

New Smyrna Sugar Mill Historic site

County of Volusia, Florida

Annual Report on County Debt

For the fiscal
year ended
September 30, 2007

Celebrating five years of the ECHO grant program

County of Volusia, Florida

Annual Report on County Debt For the Fiscal Year Ended September 30, 2007 (Audited)

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EXECUTIVE SUMMARY

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.

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.

The GFOA and other national associations have published best practices promoting efficiency in government and solvency in public finance. The major credit rating agencies use these and other quantitative measures to determine credit rating. Fitch Ratings and Standard and Poor's consider continued funding of the General Fund Reserve a "best practice" and has a "very significant" rating value. In keeping with this "best practice", the County Council adopted a minimum goal of 5 percent of current revenues to fund this reserve in both the General Fund and the Municipal Service District Fund. For the next budget year (FY 2007-2008), approximately 6.8 percent has been reserved in the General Fund and 10.2 percent in the Municipal Service District Fund. Other emergency reserves include the Library at 5.4 percent; Ponce DeLeon Port Authority at 13.2 percent; Mosquito Control at 8.2 percent; and Fires Services at 5.5 percent. Funding of the reserve provides the County flexibility in responding to economic downturns or sudden changes in revenue.

Management continues to use the Capital Improvement Plan to prioritize 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.

FINANCIAL CONDITION

A Financial Condition Assessment is a required element of the annual external audit. The assessment uses trend information and benchmark comparisons to determine whether a County is experiencing deteriorating financial conditions. This analysis has resulted in an overall rating of *Favorable* for Volusia County for the last seven fiscal years.

Recognizing the potential for forecasted performance to differ from initial expectations, rating agencies often review the basic underlying economic strength of the entity, as well as the effectiveness of the governing process to manage performance and address problems. In

April 2008, Fitch Ratings performed a routine surveillance related to the underlying credit of the County's Limited Tax General Obligation Bonds, Series 2005. Their review of the County's operating results, financial plans and management policies resulted in an affirmation of the AA- underlying rating on these bonds, and further reported Volusia County's Outlook as "stable", indicating the credit rating is not likely to change.

As of September 30, 2006, total County outstanding indebtedness was \$345,068,695 and included bonded debt of \$303,650,000, commercial paper loans totaling \$31,649,000, \$8,961,352 in State revolving fund loans, and \$808,343 in other loans.

ECONOMIC OUTLOOK

Although Volusia County's economy slowed somewhat during 2007, largely due to the pullback in the housing construction market, it remained relatively strong with moderate growth. Personal income and the area's gross metropolitan product output continued to post positive gains over 2006; however, those gains reflected an overall slowdown experienced throughout Central Florida. The moderate cooling in the Volusia County economy should not be seen as a reversal in the overall economic health of the community, but rather as an adjustment to the earlier rapid growth experienced during the 2004 and 2005 period.

Influencing much of the county's economic engine is the impact of annual personal income that experienced a dynamic level of growth of 6.8 percent in 2007. This trend is expected to continue into 2008 with another 6.6 percent level of growth projected. The County's total workforce grew by 4.0 percent in 2007, as compared to 3.1 percent in 2006 and employment continued to diversify across the board away from the traditional perception of a community dominated by the hospitality and retail sectors.

The local new construction market generated an estimated \$830 million in new permitted values for 2007. This level of capital investment for a community with a population just over 500,000 is still a significant generator of construction related expenditures and employment for the local economy. Construction related jobs remained nearly unchanged over 2006 averages. However, the softer market indicated by the level of 2007 permits will most likely carry over into 2008 and is expected to cause the number of layoffs in the construction trades and related retail areas to increase significantly. Capital investments in new commercial projects countywide reported a steady and consistent level by investors and developers in the long-term investment of capital into the Volusia County market.

NOTABLES

Interest rates have trended downward over the last ten years.¹ As the market continued to improve toward the end of the 2007 calendar year, the decision was made to begin work on advance refunding of a portion of the Subordinate Lien Sales Tax Revenue Bonds, Series 1998. In November 2007, the refinancing was projected to generate more than \$1.3 million in debt service savings (NPV). When the bonds sold on February 7, 2008, the interest rates were significantly lower than their ten-year averages, and the refunding achieved an all-in true interest cost of 3.486%. The County realized almost \$2.6 million in debt service savings (NPV), or 5.77% of the refunded par amount. Public Financial

¹ 10 and 30-Year US Treasuries and Bond Buyer Revenue Index as noted in PFM Report dated February 2008

Management did a comparative analysis of market rates before and after the sale. Their report showed the interest rate dropped significantly leading up to the sale date and then increased immediately after the County sold the 2008 Bonds and locked in the favorable rates. Timing is everything.

The ramifications of the meltdown in the sub-prime mortgage market have rippled through the global financial markets. Many, in fact most, of the major financial market participants have had to take significant write-offs and expect ongoing challenges. Typically, the tax-exempt municipal market is insulated from corporate credit issues. However, that is not the case now as all of the global financial markets are increasingly tied together. Of particular interest to the County, the municipal bond insurers that have historically provided AAA rated credit enhancement to debt issues, have significant exposure to the sub-prime market since they enhanced some of the mortgage-backed securities and related products. Their involvement has led the credit rating agencies (Moody's Investor Services, Standard and Poor's and Fitch Ratings) to assign negative outlooks to most insurers, followed by downgrades below the AAA for some.² All of the County's outstanding long-term debt is fixed rate debt and carries credit enhancement offered by insurance companies. This insurance allows the bonds to carry the credit rating of the insurer, which is usually AAA. The investors in fixed rate bonds took on the risk of insurer downgrades at the time of the investment, so the downgrading did not create a financial exposure for the County. However, to stay in compliance with the outstanding bond covenants, the County was required to file material events notices.

ON THE HORIZON

Tax reform has been a major topic in the Florida Legislature again this year. With the passage of Amendment 1 in January 2008, and the unknown impact of other tax reform initiatives underway, there is concern of declining tax revenues. Further tax reductions will have an impact on the local government's ability to continue services and programs at current levels or expand them because of growth demands. Staff continues to evaluate and prioritize programs and services should further reductions become necessary. All capital projects are effectively on hold until the full impact of tax reform can be determined, but the following is a brief discussion of projects that will require issuing debt when funding is available.

The Branch Jail, which opened in 1987, has a rated capacity for 1,494 inmates. The average daily inmate population has routinely exceeded this capacity over the past year. To house this ever-growing population, expansion is needed. It is anticipated the construction will be completed in three phases: renovation of the current facilities, replacement of the barracks, and a new stand-alone facility.

Our present 800 MHz radio system is based on late 1990's technology, with many components and subsystems no longer in production. Over the next few years, system maintenance will become more difficult because of the industry moving towards newer up-to-date GPS technology. To extend the life of the radio equipment and to continue to provide reliable service to public safety agencies, a major technological upgrade is anticipated. Estimated cost of replacement of the radio system with GPS Simulcast is \$14 million.

² Provided by Public Financial Management

Funding for a \$15 million Eastside Service Center is currently under review. This 60,000 sq. ft. facility will consolidate eastside operations of Mosquito Control, Road and Bridge and Traffic Engineering. It would also provide storage, a fuel depot, helicopter hangar, and serve as an emergency field operations center for field response and recovery teams.

The County has been evaluating the possibility of rail service linking Volusia County and the Orlando metropolitan area since 1997. Volusia County has pledged \$12.5 million, which will pay for a train station in DeBary and for a portion of the cost to extend Saxon Boulevard to reach the station. The County included \$1.5 million in the FY 06-07 budget and has been tentatively approved for a \$12.5 million loan from FDOT. In this year's (2008) legislative session, the portion of the transportation bill containing language to approve the commuter rail project failed to get legislative approval. Supporters of the bill will likely try to get it approved by legislators in 2009.

CLOSING COMMENTS

The County's overall debt profile is characterized by good debt service coverage from its pledged revenues and 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.

Strong financial management, manageable debt levels, financial flexibility, and moderate economic growth are all indicators of good fiscal health. Fiscal policy, established by the County Council and implemented by County management, continues to result in a positive financial condition.

May 2, 2008

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:

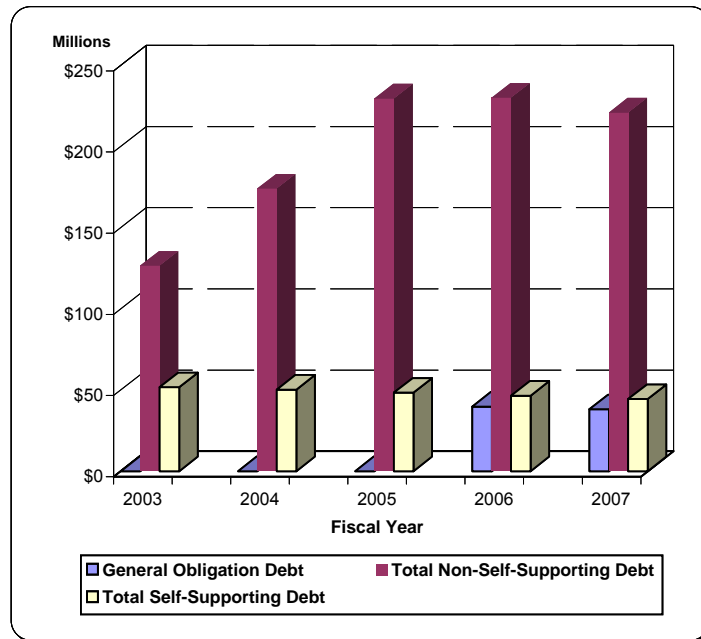
Short-term tax-exempt financing instruments are often used to partially fund the capital outlay and capital improvement programs. This type of financing offers low interest rates,

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

	Fiscal Year Ended September 30				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Obligation Debt					
Limited Tax G.O. Bonds, Series 2005	\$0	\$0	\$0	\$39,875,000	\$38,190,000
Non-Self-Supporting Debt					
Senior Lien: Sales Tax	1,140,000	370,000	-	-	-
Subordinate Lien: Sales Tax	98,450,000	95,175,000	90,665,000	85,980,000	81,110,000
Tourist Development Tax Revenue Bonds	22,565,000	76,371,336	83,930,000	82,015,000	80,045,000
Gas Tax Revenue Bonds	1,000,000	520,000	64,310,000	62,135,000	59,795,000
Guaranteed Entitlement Revenue Bonds	3,450,000	1,770,000	-	-	-
Special Assessment Improvement Bonds	60,000	-	-	-	-
Total Non-Self-Supporting Debt	\$126,665,000	\$174,206,336	\$238,905,000	\$230,130,000	\$220,950,000
Self-Supporting Debt					
Water & Sewer Revenue Refunding Bonds	10,960,000	10,645,000	10,135,000	9,610,000	9,070,000
Airport System Revenue Bonds	40,800,000	39,660,000	38,320,000	36,915,000	35,440,000
Total Self-Supporting Debt	\$51,760,000	\$50,305,000	\$48,455,000	\$46,525,000	\$44,510,000
Total Bonded Debt ¹	<u>\$178,425,000</u>	<u>\$224,511,336</u>	<u>\$287,360,000</u>	<u>\$316,530,000</u>	<u>\$303,650,000</u>



¹ These balances do not include unamortized bond costs.

SCHEDULE OF BOND RATINGS

<u>Bond Issue</u>	<u>Issue Date</u>	<u>Original Bond Issue Amount</u>	<u>Outstanding 9/30/07</u>	<u>Final Maturity</u>	<u>Insurer</u>	<u>Bond Ratings Fitch/Moody's/S&P</u>
<u>General Obligation Debt:</u>						
Limited Tax General Obligation Debt:						
Bond, Series 2005	10/19/04	\$ 39,875,000	\$38,190,000	2021	AMBAC	(F)AAA ¹ (S&P) AAA ²
<u>Non-Self Supporting Debt:</u>						
Subordinate Lien: Sales Tax Improvement Revenue:						
Bonds, Series 1998	9/1/98	\$59,250,000	\$53,640,000	2018	MBIA	(F)AAA/(S&P)AAA
Bonds, Series 2001A	7/3/01	\$11,930,000	\$9,175,000	2014	MBIA	(F)AAA/(M)Aaa ³
Bonds, Series 2001B	7/3/01	\$23,985,000	\$11,140,000	2010	MBIA	(F)AAA/(M)Aaa ⁴
Bonds, Series 2003	7/3/03	\$8,255,000	\$7,155,000	2021	MBIA	(M)Aaa ⁵ /(F)/AAA
Tourist Development Tax Refunding Revenue:						
Bonds, Series 2002	10/3/02	\$22,565,000	\$15,430,000	2013	FSA	(M)Aaa/(F)AAA
Bonds, Series 2004	9/2/04	\$55,451,336	\$64,615,000	2035	FSA	(M)Aaa/(F)AAA ⁶
Gas Tax Revenue:						
Bonds, Series 2004	10/19/04	\$64,215,000	\$59,795,000	2024	FSA	(S&P)AAA ⁷ /(F)AAA ⁸
<u>Self Supporting Debt:</u>						
Water and Sewer Refunding Revenue:						
Bonds, Series 1998	7/1/98	\$5,085,000	\$2,640,000	2016	FGIC	(F)AAA/(M)Aaa
Bonds, Series 2003	7/3/03	\$6,975,000	\$6,430,000	2019	FGIC	(F)AAA/(M)Aaa
Airport System Revenue Refunding:						
Bonds, Series 2000	8/1/00	\$30,795,000	\$25,835,000	2021	MBIA	(M)Aaa/(S&P)AAA
Bonds, Series 2003	7/3/03	\$11,110,000	\$9,605,000	2021	MBIA	(M)Aaa/(F)AAA

¹ Fitch Underlying Rating of AA-

² Standard & Poor's Underlying Rating of A+

³ Moody's Underlying Rating of A1

⁴ Moody's Underlying Rating of A1

⁵ Moody's Underlying Rating of A1

⁶ Fitch Underlying Rating of A-

⁷ Standard & Poor's Underlying Rating of A

⁸ Fitch Underlying Rating of A

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.

Issuers that meet certain credit criteria can purchase municipal bond insurance policies from private companies. The insurance guarantees the payment of principal and interest on a bond issue if the issuer defaults. Bond ratings are based on the credit of the insurer rather than the underlying credit of the issuer. Some rating agencies will also issue an underlying rating. This is the rating the bonds would receive if the County had not purchased bond insurance. The major bond insurance providers have insured many of the County's bonds: AMBAC, MBIA, and FGIC. Where insured, the County's bonds have gained the highest rating from all of the rating agencies rating these bonds.

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.

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.

Definitions	Moody's	S&P	Fitch
Prime. Highest Quality.	Aaa	AAA	AAA
High Grade. High Quality	Aa1	AA+	AA+
	Aa2	AA	AA
	Aa3	AA-	AA-
Upper Medium Grade	A1	A+	A+
	A2	A	A
	A3	A-	A-
Medium Grade	Baa1	BBB+	BBB+
	Baa2	BBB	BBB
	Baa3	BBB-	BBB-

Airport System Refunding Revenue Bonds, Series 2003
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\$11,110,000

Purpose To provide funds sufficient to advance refund a portion of 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 July 1, 2003

Issue Date July 3, 2003

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 October 1, 2012 and thereafter at 100%

Insurance MBIA

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable.

Airport System Refunding Revenue Bonds, Series 2003
\$11,110,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/03			87,268.75		11,110,000
FY 2003-2004	04/01/04			174,537.50	261,806.25	11,110,000
	10/01/04	495,000	2.00%	174,537.50		10,615,000
FY 2004-2005	04/01/05			169,587.50	839,125.00	10,615,000
	10/01/05	500,000	2.00%	169,587.50		10,115,000
FY 2005-2006	04/01/06			164,587.50	834,175.00	10,115,000
	10/01/06	510,000	2.00%	164,587.50		9,605,000
FY 2006-2007	04/01/07			159,487.50	834,075.00	9,605,000
	10/01/07	525,000	2.00%	159,487.50		9,080,000
FY 2007-2008	04/01/08			154,237.50	838,725.00	9,080,000
	10/01/08	535,000	2.00%	154,237.50		8,545,000
FY 2008-2009	04/01/09			148,887.50	838,125.00	8,545,000
	10/01/09	550,000	2.40%	148,887.50		7,995,000
FY 2009-2010	04/01/10			142,287.50	841,175.00	7,995,000
	10/01/10	555,000	2.70%	142,287.50		7,440,000
FY 2010-2011	04/01/11			134,795.00	832,082.50	7,440,000
	10/01/11	575,000	3.00%	134,795.00		6,865,000
FY 2011-2012	04/01/12			126,170.00	835,965.00	6,865,000
	10/01/12	590,000	3.00%	126,170.00		6,275,000
FY 2012-2013	04/01/13			117,320.00	833,490.00	6,275,000
	10/01/13	605,000	3.20%	117,320.00		5,670,000
FY 2013-2014	04/01/14			107,640.00	829,960.00	5,670,000
	10/01/14	625,000	3.30%	107,640.00		5,045,000
FY 2014-2015	04/01/15			97,327.50	829,967.50	5,045,000
	10/01/15	645,000	3.50%	97,327.50		4,400,000
FY 2015-2016	04/01/16			86,040.00	828,367.50	4,400,000
	10/01/16	665,000	3.60%	86,040.00		3,735,000
FY 2016-2017	04/01/17			74,070.00	825,110.00	3,735,000
	10/01/17	690,000	3.70%	74,070.00		3,045,000
FY 2017-2018	04/01/18			61,305.00	825,375.00	3,045,000
	10/01/18	715,000	4.00%	61,305.00		2,330,000
FY 2018-2019	04/01/19			47,005.00	823,310.00	2,330,000
	10/01/19	745,000	4.00%	47,005.00		1,585,000
FY 2019-2020	04/01/20			32,105.00	824,110.00	1,585,000
	10/01/20	775,000	4.00%	32,105.00		810,000
FY 2020-2021	04/01/21			16,605.00	823,710.00	810,000
	10/01/21	810,000	4.10%	16,605.00		-
FY 2021-2022	04/01/22				826,605.00	
		\$11,110,000		\$4,115,258.75	\$15,225,258.75	

Airport System Refunding Revenue 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 1, 2000

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

Ratings Moody's - Aaa
Standard & Poor's - AAA

Refunding Status Not advance refundable.

Airport System Refunding Revenue 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	

Gas Tax Revenue Bonds, Series 2004

\$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

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

Ratings Fitch - AAA
Standard & Poor's - AAA

Refunding Status Advance Refundable

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	

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
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
Ratings	Fitch - AAA Standard & Poor's - AAA
Refunding Status	Advance refundable

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	

Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003
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\$8,255,000

Purpose To provide funds sufficient to advance refund 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 1, 2003

Issue Date July 3, 2003

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 and thereafter at 100%

Insurance MBIA

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable.

Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003
\$8,255,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/03			64,431.56		\$8,255,000
FY 2003-2004	04/01/04			128,863.13	193,294.69	8,255,000
	10/01/04	360,000	2.00%	128,863.13		7,895,000
FY 2004-2005	04/01/05			125,263.13	614,126.26	7,895,000
	10/01/05	365,000	2.00%	125,263.13		7,530,000
FY 2005-2006	04/01/06			121,613.13	611,876.26	7,530,000
	10/01/06	375,000	2.00%	121,613.13		7,155,000
FY 2006-2007	04/01/07			117,863.13	614,476.26	7,155,000
	10/01/07	385,000	2.00%	117,863.13		6,770,000
FY 2007-2008	04/01/08			114,013.13	616,876.26	6,770,000
	10/01/08	390,000	2.13%	114,013.13		6,380,000
FY 2008-2009	04/01/09			109,869.38	613,882.51	6,380,000
	10/01/09	400,000	2.68%	109,869.38		5,980,000
FY 2009-2010	04/01/10			105,119.38	614,988.76	5,980,000
	10/01/10	415,000	2.63%	105,119.38		5,565,000
FY 2010-2011	04/01/11			99,672.50	619,791.88	5,565,000
	10/01/11	420,000	3.00%	99,672.50		5,145,000
FY 2011-2012	04/01/12			93,372.50	613,045.00	5,145,000
	10/01/12	440,000	3.00%	93,372.50		4,705,000
FY 2012-2013	04/01/13			86,772.50	620,145.00	4,705,000
	10/01/13	450,000	3.13%	86,772.50		4,255,000
FY 2013-2014	04/01/14			79,741.25	616,513.75	4,255,000
	10/01/14	465,000	3.25%	79,741.25		3,790,000
FY 2014-2015	04/01/15			72,185.00	616,926.25	3,790,000
	10/01/15	475,000	3.38%	72,185.00		3,315,000
FY 2015-2016	04/01/16			64,169.38	611,354.38	3,315,000
	10/01/16	505,000	3.63%	64,169.38		2,810,000
FY 2016-2017	04/01/17			55,016.25	624,185.63	2,810,000
	10/01/17	515,000	3.75%	55,016.25		2,295,000
FY 2017-2018	04/01/18			45,360.00	615,376.25	2,295,000
	10/01/18	540,000	3.80%	45,360.00		1,755,000
FY 2018-2019	04/01/19			35,100.00	620,460.00	1,755,000
	10/01/19	560,000	4.00%	35,100.00		1,195,000
FY 2019-2020	04/01/20			23,900.00	619,000.00	1,195,000
	10/01/20	585,000	4.00%	23,900.00		610,000
FY 2020-2021	04/01/21			12,200.00	621,100.00	610,000
	10/01/21	610,000	4.00%	12,200.00		-
FY 2021-2022					622,200.00	
		\$8,255,000		\$3,044,619.14	\$11,299,619.14	

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 2001A

\$11,930,000

Purpose To provide funds sufficient to advance refund a portion of the County's outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1994, which were originally issued to finance construction of 2 regional libraries, acquire beach-front property, acquire Gemini Springs, renovate the DeLand Courthouse and other projects.

Dated Date June 1, 2001

Issue Date July 3, 2001

Final Maturity October 1, 2014

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, 2009 to September 30, 2010 @ 101%
October 1, 2010 and thereafter @ 100%

Insurance MBIA

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable.

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 2001A
\$11,930,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/01			\$174,340.00		\$11,930,000
FY 2001-2002	04/01/02			261,510.00	435,850.00	11,930,000
	10/01/02	75,000	4.00%	261,510.00		11,855,000
FY 2002-2003	04/01/03			260,010.00	596,520.00	11,855,000
	10/01/03	75,000	4.00%	260,010.00		11,780,000
FY 2003-2004	04/01/04			258,510.00	593,520.00	11,780,000
	10/01/04	830,000	4.00%	258,510.00		10,950,000
FY 2004-2005	04/01/05			241,910.00	1,330,420.00	10,950,000
	10/01/05	870,000	4.00%	241,910.00		10,080,000
FY 2005-2006	04/01/06			224,510.00	1,336,420.00	10,080,000
	10/01/06	905,000	4.00%	224,510.00		9,175,000
FY 2006-2007	04/01/07			206,410.00	1,335,920.00	9,175,000
	10/01/07	820,000	4.00%	206,410.00		8,355,000
FY 2007-2008	04/01/08			190,010.00	1,216,420.00	8,355,000
	10/01/08	1,050,000	4.00%	190,010.00		7,305,000
FY 2008-2009	04/01/09			169,010.00	1,409,020.00	7,305,000
	10/01/09	1,095,000	4.10%	169,010.00		6,210,000
FY 2009-2010	04/01/10			146,562.50	1,410,572.50	6,210,000
	10/01/10	1,135,000	4.20%	146,562.50		5,075,000
FY 2010-2011	04/01/11			122,727.50	1,404,290.00	5,075,000
	10/01/11	1,185,000	4.30%	122,727.50		3,890,000
FY 2011-2012	04/01/12			97,250.00	1,404,977.50	3,890,000
	10/01/12	1,230,000	5.00%	97,250.00		2,660,000
FY 2012-2013	04/01/13			66,500.00	1,393,750.00	2,660,000
	10/01/13	1,300,000	5.00%	66,500.00		1,360,000
FY 2013-2014	04/01/14			68,000.00	1,434,500.00	1,360,000
	10/01/14	1,360,000	5.00%			-
FY 2014-2015	04/01/15				1,360,000.00	
		\$11,930,000		\$4,732,180.00	\$16,662,180.00	

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 2001B

\$23,985,000

Purpose To provide funds sufficient to advance refund a portion of the County's outstanding Sales Tax Improvement Refunding Revenue Bonds, Series 1991A, which refunded the 1986A, B and C bond issues. These bonds originally were used to finance construction of the Branch Jail, the Public Safety Facility, Vehicle Maintenance Facility, a portion of the DeLand Administrative Center and the Justice Center.

Dated Date June 1, 2001

Issue Date July 3, 2001

Final Maturity October 1, 2010

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 optional redemption.

Insurance MBIA

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 2001B
\$23,985,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/01			\$322,246.67		\$23,985,000
FY 2001-2002	04/01/02			483,370.00	805,616.67	23,985,000
	10/01/02	2,365,000	4.00%	483,370.00		21,620,000
FY 2002-2003	04/01/03			436,070.00	3,284,440.00	21,620,000
	10/01/03	2,465,000	4.00%	436,070.00		19,155,000
FY 2003-2004	04/01/04			386,770.00	3,287,840.00	19,155,000
	10/01/04	2,565,000	4.00%	386,770.00		16,590,000
FY 2004-2005	04/01/05			335,470.00	3,287,240.00	16,590,000
	10/01/05	2,670,000	4.00%	335,470.00		13,920,000
FY 2005-2006	04/01/06			282,070.00	3,287,540.00	13,920,000
	10/01/06	2,780,000	4.00%	282,070.00		11,140,000
FY 2006-2007	04/01/07			226,470.00	3,288,540.00	11,140,000
	10/01/07	2,890,000	4.00%	226,470.00		8,250,000
FY 2007-2008	04/01/08			168,670.00	3,285,140.00	8,250,000
	10/01/08	3,015,000	4.00%	168,670.00		5,235,000
FY 2008-2009	04/01/09			108,370.00	3,292,040.00	5,235,000
	10/01/09	3,130,000	4.10%	108,370.00		2,105,000
FY 2009-2010	04/01/10			44,205.00	3,282,575.00	2,105,000
	10/01/10	2,105,000	4.20%	44,205.00		-
FY 2010-2011	04/01/11				2,149,205.00	
		\$23,985,000		\$5,265,176.67	\$29,250,176.67	

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998
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\$59,250,000

Purpose 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 September 1, 1998

Issue Date October 14, 1998

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 October 1, 2008 to September 30, 2009 @ 101%
October 1, 2009 and thereafter @100%

Insurance MBIA

Ratings Standard & Poor's - AAA
Fitch - AAA

Refunding Status New Money (Advance refundable) \$49,545,000
Refunding (Not advance refundable) \$9,705,000

Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998
\$59,250,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/98					\$59,250,000
FY 1998-1999	04/01/99			1,488,231.88	1,488,231.88	59,250,000
	10/01/99	500,000	4.500%	1,488,231.88		58,750,000
FY 1999-2000	04/01/00			1,362,502.51	3,350,734.39	58,750,000
	10/01/00	650,000	4.500%	1,362,502.51		58,100,000
FY 2000-2001	04/01/01			1,347,877.51	3,360,380.02	58,100,000
	10/01/01	675,000	4.000%	1,347,877.51		57,425,000
FY 2001-2002	04/01/02			1,334,377.51	3,357,255.02	57,425,000
	10/01/02	705,000	4.000%	1,334,377.51		56,720,000
FY 2002-2003	04/01/03			1,320,277.51	3,359,655.02	56,720,000
	10/01/03	735,000	4.000%	1,320,277.51		55,985,000
FY 2003-2004	04/01/04			1,305,577.51	3,360,855.02	55,985,000
	10/01/04	755,000	4.000%	1,305,577.51		55,230,000
FY 2004-2005	04/01/05			1,290,477.51	3,351,055.02	55,230,000
	10/01/05	780,000	4.000%	1,290,477.51		54,450,000
FY 2005-2006	04/01/06			1,274,877.51	3,345,355.02	54,450,000
	10/01/06	810,000	4.000%	1,274,877.51		53,640,000
FY 2006-2007	04/01/07			1,258,677.51	3,343,555.02	53,640,000
	10/01/07	840,000	4.000%	1,258,677.51		52,800,000
FY 2007-2008	04/01/08			1,241,877.51	3,340,555.02	52,800,000
	10/01/08	865,000	4.000%	1,241,877.51		51,935,000
FY 2008-2009	04/01/09			1,224,577.51	3,331,455.02	51,935,000
	10/01/09	900,000	4.125%	1,224,577.51		51,035,000
FY 2009-2010	04/01/10			1,206,015.01	3,330,592.52	51,035,000
	10/01/10	2,070,000	4.250%	1,206,015.01		48,965,000
FY 2010-2011	04/01/11			1,162,027.51	4,438,042.52	48,965,000
	10/01/11	4,535,000	4.300%	1,162,027.51		44,430,000
FY 2011-2012	04/01/12			1,064,525.01	6,761,552.52	44,430,000
	10/01/12	4,725,000	4.500%	1,064,525.01		39,705,000
FY 2012-2013	04/01/13			958,212.51	6,747,737.52	39,705,000
	10/01/13	4,935,000	5.000%	958,212.51		34,770,000
FY 2013-2014	04/01/14			834,837.51	6,728,050.02	34,770,000
	10/01/14	5,180,000	5.000%	834,837.51		29,590,000
FY 2014-2015	04/01/15			705,337.51	6,720,175.02	29,590,000
	10/01/15	6,880,000	5.125%	705,337.51		22,710,000
FY 2015-2016	04/01/16			529,037.50	8,114,375.01	22,710,000
	10/01/16	7,225,000	5.000%	529,037.50		15,485,000
FY 2016-2017	04/01/17			348,412.50	8,102,450.00	15,485,000
	10/01/17	7,575,000	4.500%	348,412.50		7,910,000
FY 2017-2018	04/01/18			177,975.00	8,101,387.50	7,910,000
	10/01/18	7,910,000	4.500%	177,975.00		-
FY 2018-2019	04/01/19				8,087,975.00	
		\$59,250,000		\$42,871,424.08	\$102,121,424.08	

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

Final Maturity December 1, 2034

Revenue Pledged Tourist Development Tax

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

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Advance refundable

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

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

Final Maturity December 1, 2013

Revenue Pledged Tourist Development Tax

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

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable

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 Bonds, Series 2003

\$6,975,000

Purpose To provide funds sufficient to advance refund 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.

Dated Date July 1, 2003

Issue Date July 3, 2003

Final Maturity October 1, 2019

Revenue Pledged Net Revenues from operation of the County's outstanding Water and Sewer System, connection fees, & investment earnings.

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

Call Schedule October 1, 2012 and thereafter at 100%

Insurance FGIC

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable.

Water and Sewer Refunding Revenue Bonds, Series 2003
\$6,975,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/03			\$56,287.50		\$6,975,000
FY 2003-2004	04/01/04			112,575.00	168,862.50	6,975,000
	10/01/04	175,000	2.00%	112,575.00		6,800,000
FY 2004-2005	04/01/05			110,825.00	398,400.00	6,800,000
	10/01/05	185,000	2.00%	110,825.00		6,615,000
FY 2005-2006	04/01/06			108,975.00	404,800.00	6,615,000
	10/01/06	185,000	2.00%	108,975.00		6,430,000
FY 2006-2007	04/01/07			107,125.00	401,100.00	6,430,000
	10/01/07	185,000	2.00%	107,125.00		6,245,000
FY 2007-2008	04/01/08			105,275.00	397,400.00	6,245,000
	10/01/08	190,000	2.00%	105,275.00		6,055,000
FY 2008-2009	04/01/09			103,375.00	398,650.00	6,055,000
	10/01/09	190,000	2.30%	103,375.00		5,865,000
FY 2009-2010	04/01/10			101,190.00	394,565.00	5,865,000
	10/01/10	200,000	2.60%	101,190.00		5,665,000
FY 2010-2011	04/01/11			98,590.00	399,780.00	5,665,000
	10/01/11	490,000	2.80%	98,590.00		5,175,000
FY 2011-2012	04/01/12			91,730.00	680,320.00	5,175,000
	10/01/12	505,000	3.00%	91,730.00		4,670,000
FY 2012-2013	04/01/13			84,155.00	680,885.00	4,670,000
	10/01/13	530,000	3.10%	84,155.00		4,140,000
FY 2013-2014	04/01/14			75,940.00	690,095.00	4,140,000
	10/01/14	540,000	3.25%	75,940.00		3,600,000
FY 2014-2015	04/01/15			67,165.00	683,105.00	3,600,000
	10/01/15	560,000	3.40%	67,165.00		3,040,000
FY 2015-2016	04/01/16			57,645.00	684,810.00	3,040,000
	10/01/16	575,000	3.60%	57,645.00		2,465,000
FY 2016-2017	04/01/17			47,295.00	679,940.00	2,465,000
	10/01/17	790,000	3.70%	47,295.00		1,675,000
FY 2017-2018	04/01/18			32,680.00	869,975.00	1,675,000
	10/01/18	820,000	3.80%	32,680.00		855,000
FY 2018-2019	04/01/19			17,100.00	869,780.00	855,000
	10/01/19	855,000	4.00%	17,100.00		-
FY 2019-2020	04/01/20				872,100.00	
		\$6,975,000		\$2,699,567.50	\$9,674,567.50	

Water and Sewer Revenue Refunding and Improvement Bonds, Series 1998

\$5,085,000

Purpose To provide funds sufficient to advance refund 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 July 1, 1998

Issue Date July 23, 1998

Final Maturity October 1, 2016

Revenue Pledged Net Revenues from operation of the County's outstanding Water and Sewer System, connection fees, & investment earnings.

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

Call Schedule October 1, 2008 through September 30, 2009 @101%
October 1, 2009 & thereafter @100%

Insurance FGIC

Ratings Moody's - Aaa
Fitch - AAA

Refunding Status Not advance refundable.

Water and Sewer Revenue Refunding and Improvement Bonds, Series 1998
\$5,085,000

Debt Service Schedule

Fiscal Year	Payment Date	Principal	Coupon	Interest Payment	Fiscal Debt Service	Balance Outstanding
	10/01/98					\$5,085,000
FY 1998-1999	04/01/99			135,635.00	135,635.00	5,085,000
	10/01/99	220,000	4.000%	135,635.00		4,865,000
FY 1999-2000	04/01/00			104,108.00	459,743.00	4,865,000
	10/01/00	285,000	4.000%	104,108.00		4,580,000
FY 2000-2001	04/01/01			98,408.00	487,516.00	4,580,000
	10/01/01	290,000	4.000%	98,408.00		4,290,000
FY 2001-2002	04/01/02			92,608.00	481,016.00	4,290,000
	10/01/02	305,000	4.000%	92,608.00		3,985,000
FY 2002-2003	04/01/03			86,508.00	484,116.00	3,985,000
	10/01/03	315,000	4.000%	86,508.00		3,670,000
FY 2003-2004	04/01/04			80,208.00	481,716.00	3,670,000
	10/01/04	335,000	4.000%	80,208.00		3,335,000
FY 2004-2005	04/01/05			73,508.00	488,716.00	3,335,000
	10/01/05	340,000	4.100%	73,508.00		2,995,000
FY 2005-2006	04/01/06			66,538.00	480,046.00	2,995,000
	10/01/06	355,000	4.150%	66,538.00		2,640,000
FY 2006-2007	04/01/07			59,172.00	480,710.00	2,640,000
	10/01/07	380,000	4.200%	59,172.00		2,260,000
FY 2007-2008	04/01/08			51,192.00	490,364.00	2,260,000
	10/01/08	390,000	4.250%	51,192.00		1,870,000
FY 2008-2009	04/01/09			42,904.50	484,096.50	1,870,000
	10/01/09	410,000	4.350%	42,904.50		1,460,000
FY 2009-2010	04/01/10			33,987.00	486,891.50	1,460,000
	10/01/10	425,000	4.400%	33,987.00		1,035,000
FY 2010-2011	04/01/11			24,637.00	483,624.00	1,035,000
	10/01/11	155,000	4.600%	24,637.00		880,000
FY 2011-2012	04/01/12			21,072.00	200,709.00	880,000
	10/01/12	160,000	4.700%	21,072.00		720,000
FY 2012-2013	04/01/13			17,312.00	198,384.00	720,000
	10/01/13	165,000	4.750%	17,312.00		555,000
FY 2013-2014	04/01/14			13,393.00	195,705.00	555,000
	10/01/14	175,000	4.800%	13,393.00		380,000
FY 2014-2015	04/01/15			9,193.00	197,586.00	380,000
	10/01/15	185,000	4.800%	9,193.00		195,000
FY 2015-2016	04/01/16			4,753.00	198,946.00	195,000
	10/01/16	195,000	4.875%	4,753.00		-
FY 2016-2017	04/01/17				199,753.00	
		\$5,085,000		\$2,030,273.00	\$7,115,273.00	

BOND CALL SCHEDULES

FY 2007-2008
None
FY 2008-2009
Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998 @101%
Water and Sewer Refunding Revenue Bonds, Series 1998 @101%
FY 2009-2010
Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 2001A @101%
Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998 @100%
Water and Sewer Refunding Revenue Bonds, Series 1998 @100%
FY 2010-2011
Subordinate Lien Sales Tax Improv. Revenue Bonds, Series 2001A @100%
Tourist Development Tax Refunding Revenue Bonds, Series 2002 @101%
FY 2011-2012
Tourist Development Tax Refunding Revenue Bonds, Series 2002 @100%
FY 2012-2013
Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003 @ 100%
Airport System Revenue Refunding Bonds, Series 2003 @ 100%
Water and Sewer Refunding Revenue Bonds, Series 2003 @ 100%
FY 2013-2014
None
FY 2014-2015
Tourist Development Tax Revenue Bonds, Series 2004 @ 100%
Gas Tax Revenue Bonds, Series 2004 @ 100%
FY 2015-2016
Limited Tax General Obligation Bonds, Series 2005 @ 100%

DEBT CAPACITY
FISCAL YEAR ENDING SEPTEMBER 30, 2007

Description	Local Government Half-Cent Sales Tax¹	State Revenue Sharing²	MSD Communications Services Tax	MSD Public Services Tax (Utility Tax)
FY 9/30/07 Revenues	\$18,709,880	\$7,979,488	5,372,985	\$6,530,147
Revenue Reserved to Pay Maximum Annual Debt Service w/Coverage	1.25x \$14,967,904	1.25x \$3,191,795	1.35x \$3,979,989	1.35x \$4,837,146
Total Maximum Annual Debt Service	\$8,916,414	\$0	\$0	\$0
Available Revenue to Pay Additional Debt Service	\$6,051,490	\$3,191,795	\$3,979,989	\$4,837,146
<i>Estimated Debt Capacity:</i>				
General Fund	\$53M	\$45M		
MSD	\$67M		\$56M	\$68M
Projected Financing Term	25 YEARS	25 YEARS	25 YEARS	25 YEARS
<i>Estimated Debt Capacity:</i>				
General Fund	\$53M	\$49		
MSD	\$67M		\$61M	\$74M
Projected Financing Term	30 YEARS	30 YEARS	30 YEARS	30 YEARS

This table provides a *theoretical* presentation of bondable debt capacity for several of the County's major revenue sources. All of the revenues discussed here are currently expended as part of ongoing operations within the County. Each revenue source would have to be examined to determine if the expected growth would offset any revenue redirected from operating to pay debt service, or to identify a new source of funding for operations.

The State of Florida distributes the Local Government Half-Cent Sales Tax revenue to the County by allocation formula set by Florida Statutes. A portion of this revenue is pledged as security for the Sales Tax Improvement Revenue Bonds, Series 1994, 1998, 2001A, 2001B

¹ Sales Tax Revenue is split by a statutory formula distribution; 68.5% allocated for General Fund purposes, and 31.5% for the MSD. The General Fund share is currently used to pay debt service on 5 Countywide bond issues, which leaves an approximate split of 44/56 (GF/MSD) of the funds available for new debt service. Also, the Sales Tax debt service is constrained in the early years, therefore, the capacity is the same for a 25 or 30 year deal.

² Effective July 1, 2004, the Florida Legislature has limited the amount of revenue sharing funds received in the prior fiscal year that can be pledged to bond indebtedness to 50%.

DEBT CAPACITY (CONT'D)

and 2003. Proceeds generated from these bonds funded capital construction and improvement projects. In FY 2006-2007, the County received \$18.7 million in sales tax revenues and used \$8.9 million to pay debt service on the bonds. All remaining sales tax revenues were split between the General Fund and the Municipal Service District and were expended as part of the normal ongoing operations of the County. However, approximately \$6 million is bondable revenue, which could be pledged to pay debt service on a bond issue of \$120 million.

State Revenue Sharing dollars are also distributed to the counties by allocation formula. In FY 2007, \$7.9 million was split between the General Fund and the Transportation Trust Fund. The Guaranteed Entitlement portion of the State Revenue Sharing revenue dollars are generated from taxes on cigarettes and sales and use tax and totaled \$2,223,734. The Guaranteed Entitlement revenues are expended as part of the County's operating budget, and any funds required to pay debt service on bonds secured by this revenue source would need to be replaced in the current year budget. However, approximately \$3.1 million is bondable revenue and could be pledged to pay debt service on a bond issue of \$45 million for 25 years, or \$49 million over 30 years.

Volusia County levies a 5.22% Communications Service Tax on the retail sale of communication services that originate and terminate in the State of Florida, and are billed to addresses in unincorporated Volusia County. Services charged encompass all voice, data, audio, video, or any information or signals, including cable services that are transmitted by any medium. The State Department of Revenue collects and remits the Communications Service Tax to local jurisdictions less an administrative service charge. Volusia County also levies a 10% public service tax (PST) on electricity and metered or bottled gas in the unincorporated area. Revenues generated from these taxes are programmed as general MSD funds and are used to fund the current operating budget. Yet, \$3.9 million in Communications Services tax is bondable revenue and could support debt service on a bond issue of \$56 million for 25 years or \$61M over 30 years. And, \$4.8 million of PST revenue would support debt service on a bond issue of \$68 million for 25 years, or \$74 million over 30 years.

KEY DEBT RATIOS
FISCAL YEAR ENDING SEPTEMBER 30, 2007

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.

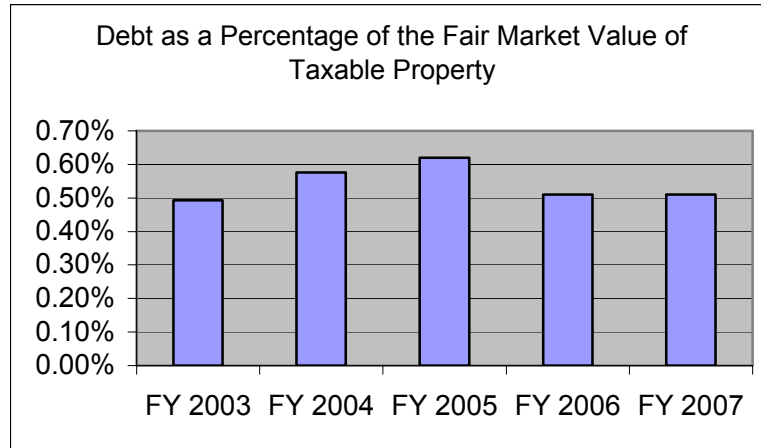
Debt ratios are among the analytical measures used by credit agencies to evaluate the financial strength of entities. Management also reviews these ratios annually to evaluate the County's debt profile. The County has maintained a relatively low amount of debt and key indicators show favorable trends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

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Population	470,770	484,080	494,649	503,844	508,014
Taxable Assessed Property Value (000's)	\$27,636,231	\$32,219,711	\$39,785,969	\$54,707,875 ¹	\$58,447,584 ¹
General Obligation Debt	0	0	0	\$39,875,000	\$38,190,000
General Obligation Debt per Capita	0	0	0	\$79.14	\$75.17
General Obligation Debt as % of Taxable Value	0	0	0	.07%	.07%
Non-Self Supporting Revenue Debt	\$126,665,000	\$174,206,336	\$229,646,336	\$230,130,000	\$220,950,000
Non-Self Supporting Revenue Debt Per Capita	\$269.06	\$359.87	\$464.24	\$456.75	\$434.93
Non-Self Supporting Debt as a % of Taxable Value	.46 %	.54%	.58%	.42%	.38%
Direct Debt ²	\$136,130,503	\$185,454,722	\$245,367,889	\$280,373,428	\$278,708,564
Direct Debt Per Capita	\$289	\$383	\$496	\$556	\$549
Direct Debt as % of Taxable Value	.49 %	.58%	.62%	.51%	.48%
Self-Supporting Debt	\$51,760,000	\$50,305,000	\$48,455,000	\$46,525,000	\$44,510,000
Debt Service (Includes Bonds & Notes)	\$19,623,787	\$18,638,655	\$23,000,118	\$26,304,235	\$27,471,746
General Fund Revenue	\$132,563,479	\$147,999,217	\$172,559,129	\$196,224,685	\$201,100,780
Debt Service as % of General Fund Revenues	14.80 %	12.59%	13.33%	13.40%	13.66%

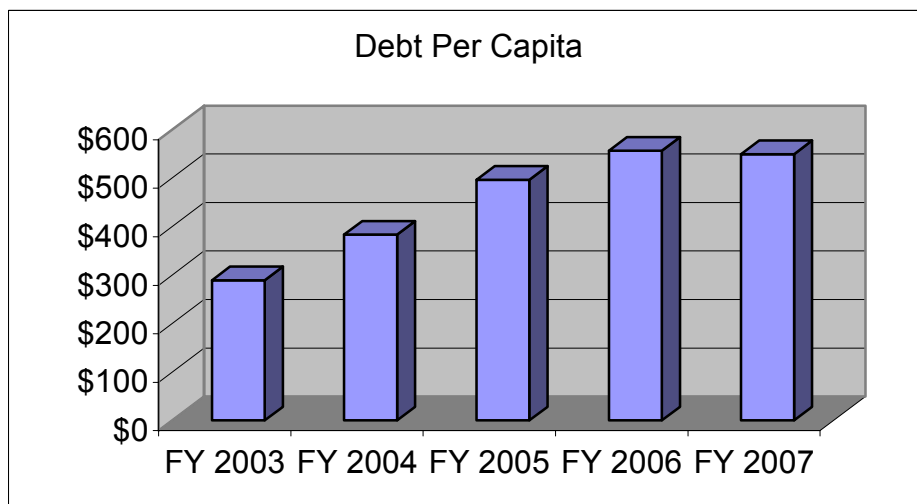
¹ Data for Fiscal Years 2002-2005 came from Table XI in the CAFR. For FY 06, and subsequent years this table has changed and the data is now contained in Schedule 5 in the CAFR.

² Includes: Non-self supporting debt [less unamortized bond costs] and notes payable

Debt to market value measures the debt burden on taxable property. It is calculated by dividing net debt by the value of the county's total taxable property. A rating below 3% is considered a "low debt burden" by Standard & Poor's³.

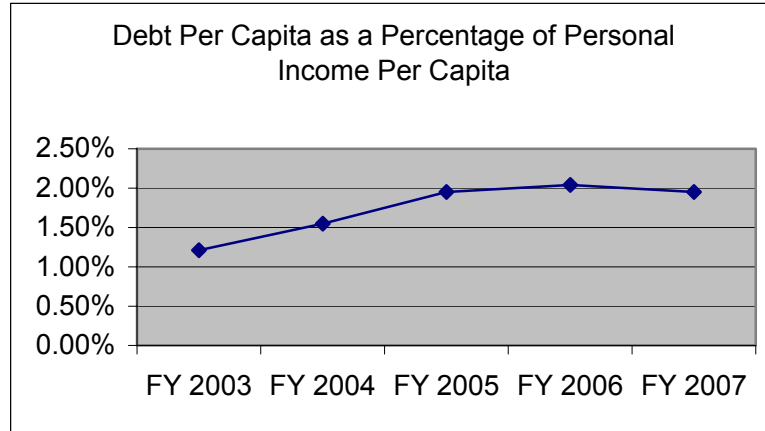


Debt per capita is a standard measure used by the rating agencies, credit analysts and investors to evaluate debt burden. This ratio suggests the County's ability to repay general long-term debt. The amount of net tax-supported debt is divided by the County's population resulting in the dollar amount of debt per person. The increase in FY 2006 was due to the issuance of \$39.8 million in Limited Tax General Obligation Bonds. The County's current debt per capita is \$549. Rating agencies rate debt per capita below \$1,000 as "low".

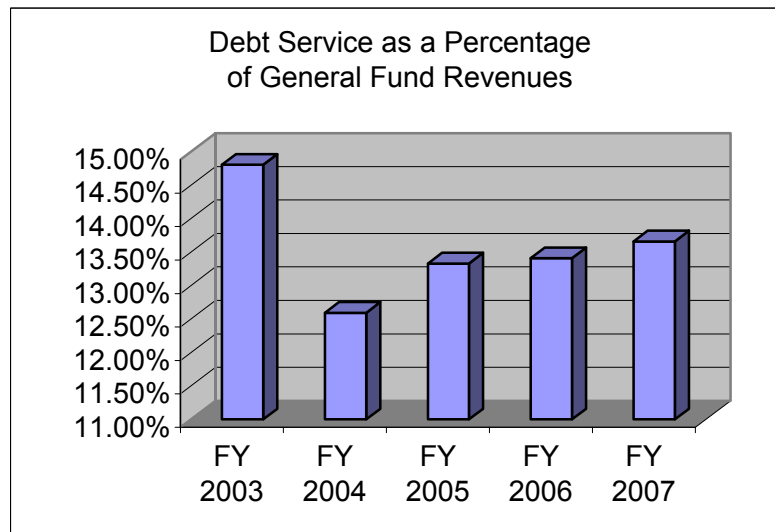


³ Source: Standard & Poor's Public Finance Criteria 2000

Debt to income – Debt as a percentage of personal income is another standard measure of debt used by credit analysts and rating agencies. The calculation is net per capita debt divided by per capita income. The County's current ratio of 1.95% falls in the low range of between 0%-3% as viewed by the rating agencies.



Net tax-supported debt service as a percentage of revenues helps determine whether the debt burden is excessive. This ratio, which is calculated by dividing debt service on net tax-supported debt by revenues, represents the burden placed on the budget as a result of debt issuance. This trend had been declining to coincide with the reduction in overall debt. However, with the issuance of \$39.8 million in Limited Tax General Obligation Bonds, the ratio shows a slight increase last fiscal year. The current ratio of 13.66% would be rated as moderate by rating agencies.



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.

DEFEASED DEBT¹

The County has defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At September 30, 2007, the County has no remaining bonds outstanding that are considered defeased.

¹ Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2007

COMMERCIAL PAPER LOAN PROGRAM

The Florida Local Government Finance Commission is a governmental entity created by local finance officials to provide low-interest loans to local governments within the state. The loan program offers participants lower interest rates than traditional sources of borrowing, such as bank loans, public offerings of debt or lease purchase financing. The projects typically financed by a participant through the commercial paper loan program are projects involving short-term loan borrowing under five years. Participation in the loan program is subject to credit review and approval by Wachovia Bank.

Commercial paper is a variable rate instrument ranging from one day to 270 days in duration. The commercial paper is marketed in New York by Morgan Stanley & Company. The rate varies, depending on market conditions on the day of the sale, but have historically been very low. The variable interest rates during FY 2006-2007 ranged from 3.57% to 3.73%.

<u>Loan Description</u>	<u>Original Loan Amount</u>	<u>Balance Outstanding</u>	<u>Final Payment Date</u>
2000 - Solid Waste Cell	\$3,500,000	\$936,000	12/2009
2003 – Endangered Lands Acquisition (Plum Creek)	4,600,000	2,415,000	12/2007
2004 – Sheriff’s Vehicles, Computer Equipment, Fire Station # 16	5,250,000	1,259,000	09/2009
2004 – Endangered Lands Acquisition (Bayou Bay)	2,500,000	1,632,000	01/2014
2005 – Trails Program	2,060,000	1,754,000	06/2020
2005 – Retrofitting Electric (Jail)	2,655,000	2,130,000	09/2014
2005 – Fire Station #14	1,050,000	816,000	06/2010
2005 – Sheriff’s Vehicles, Flier	1,400,000	365,000	06/2008
2006 – Airport Land Acquisition	2,257,000	2,033,000	12/2010
2006 – Sheriff’s Hangar	2,000,000	1,716,000	12/2010
2006 – Sheriff’s RMS	2,613,000	2,093,000	12/2010
2006 – Trails Program	1,700,000	1,580,000	12/2010
2006 – Sheriff’s Vehicles, Radios, etc.	1,446,000	830,000	09/2009
2007 – Sheriff’s Land Acquisition	2,000,000	1,790,000	12/2011
2007 – CJIS Computer Equipment	6,700,000	6,700,000	12/2012
2007 – Trails	2700,000	2,700,000	12/2012
2007 – Capri Drive Special Assessment	900,000	900,000	12/2012
Total		<u>\$ 31,649,000</u>	

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 range from 2.99% - 3.24%.

<u>Loan Description</u>	<u>Original Loan Amount</u>	<u>Balance Outstanding</u>	<u>Final Payment Date</u>
SE Wastewater Facilities	\$11,508,943	\$5,827,267	08/2020
Deltona North Water Reclamation Facility	1,776,210	1,012,463	06/2017
SW Regional Water Reclamation Facility	3,097,100	2,121,622	05/2020
Total		<u>\$8,961,352</u>	

FIXED AND VARIABLE RATE LOANS

Bank of America leasing has provided a fixed rate (3.9%), 7- year note to finance the purchase of two helicopters for the Sheriff's department.

<u>Loan Description</u>	<u>Original Loan Amount</u>	<u>Balance Outstanding</u>	<u>Final Payment Date</u>
2002 - Bank of America Leasing- Sheriff's Helicopters	3,400,000	808,343	12/2008
Total		<u>\$808,343</u>	

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.

County of Volusia
History of Bond Issues
As of September 30, 2007

<u>Issue Date</u>	<u>Name and Brief Details</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Pay Dates & Original Maturity</u>	<u>Pledge</u>
11/10/2005	Limited Tax General Obligation Bonds, Series 2005 <i>To finance acquisition costs and improvement of environmentally sensitive, water, resource protectiona dn 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>				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 - 2035	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.
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

<u>Issue Date</u>	<u>Name and Brief Details</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Pay Dates & Original Maturity</u>	<u>Pledge</u>
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
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 - 4.000	\$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 - 4.000	\$5,085,000	10/1 & 4/1 - 2016	Net revenues derived from operations, connection fees and investment income
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 - 6.000	\$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 - 4.000	\$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>	5.000 - 3.500	\$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 - 2.600	\$7,470,000	10/1 & 4/1 - 2019	Net revenues derived from system operations and up to \$1Million of Public Service Taxes
8/15/1993	Sales Tax Refunding Revenue Bonds, Series 1993 <i>To refund the 1991 bond issue.</i>	5.375 - 2.600	\$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 - 2.700	\$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 - 2.500	\$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>	6.400 - 4.000	\$5,640,000	12/1 & 6/1 - 2005	Ninth Cent Voted Gas Tax

<u>Issue Date</u>	<u>Name and Brief Details</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Pay Dates & Original Maturity</u>	<u>Pledge</u>
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 - 3.000	\$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>	6.400 - 4.000	\$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 - 6.000	\$8,980,000	10/1 & 4/1 - 2021	Local Government Half Cent Sales Tax
5/15/1991	Airport System Revenue Bonds <i>To finance construction of new airport terminal facility and related improvements.</i>	7.000 - 5.700	\$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 - 6.000	\$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>	8.00	\$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>	7.900 - 7.000	\$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 - 4.250	\$32,755,000	12/1 & 6/1 - 2014	Local Option Tourist Development Tax
8/25/1986	Water & Sewer Revenue Bonds <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>	7.400 - 7.000	\$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 - 4.250	\$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 - 4.250	\$12 Million	10/1 & 4/1 - 2011	Local Government Half Cent Sales Tax

<i><u>Issue Date</u></i>	<i><u>Name and Brief Details</u></i>	<i><u>Interest Rates</u></i>	<i><u>Principal</u></i>	<i><u>Pay Dates & Original Maturity</u></i>	<i><u>Pledge</u></i>
7/1/1986	Sales Tax Refunding Revenue Bonds, Series 1986A <i>To refund the 1983 bond issue.</i>	7.750 - 4.500	\$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>	9.500 - 8.900	\$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 - 8.50	\$21 Million	1/1 & 7/1 - 2004	Local Government Half Cent Sales Tax

CONDUIT DEBT OBLIGATIONS¹

Five 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 five entities and their purposes are:

- **Community Development Properties, Volusia, Inc.** – provide financing for constructing a 1,500 space parking garage to satisfy requirements of Volusia County Code to end parking and driving on a section of Daytona Beach between Seabreeze Boulevard and International Speedway Boulevard.
- **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, 2007 is comprised of the following:

Entity	Number of Series Outstanding	Original Issued	Aggregate Principal Outstanding
Community Development Properties, Volusia Inc.	1	\$ 12,490,000	\$ 11,005,000
Volusia County Health Facilities Authority	4	151,360,000	110,160,000
Housing Finance Authority of Volusia County	13	86,975,000	83,815,000
Volusia County Industrial Development Authority	(a)	(a)	(a)
Volusia County Educational Facilities Authority	8	258,775,000	241,555,000

(a) Information not available from individual entities

¹ Source: County of Volusia CAFR, Fiscal Year Ended September 30, 2007

VOLUSIA COUNTY CONDUIT BOND HISTORY
09/30/07

COUNCIL DATE	ISSUING AUTHORITY	PURPOSE	AMOUNT	RESOLUTION NO.
		2007		
03/15/07	Lee County Industrial Development Authority	Health Care Facilities Refunding Revenue Bonds, Series 2007	130,000,000	2007-49
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
09/20/07	Parking Facility	Parking Facility Revenue Bonds, Ocean Center (710 Earl Street)	Not To Exceed \$10,815,000	2007-165
09/20/07	Industrial Development Authority	Intellitec Crossing, LLC <u>Note:</u> This agenda item was prepared by Rick Michael/Economic Development	Not to Exceed \$6,500,000	2007-184
		2006		
03/02/06	Housing Finance Authority	Multi-Family Housing Revenue Refunding Bonds (Arbors Apartments Project), Series 1999C	\$7,605,000	2006-51
		2005		
11/03/05	Industrial Development Authority	Collegiate Housing Foundation (CHF-DeLand, LLC) <u>Note:</u> This agenda item was prepared by Rick Michael/Economic Development)	Not to Exceed \$18,000,000	2005-222
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) <u>Note:</u> 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		
08/05/04	Industrial Development Authority	The Evangelical Lutheran Good Samaritan Society Revenue Bonds (<u>Note:</u> Agenda item was prepared by Rick Michael/Economic Dev)	Aggregate Prin 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	

		2003			
11/06/03	Housing Finance Authority	Multi-Family Housing Revenue Bonds (Garfield Place Apartments), Series 2004	Not 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 2003 A	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	Multi-Family Housing Revenue Bonds (San Marco Apartments Project), Series A2002; and Taxable Multi-Family Housing Revenue Bonds (San Marco Apartments Project), Series B2002	A)Not to Exceed \$13,000,000 B)Not to Exceed \$750,000		2001-215
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	NTE \$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	Industrial Development Authority	IDA Issuance of Colorado Health Facilities Authority Revenue Bonds/The Evangelical Lutheran Good Samaritan Society (Florida Lutheran Retirement Center)	Not to exceed \$600,000		2000-253

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
09/07/00	Industrial Development Authority	IDA Revenue Refunding Bonds (Easter Seal Society of Volusia & Flagler Counties, Inc. Project), Series 2000	Not to Exceed \$2,500,000	2000-173
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
		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
12/03/98	Health Facilities Authority	Lee County Health Care Facilities Revenue Bonds (Alliance Community for Retirement Living)	Not specified	1998-202
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
11/19/98	Housing Finance Authority	Multi-Family Housing Revenue Bonds (Spring Arbor Apartments)	Not to exceed \$5,700,000	1998-189
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

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.