |
| | | 2003 | | |
| 11/06/03 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Garfield Place Apartments), Series 2004 | No to Exceed \$11,500,000 | 2003-205 |
| 06/26/03 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Oakland Terrace Apartments), Series 2003 | Not To Exceed \$12,000,000 | 2003-116 |
| 06/05/03 | Educational Facilities Authority | Educational Facilities Revenue Bonds (Embry-Riddle Aeronautical University Project), Series 2003 | Not To Exceed \$45,000,000 | 2003-102 |
| 02/06/03 | Housing Finance Authority | Participation in Brevard County Mortgage Revenue Bond Program for 2003 | Not To Exceed \$75,000,000 | 2003-15 |

| | | 2002 | | |
|----------|----------------------------------|---|---|--|
| 12/19/02 | Housing Finance Authority | Multi-Family Housing Revenue Bonds (Saxon Trace Apartments), Series 2003A | Not To Exceed \$9,500,000 | 2002-223 |
| 10/03/02 | Housing Finance Authority | Multi-Family Housing Revenue Refunding Bonds (Anatole Apartments -FKA Mallwood Village Apartments, Series 1985C), Series 2002 | Not To Exceed \$7,000,000 | 2002-169 |
| 06/20/02 | Educational Facilities Authority | Variable Rate Educational facilities Revenue Bonds (Stetson University, Inc. Project), Series 2002 | Not to Exceed \$10,850,000 | 2002-112 |
| 01/17/02 | Housing Finance Authority | Multi-Family Housing Revenue Refunding Bonds (Fisherman's Landing Apartments), Series 2002 | Not To Exceed \$6,085,000 | 2002-13 |
| | | 2001 | | |
| 11/29/01 | Housing Finance Authority | Participation in Brevard County Single Family Mortgage Revenue Bond Program for 2002 | Not specified | 2001-214 |
| 08/16/01 | Educational Facilities Authority | Variable Rate Educational Facilities Revenue Bonds (Bethune-Cookman College, Inc. Project), Series 2001 | Not to Exceed \$24,000,000 | 2001-161 |
| 02/22/01 | Housing Finance Authority | Participation in Brevard County Single Family Mortgage Revenue Bond Program for 2001 | Not specified | 2001-35 |
| 01/04/01 | Industrial Development Authority | IDA Revenue Bonds (Ocean Design, Inc. Project), Series 2001 | Not to Exceed \$1,500,000 | 2001-11 |
| 01/04/01 | Industrial Development Authority | City of Daytona Beach IDA Revenue Bond (Children's Advocacy Center of Volusia & Flagler Counties, Inc. Project), Series 2001 | Not To Exceed \$500,000 | 2001-04 |
| | | 2000 | | |
| 12/14/00 | Housing Finance Authority | Multi-Family Housing Revenue Bonds, Series A20001 & Series B2001 | A)\$8,000,000 B\$3,000,000 | 2000-254 |
| 12/14/00 | Health Facilities Authority | Re: Memorial Healthcare Systems, Inc. 1)Highlands County Revenue Bonds (Adventist Health System/Sunbelt) 2)Orange County Revenue Bonds (Adventist Health System/Sunbelt) 3)Highlands County Revenue Bonds (Adventist Health System/Sunbelt) Accounts Receivable Program | 1)Not To Exceed \$1,000,000 2)Not To Exceed \$1,000,000 3)Not To Exceed \$6,000,000 | 1)2000-242 2)2000-243 3)2000-244 |

| | | | | |
|----------|----------------------------------|---|---|--|
| 08/17/00 | Health Facilities Authority | Re: Southwest Volusia Healthcare Corporation 1)Highlands County Revenue Bonds (Adventist Health System/Sunbelt) 2)Orange County Revenue Bonds (Adventist Health System/Sunbelt) 3)Highlands County Revenue Bonds (Adventist Health System/Sunbelt) | 1)Not To Exceed \$1,000,000 2)Not To Exceed \$1,000,000 3)Not To Exceed \$6,000,000 | 1)2000-158 2)2000-159 3)2000-160 |
| 02/24/00 | Housing Finance Authority | Issuance of Single Family Mortgage Revenue Bonds (Brevard County) | Not To Exceed \$75,000 | 2000-38 |
| 01/06/00 | Industrial Development Authority | Industrial Development Authority/APCO Institute, Inc. | Not To Exceed \$2,000,000 | 2000-8 |
| | | 1999 | | |
| | | None | | |
| | | 1998 | | |
| 12/17/98 | Housing Finance Authority | Multi-Family Housing Revenue Bonds: 1) Lexington Club at Spring Arbor; 2) Raceway Pointe; 3) Speedway Pointe | 1)\$7.1 Million 2)\$7.8 Million 3)\$6.6 Million | 1)1998-215 2)1998-216 3)1998-217 |
| 11/19/98 | Industrial Development Authority | Industrial Development Authority Revenue Refunding Bonds (Bishop's Glen Project), Series 1998 | Not To Exceed \$28,000,000 | 1998-188 |
| 09/17/98 | Health Facilities Authority | Health Care Revenue Bonds (Indigo Manor Project), Series 1998A & Series 1998B | A) Not To Exceed \$15,300,000 B) Not To Exceed \$700,000 | 1998-151 |

County of Volusia, Florida

DEBT MANAGEMENT POLICY

Mission Statement

To provide a comprehensive and viable debt management policy which recognizes the capital improvement needs of the County as well as the taxpayers' ability to pay while taking into account existing legal, economic, financial and debt market considerations.

General Policy Overview

The basic purpose of a debt management policy is to assist the government in the execution of its overall strategy by contributing to the continued financial health and stability of the organization and assuring future access to debt markets to meet both scheduled and unscheduled needs. In practice, the limits within which a debt management policy can be developed and implemented are usually very confined. Despite these limitations, it is the responsibility of each local government to develop a policy which, at a minimum, provides a conceptual framework for the issuance and management of debt.

The legal, economic, financial and market conditions associated with the issuance of debt are dynamic, unpredictable and usually in a constant mode of change. Consequently, the decision to issue debt is best made on a case-by-case basis and only after careful and timely analysis and evaluation of all relevant factors. Some of the factors that should be considered include, but are not limited to, the following:

- Legal constraints on debt capacity and various financing alternatives.
- The urgency of the capital requirements to be met and the economic costs of delays.
- Willingness and financial ability of the taxpayers to pay for the capital improvements.
- Determination as to whether to employ a "pay as you acquire" versus a "pay as you use" approach.
- Proper balance between internal and external financing.
- Current interest rates and other market considerations.
- The financial condition of the County.
- The types, availability and stability of revenues to be pledged for repayment of the debt.
- Type of debt to be issued.
- The nature of the projects to be financed (i.e., approved schedule of improvements, non-recurring improvements, etc.)

Debt Management Policies

- (1) Capital improvements related to enterprise fund operations (e.g., airport, water and wastewater systems, refuse disposal systems, etc.) if financed by debt, it 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., 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 appropriable, 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.
- (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 30 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 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 and, in those situations where they have previously been used for operation and maintenance expenses/general operating expenditures, they will only be pledged for debt when other sufficient revenue sources are available to replace same to meet operation and maintenance expenses/general operating expenditures.
- (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.

Debt Management Policies (Cont'd)

- (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 OF TERMS

Advance Refunding. Bonds are issued to refund an outstanding bond issue prior to the date on which the outstanding bonds become due or callable. Proceeds of the advance refunding bonds are deposited in escrow with a fiduciary institution, invested in U. S. Treasury Bonds or other authorized securities, and used to redeem the underlying bonds at maturity or call date and to pay interest on the bonds being refunded or the advance refunding bonds. Governmental bonds are generally limited to one advance refunding.

Annual Debt Service. The combined amount due in a fiscal year for payments of interest and current maturities of principal on outstanding debt.

Arbitrage. The difference between the tax-exempt interest rate paid by the borrower and the interest rate at which the proceeds of the issue are invested. The Internal Revenue Code contains specific regulations concerning the amount that can be earned from the investment of tax-exempt proceeds. Interest earnings that exceed the allowable amount must be paid to the federal government.

Basis Point. An expression of interest equal to one-hundredth of a percent (.01%). One hundred basis points equal one percent. Used in the pricing of bonds and in discussions of the yield of a bond.

Bond. A written promise to pay a specified sum of money, called the face value (par value) or principal amount, at a specified date or dates in the future, called the maturity date(s), together with

periodic interest at a specified rate. The difference between a note and a bond is that the bond runs for a longer period of time and requires greater legal formality.

Bond Counsel. The legal firm hired to advise the Issuer regarding the legal and tax aspects of the sale. Bond counsel writes the legal opinion for the bond issue. The legal opinion must be unconditional and is essential for a bond issue to be marketable. The bond opinion provides assurance to the bond purchaser that the bond was legally issued and is tax-exempt. Generally responsible for producing the legal documents required for the sale.

Bonded Debt. The portion of an issuer's total indebtedness represented by outstanding bonds of various types.

Bond Insurance. A form of credit enhancement that is provided by private, for-profit insurance companies. For a premium, insurance companies will agree to guarantee interest and principal payments to bondholders if the issuer cannot make payments. Bonds with insurance carry the credit rating of the insurer instead of the issuer, most typically AAA.

Bond Proceeds. The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

Bond Rating. An independent assessment of the relative credit risk associated with purchasing and holding a particular bond, and the likelihood that the obligation will be repaid on-time and in full.

Call or Call Provision. The conditions under which a debt obligation may be redeemed prior to its stated maturity. Such provisions specify the date on which an obligation may be redeemed and the price investors will receive if their bonds are redeemed.

Call Premium. The amount the issuer has promised to pay in excess of par value when bonds are redeemed in advance of their maturity date. The call premium is expressed as a percent of the par value.

Commercial Paper. Short term, unsecured promissory notes issued by organizations of recognized credit quality.

Conduit Bonds. Bonds issued on behalf of entities established to provide financial assistance to private-sector entities to acquire or construct equipment and facilities deemed to be in the public interest. (This debt does not constitute debt of the County of Volusia. Bonds or other debt obligations are payable solely from the revenues or other resources pledged under the terms of the debt agreements.)

Cost of Issuance. The expense associated with the sale of a new issue of municipal securities, including such items as underwriter's spread, printing, legal fees and rating costs.

Coverage. The ratio of pledged revenues available annually to pay the debt service requirement. This ratio is one indication of the availability of revenues for payment of debt service. The formula for determining coverage, often referred to as "debt service coverage" or the "coverage ratio," is as follows:

$$\text{Coverage} = \frac{\text{Pledged Revenues}}{\text{Debt Service Requirement}}$$

Coverage Covenant. A pledge by the issuer, in the trust indenture of bond resolution, to maintain a specified level of coverage of debt service requirements from pledged revenues.

Credit Enhancement. A guarantee by a third party in a debt financing that strengthens the credit quality behind the obligation.

Credit Rating Agency. Agencies hired to appraise, analyze and monitor the credit quality of the bond issuer. These firms provide credit ratings for use by retail and institutional investors to gauge the credit risks inherent in the bond issue. The fee for the rating service is paid by the issuer and based on the issue size, type and complexity.

Current Refunding. A refunding in which the prior, refunded bonds are called or mature within 90 days of issuance of the refunding bonds.

CUSIP Numbers (Committee on Uniform Security Identification Procedures). Identification numbers assigned each maturity of a bond issue, and usually printed on the face of each individual bond in the issue. The CUSIP numbers are intended to facilitate identification and clearance of municipal securities.

Dated Date. The date on which a debt obligation begins to accrue interest. For example, if a bond issue was dated July 1 and was delivered to the purchaser (closed) on July 14, the purchaser would need to pay the issuer accrued interest from the dated date (July 1) up to but not including the delivery date (July 14).

Debt Service. The amounts of money necessary to pay interest and principal requirements for a given year or series of years.

Defease. To discharge the lien of an ordinance, resolution, or indenture relating to a bond issue and, in the process, render inoperative restrictions under which the issuer has been obligated to comply. Ordinarily, an issuer may defease an indenture requirement by depositing with a trustee an amount sufficient to fully pay all amounts under a bond contract as they become due.

Delivery Date. The date on which securities are delivered in exchange for proceeds. The delivery date is considered the date of issuance for new securities and is also known as the closing date.

Direct Debt. Any non-self-supporting general governmental debt.

Discount. The amount by which par value exceeds the price paid for a security and which generally represents the difference between the nominal interest rate and the actual or effective return to the investor.

Effective Interest Rate. The actual rate earned by the investor on bonds purchased, after allowing for premiums,

discounts or accrued interest over the period of the investment.

Escrow Account. A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

Financial Condition. The probability that a government will meet both its financial obligations to creditors, consumers, employees, taxpayers, suppliers, constituents, and others as they become due; and service obligations to constituents, both currently and in the future. (Source: Governmental Accounting Standards Board - GASB)

Forward Refunding. A process whereby an issuer may take advantage of low interest rates by locking in at the lower interest rates and refund the bonds on their first call date. Therefore, all the terms of the transaction are agreed upon today, but the transaction does not occur until the first day of the current refunding period.

Full Faith and Credit. An unconditional pledge of a government's taxing power that secures general obligation bonds. Bonds carrying such pledges are usually referred to as general obligation bonds or full faith and credit bonds.

General Obligation ("G.O.") Bonds. Bonds for which the payment is backed by the full faith and credit of the issuing entity. The full faith and credit is a pledge of the general taxing powers for the payment of the debt obligation. Some GO bonds, known as limited-tax GO bonds, are backed by the pledge of a defined portion of the issuer's general taxing power.

Good Faith Deposit. A sum of money, usually in an amount from 1 percent to 5 percent of the par value of the bond issue, and generally in the form of a certified or cashier's check, which is enclosed with the bid in a competitive sale. The check is returned to the bidder if the bid is not accepted, but the check of the successful bidder is retained by the issuer and applied against the purchase price when the bonds are delivered.

Interest. Compensation paid or to be paid for the use of money. It is generally expressed as an annual percentage rate.

Interest Rate. The annual percentage of principal payable for the use of borrowed money.

Issuer. A state, political subdivision, agency or authority that borrows money through the sale of bonds or notes.

Lease-Purchase Agreement. An agreement entered into by two parties in which one provides a facility or equipment in exchange for a pledge from the other to make regular lease payments. Upon completion of the lease term, the lessee assumes ownership of the item. Most lease-purchase agreements provide that the lessee will continue to make lease payments only as long as its governing body appropriates funds for that purpose.

Legal Opinion. An opinion concerning the legality of a municipal bond issue. Such opinions usually address the legal authority of the issuer to sell bonds, the issuer's compliance with all procedural requirements prior to issuance, and the tax status of the bonds as an investment.

Limited Tax Bond. A general obligation bond secured by the pledge of a specified tax or category of taxes which is limited as to rate or amount.

Long-term Debt. Debt with a maturity of more than one year after date of issuance.

Maturity. The date when the principal amount of a security is payable.

Maximum Annual Debt Service. The largest combined amount of the annual debt service becoming due in any fiscal year in which bonds are outstanding, excluding all fiscal years which have ended prior to the fiscal year in which the maximum annual debt service is computed.

Municipal Bond. A debt obligation issued by a state or local government, to provide funds for a government's general financing needs or for special projects. Municipal bonds are free from federal tax on the accrued interest and also free from state and local taxes if issued in the state of residence.

Municipal Securities Rule Making Board (MSRB). An independent, self-regulatory organization established by Congress in 1975 having general rule making authority over municipal securities market participants.

Negotiated Sale. The sale of a new issue of municipal securities by an issuer through an exclusive agreement with an underwriter or underwriting syndicate selected by the issuer. The primary points of negotiation for an issuer are the interest rate and purchase price on the issue.

Official Statement. A disclosure document prepared in connection with a specific offering which provides detailed information concerning security provisions, maturity dates and amounts, optional redemption provisions, ratings, coupon rates and reoffering yields, and other relevant credit data. The official statement is prepared and circulated after the sale has been completed. (See “Preliminary Official Statement”.)

Par Value. The face or amount of the principal of a bond or note.

Per Capita. In Latin translation, per head – per person.

Preliminary Official Statement. A disclosure document prepared in connection with a specific offering that provides detailed information concerning security provisions, maturity dates and amounts, optional redemption provision, and other relevant credit data. The preliminary official statement is prepared and circulated as a marketing tool prior to the sale of the securities. (See “Official Statement”.)

Premium. The amount by which the price of a bond exceeds its Principal amount or Par value. A redemption premium is the premium an issuer is required (by the terms of a bond) to pay to redeem (call) the bond prior to its stated maturity.

Present Value. The value today of a future payment, or stream of payments, discounted at some appropriate compound interest (or discount) rate. Also called the time value of money.

Principal. The face amount of a debt instrument on which interest is either owed or earned.

Ratings Agencies. The organizations that provide publicly available ratings of the credit quality of securities issuers. The term is most often used to refer to the three nationally recognized agencies, Moody’s Investors Service, Inc., Standard and Poor’s Corporation, and Fitch Ratings.

Ratings. Designations of the quality of bonds or notes issued by state and local governmental units. Ratings are provided by agencies or corporations that seek to render a professional judgment concerning the quality of the security being rated.

Refunding. A process whereby an issuer refinances an outstanding bond issue by issuing new bonds. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bonds may be exchanged with holders of outstanding bonds.

Reserve. An account used to indicate that a portion of fund equity is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Revenue Bond. A bond which is payable from a specific source of revenue and to which the full faith and credit of an issuer with taxing power is not pledged. Revenue bonds are payable from identified sources of revenue, and do not permit the bondholders to compel taxation or legislative appropriation of funds not pledged for payment of debt service. Generally, no voter approval is required prior to issuance of such obligations.

Revolving Loan Fund. A centrally administered (usually by a state) fund that makes loans to subordinate units of government to address specific funding objectives. Loan repayments are recycled into additional loans. Original capitalization often comes from a combination of federal grants and state monies.

Securities. Bonds, notes mortgages, or other forms of negotiable or non-negotiable instruments.

Sinking Funds. An account into which an issuer makes periodic deposits to assure timely availability of monies for the payment of debt service requirements. The sinking fund was the fund created to accumulate moneys to “sink” the debt at its maturity.

SLGS. An acronym for “State and Local Government Series.” SLGS are special United States Government securities sold by the Treasury to states, municipalities and other local government bodies through individual subscription agreements. The interest rates and maturities of SLGS are arranged to comply with arbitrage restrictions imposed under Section 103 of the Internal Revenue Code. SLGS are most commonly used for deposit in escrow in connection with the issuance of refunding bonds.

Special Assessment Bond. A municipal general obligation bond whose debt service is paid by a special tax or assessment on property in a particular locality because that property receives a special benefit due to some public improvement, separate and apart from the general benefit accruing to the public at large.

Subordinated Debt Instrument. A debt instrument requiring that repayment of principal may not be made until another debt instrument senior to it has been repaid in full.

Underlying Rating. An assessment of a bond’s credit, without considering external credit enhancements. For an insured bond issue, the underlying rating is the rating the issue would receive if it had no insurance.

Yield. The rate earned on an investment based on the price paid for the investment, the interest earned during the period held and the selling price or redemption value of the investment.