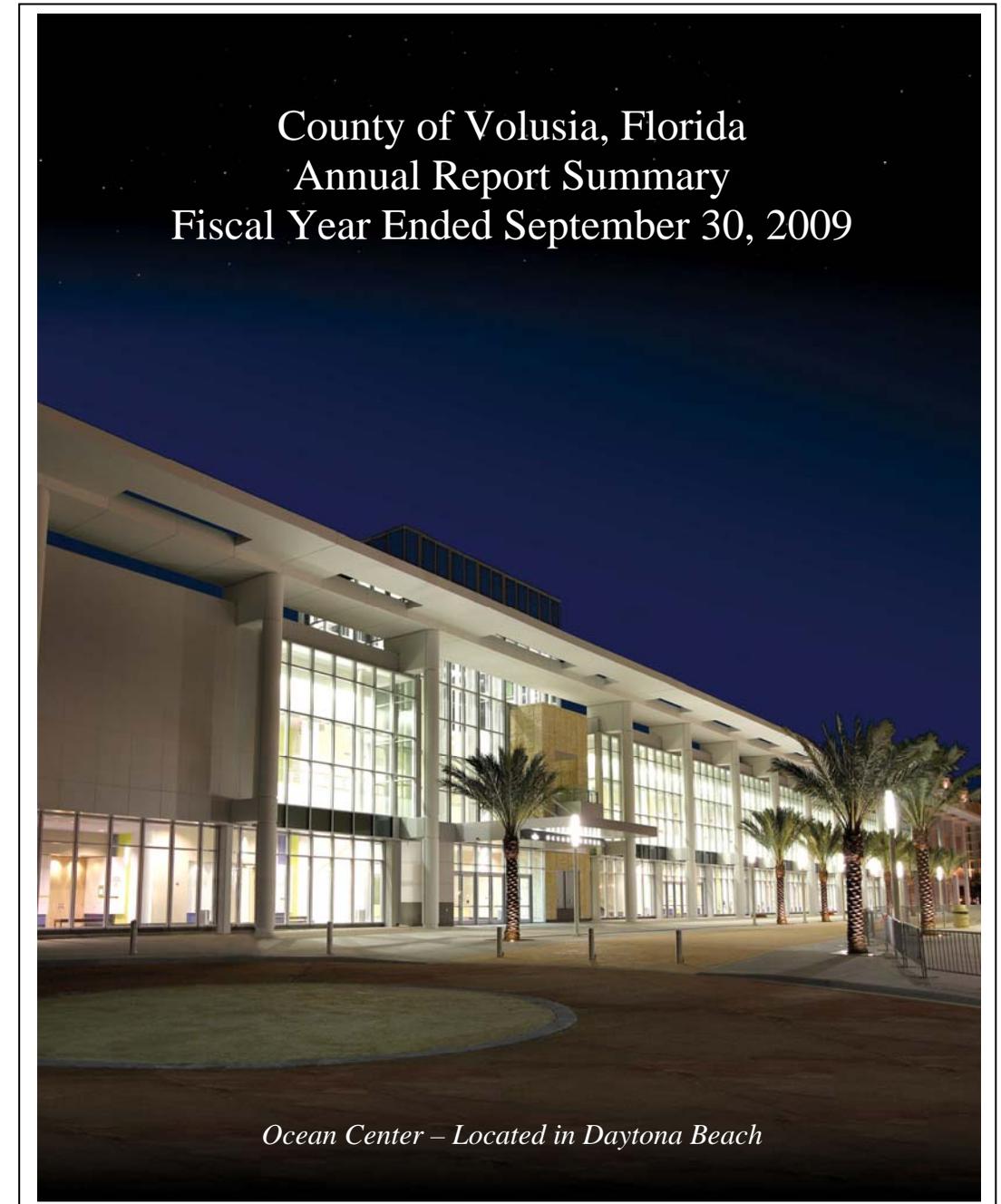


Interesting facts

Did you know.....

- ☉ Volusia County has 2 state parks located in the western area of the county (Blue Springs and DeLeon Springs) that have swimming and recreation in and around fresh water springs
- ☉ Volusia County has 54 county parks that total 11,210 acres
- ☉ Volusia County has 47 miles of beaches on the Atlantic Ocean
- ☉ Volusia County is one of the few places you are able to drive on the beach
- ☉ Volusia County has a Marine Science Center that includes rehabilitation services for sea turtles and birds along with offering tours and educational opportunities for all ages
- ☉ The Ocean Center located in Daytona Beach, 400 feet from the Atlantic Ocean, includes 164,000 square feet of interior exhibit space and a 9,600 seat, 42,000 square foot arena
- ☉ Volusia County has 983 miles of paved roads and 289 miles of bike paths and sidewalks
- ☉ 539,702 tons of solid waste were processed last year
- ☉ Daytona Beach International Airport had 3,490 scheduled flights last year



County of Volusia, Florida
Annual Report Summary
Fiscal Year Ended September 30, 2009

Ocean Center – Located in Daytona Beach



Demographics

March 15, 2010

It is a pleasure to present the inaugural issue of the *County of Volusia, Florida Annual Report Summary for the Fiscal Year Ended 2009*. The report represents a brief presentation of financial information and activities of the county. The *Annual Report Summary* presents the financial information of all County government operations, but excludes discretely presented component units. Since the *Annual Report Summary* contains simplified information, it does not conform to Generally Accepted Accounting Principles (GAAP) for governmental entities.

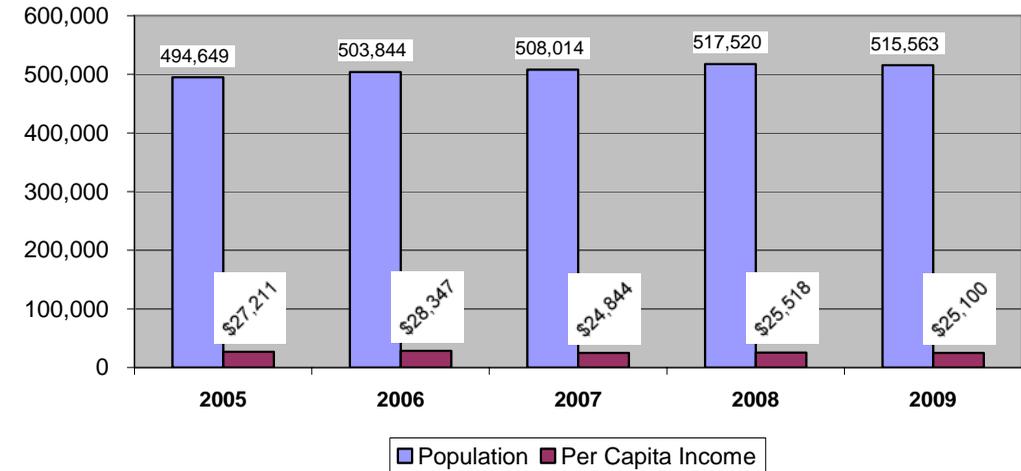
Information contained in this *Annual Report Summary* was derived from the audited *County of Volusia, Florida Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended, September 30, 2009*. The CAFR consists of over 250 pages of detailed financial statements, notes, schedules, and reports and is published online at www.volusia.org/finance. The County has received the Certificate of Achievement for Excellence in Financial Reporting for the CAFR for the last 30 years.

Fiscal policy is established by the County Council, implemented by county management and includes sound management and fiscal practices, continued vigilance in long range monitoring of revenue and expense trends, maintaining strong reserve balances, and a conservative approach to debt management. I would like to thank the County Manager, Chair and County Council for their leadership and support in planning the financial operations of the county in a responsible and progressive manner.

Sincerely,

Charlene Weaver, CPA
Deputy County Manager/Chief Financial Office

Comparison of Population and Per Capita Income-Last 5 Fiscal Years

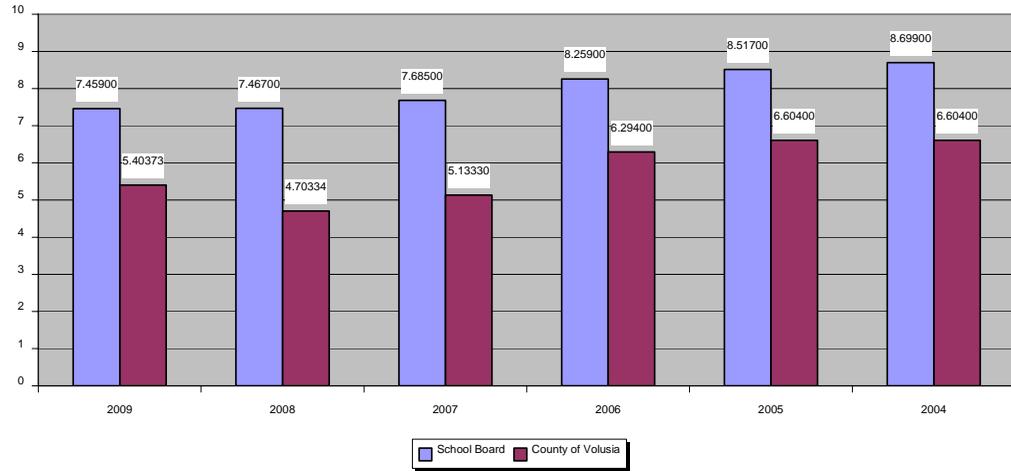


The ten largest employers in 2009 were:

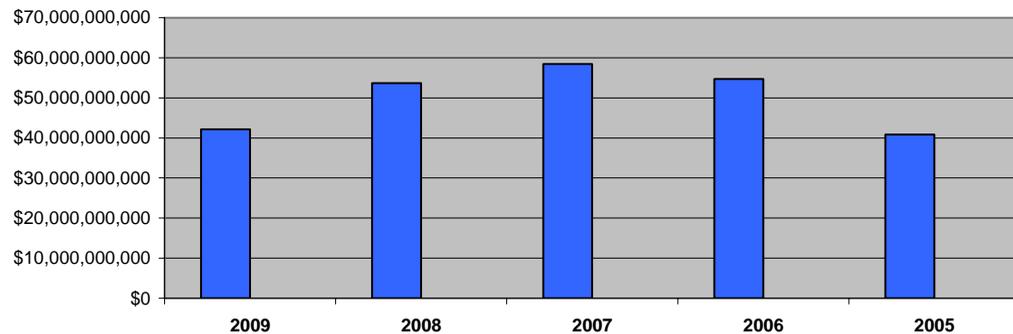
Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	8,273	3.27
Halifax Community Health System	4,232	1.68
Florida Hospital	3,717	1.47
County of Volusia	3,519	1.39
State of Florida	2,423	0.96
Publix Supermarkets Incorporated	2,415	0.96
Wal-Mart Stores Incorporated	2,139	0.85
Daytona State College	1,589	0.63
U.S. Government	1,434	0.57
Embry Riddle Aeronautical University	1,198	0.47
Total	30,939	12.25 %

Property Taxes and Assessed Value

Property Tax Millage Rates for the County of Volusia and School Board-Last 5 Fiscal Years

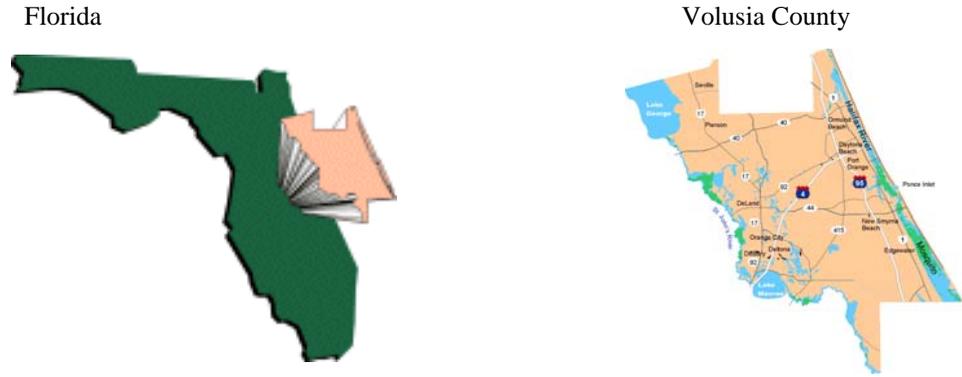


TOTAL ASSESSED VALUE OF TAXABLE PROPERTY



The County and its Organization

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



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

Principal County Officials

COUNTY COUNCIL

Volusia County operates under a Council/Manager form of government. The promulgation and adoption of policy are the responsibility of the seven-member council. Board members at fiscal year-end were:

Frank T. Bruno, Jr., County Chair	
Joie Alexander, Vice-Chair	Council Member At-Large
Andy Kelly	District No. 1
Joshua J. Wagner	District No. 2
Jack Hayman	District No. 3
Carl G. Persis	District No. 4
Patricia Northey	District No. 5

ELECTED OFFICIALS

Constitutional Officers are elected officials responsible for specifically designated functions of County government. The elected officials at year-end were:

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

APPOINTED OFFICIALS

The council appoints the County Manager and the County Attorney.

James Dinneen	County Manager
Daniel Eckert	County Attorney

The County Manager appoints Deputy County Managers.

Charlene S. Weaver, CPA, CFO	Mary Anne Connors
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Long-Term Debt

The County issues debt only for the purposes of constructing or acquiring capital improvements or for making major renovations to existing capital assets. Financing in the form of long-term notes for the acquisition of major equipment is also allowed provided there is cost justification to do so. All capital improvements financed through the issuance of debt are financed for a period not to exceed the useful life of the improvements, but in no event exceed thirty years. As an additional restriction, the County will not construct or acquire a capital improvement if subsequent maintenance and operating costs of the improvement are unsustainable. Revenues sources are only pledged for debt when legally available. In those situations where the revenue sources have previously been used for general operating expenditures, they are only pledged for debt when other sufficient revenue sources are available to replace them.

A comparison of the amount of long-term debt owed at the end of fiscal year 2009 to the same time period in 2008 is presented below.

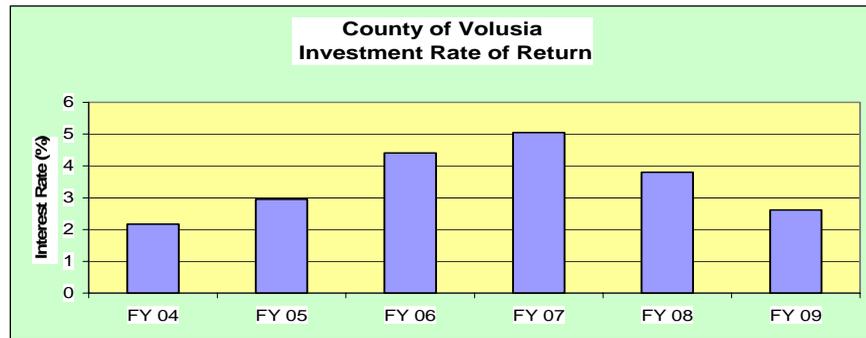
	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008</u>	<u>Increase (Decrease)</u>
(Amounts in Millions)			
Bonds payable:			
Revenue bonds	\$ 252	\$ 262	\$ (10)
General obligation bonds	34	36	(2)
Deferred amounts (plus issuance premiums, less discounts and costs)	<u>(9)</u>	<u>(10)</u>	<u>1</u>
Total bonds payable	277	288	(11)
Notes payable and capital lease	43	33	10
Total long-term liabilities	<u>\$ 320</u>	<u>\$ 321</u>	<u>\$ (1)</u>

Cash & Investments

The County manages its investment portfolio with the primary objectives of safe-guarding principal, ensuring liquidity to meet daily cash needs, and maximizing investment earnings with statutory and fiduciary constraints. For fiscal year 2009, the investment pool had an overall average annual rate of return of 3.8%. At September 30, 2009, the County investment portfolio was invested as shown below.

	Amount in Millions	Percentage of Total
U.S. Government Sponsored Agency Securities	\$ 202	50
Corporate Notes - FDIC Insured	115	28
Government-only Money Market Mutual Funds	90	22
	<u>\$ 407</u>	<u>100 %</u>

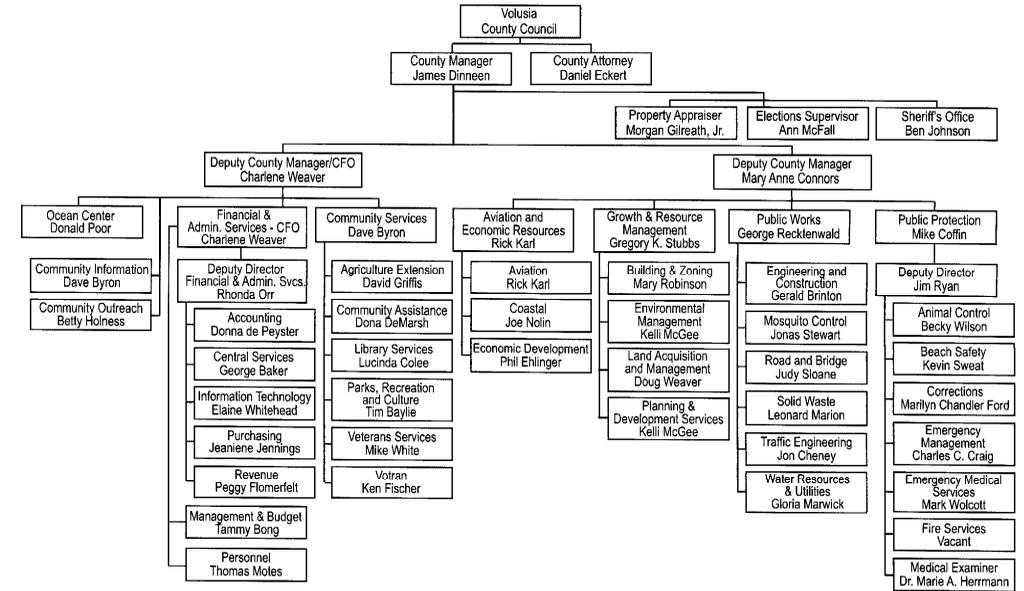
This chart shows the County's rate of return on investments over the last six years. For safety and flexibility, the County maintains a short overall weighted average maturity on its cash and investments.



The County maintains a single-employer defined benefit pension plan for volunteer firefighters meeting minimum County-established standards for eligibility. Funds are maintained in a separate investment plan as shown below.

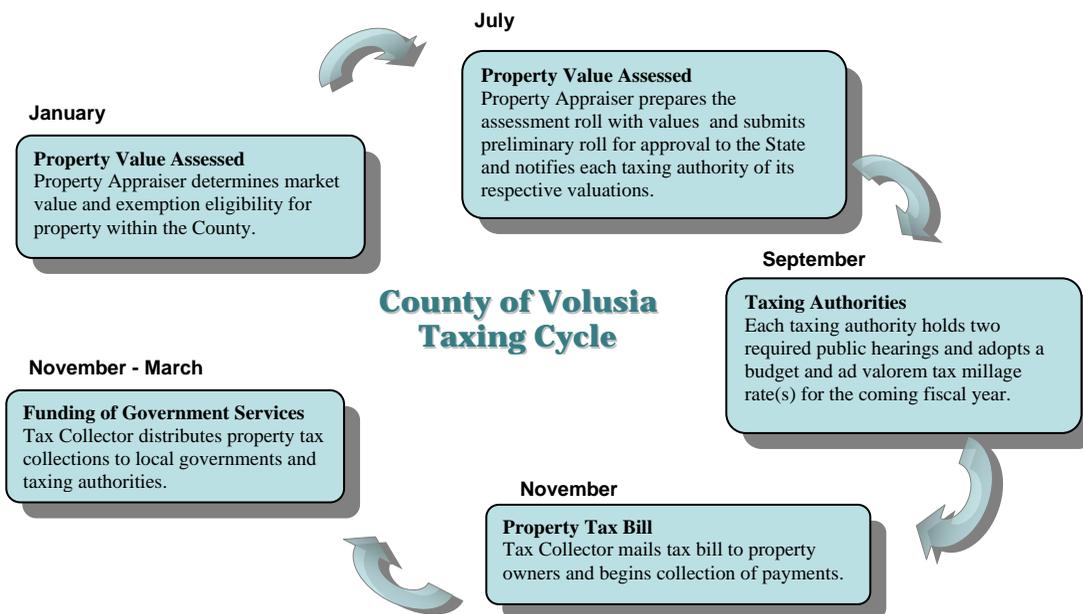
	Amount in Millions	Percentage of Total
Mutual funds	\$ 1.4	61
Stocks	0.9	39
	<u>\$ 2.3</u>	<u>100 %</u>

Volusia County Organizational Chart



Annual Budget

The County must prepare an annual budget authorizing the spending of public funds. State law requires the County have a balanced budget that can only be amended through the fiscal year with approval of the County Council. Prior to October 1 of each year, the annual budget is legally adopted. Planning and preparation of the budget begins many months prior to its adoption. Two public hearings are held, usually in September, to illicit comments and feedback from County citizens concerning the proposed budget and tax rates.



Balance Sheet

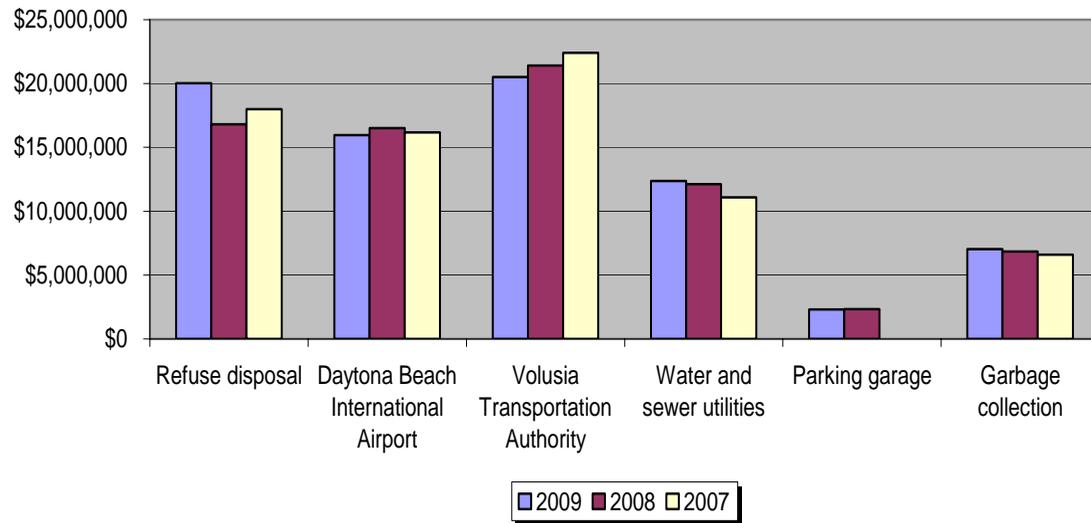
The balance sheet shows the financial position of the County on the last day of the fiscal year. Restricted net assets represent equity that may be used only as specified by debt covenants, grantors, laws or regulations, other governments, or other external restrictions, other governments, or other external restrictions.

September 30, 2009 (Amounts in Millions)			
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 380	\$ 46	\$ 426
Due from state/federal governments	23	5	28
Receivables and other current assets	14	4	18
Capital assets, net of depreciation	664	216	880
Other noncurrent assets	1	4	5
	<u>1,082</u>	<u>275</u>	<u>1,357</u>
LIABILITIES			
Accounts payable	12	3	15
Accrued interest payable and liabilities	4	0	4
Notes and bonds, due within one year	16	4	20
Other current liabilities	24	3	27
Notes and bonds, due in more than one year	246	57	303
Other long-term liabilities	48	24	72
	<u>350</u>	<u>91</u>	<u>441</u>
NET ASSETS (Equity)			
Invested in capital assets, net of debt	436	158	594
Net assets, restricted	140	8	148
Net assets, unrestricted	156	18	174
Total net assets	<u>\$ 732</u>	<u>\$ 184</u>	<u>\$ 916</u>

Expenses – Business-Type Activities

Business-type Activities expenses for 2009 remained at the same levels as 2008. Increased costs were experienced by the refuse disposal activity due to the recognition of pollution remediation expenses and sump pump repair at its landfill site.

Comparison of Expenses by Business-type Activities-Last 3 Fiscal Years



Revenues

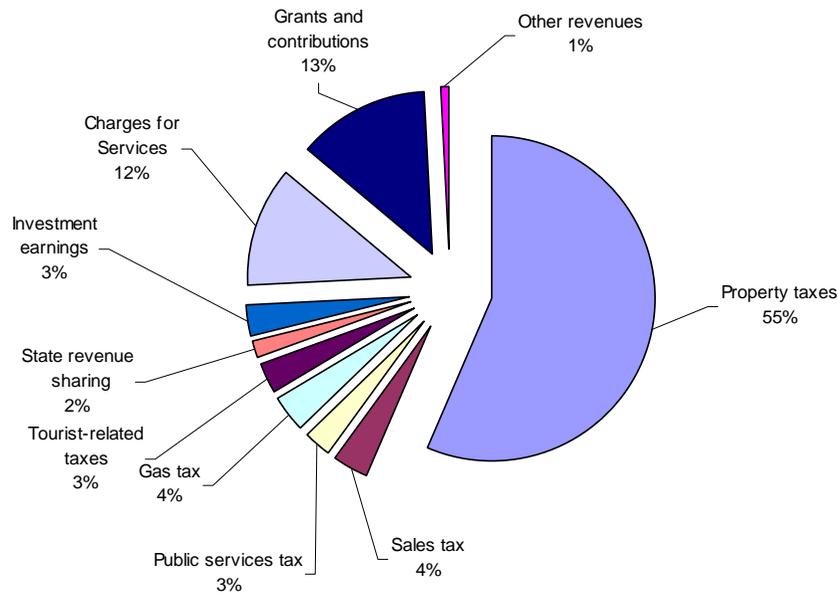
A comparison of revenues between fiscal years 2009 and 2008 is presented below:

	Fiscal Year 2009	Fiscal Year 2008	Increase (Decrease)
(Amounts in Millions)			
Governmental activities:			
Property taxes	\$ 236	\$ 229	\$ 7
Sales tax	15	17	(2)
Public services tax	11	11	0
Gas tax	15	15	0
Tourist-related taxes	14	15	(1)
State revenue sharing	6	7	(1)
Investment earnings	13	17	(4)
Charges for Services	51	52	(1)
Grants and contributions	54	54	0
Other revenues	4	4	0
Total governmental activities	419	421	(2)
Business-type activities:			
Refuse disposal	16	19	(3)
Daytona Beach International Airport	16	16	0
Volusia Transportation Authority	10	14	(4)
Water and sewer utilities	12	13	(1)
Parking garage	2	2	0
Garbage collection	6	6	0
Total business-type activities	62	70	(8)
	\$ 481	\$ 491	\$ (10)

Revenues – Governmental Activities

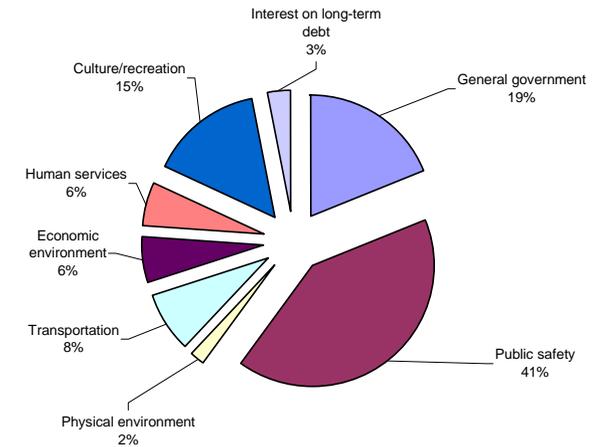
Governmental Activities are primarily supported by taxes, state shared revenues, or grants. These activities include the following functional areas: general government, public safety, physical environment, transportation, economic environment, health and social services, and culture/recreation. Revenues for the governmental activities decreased by \$2 million or 0.5 percent when compared to fiscal year 2008. While property tax rates were assessed at roll-back, the increase in property taxes of \$7 million is due to the increase in taxable value of new construction. The continuing slowdown of the economy resulted in sales and resort taxes dropping by approximately \$3 million. Because of declines in the financial markets, investment interest rates declined from an average of 3.8 percent a year ago to an average of 2.61 percent causing a \$4 million drop in interest revenue compared to last year.

Revenues by Source

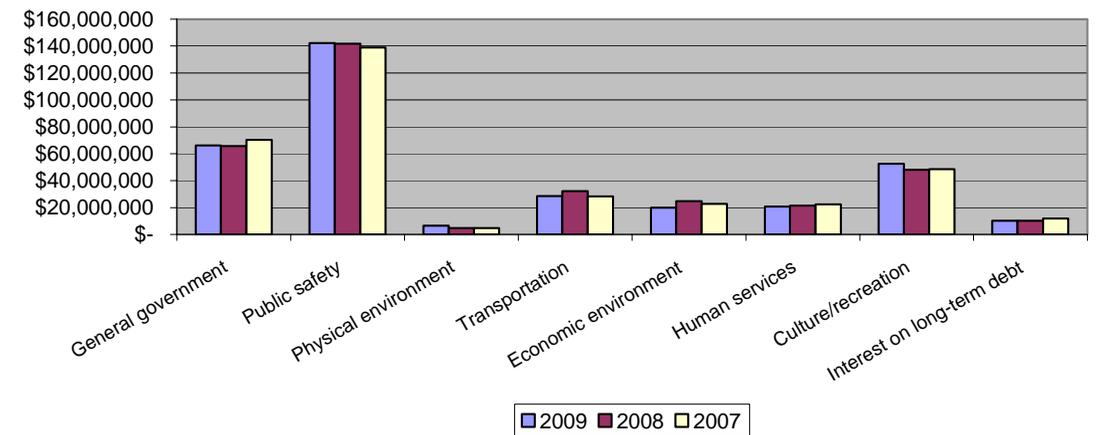


Expenses – Governmental Activities

Expenses by Function/Program



Comparison of Expenses by Function/Program-Last 3 Fiscal Years



Expenses – Governmental Activities

Governmental Activities expenses are grouped and reported by functional area. These functional areas include:

General government includes the county council, county manager, county attorney, elections, property appraiser, growth management commission, judicial, financial, facilities, and information technology expenses.

Public safety includes the costs for sheriff, corrections, emergency management, fire services, medical examiner, emergency medical services, and building, zoning and code administration operations.

Physical environment includes expenses associated with conserving and managing natural resources such as air, water, soil, wildlife, as well as controlling pollution.

Transportation includes expenses for roads, bridges, street lighting, storm water systems and other infrastructure, and highway safety operations and projects.

Economic environment includes expenses related to new business promotion and development, housing assistance and rehabilitation programs, and veterans' services.

Human services includes expenses for services such as public health care for the poor, public assistance, care for children and the elderly, social services, as well as animal and mosquito control.

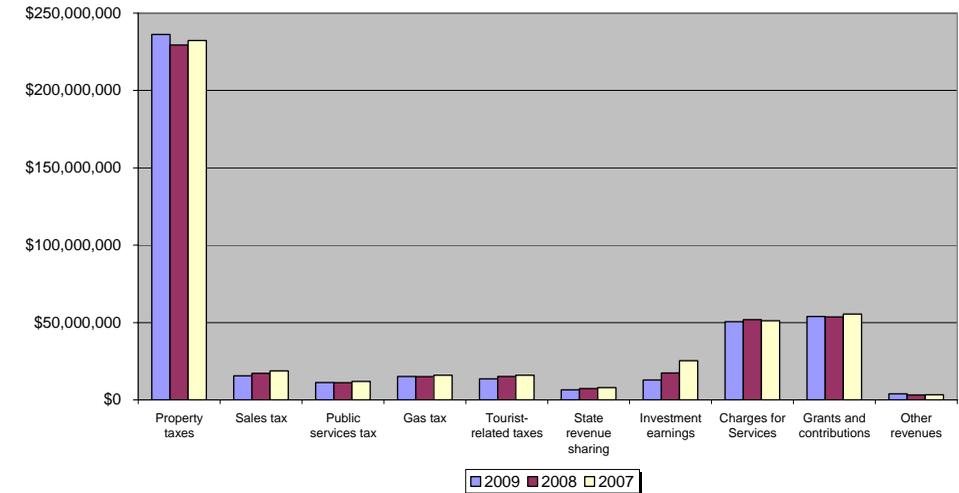
Culture/recreation expenses include costs related to libraries, parks, and recreational facilities.

Interest on long-term debt includes costs related to interest expense for various bonds issued for capital improvement projects.

The cost of all governmental activities decreased \$2 million in 2009 when compared to 2008. Culture/recreation expenses increased primarily due to added operating costs of the newly expanded Ocean Center and spending of funds under the County's environment, culture, historic, and conservation (ECHO) programs. Physical environment expenses increases were attributed to environmental and land management operations. The remaining functional areas experienced decreases in their overall expenses due to the County's overall cost cutting measures it has undertaken over the last several years.

Revenues – Governmental Activities

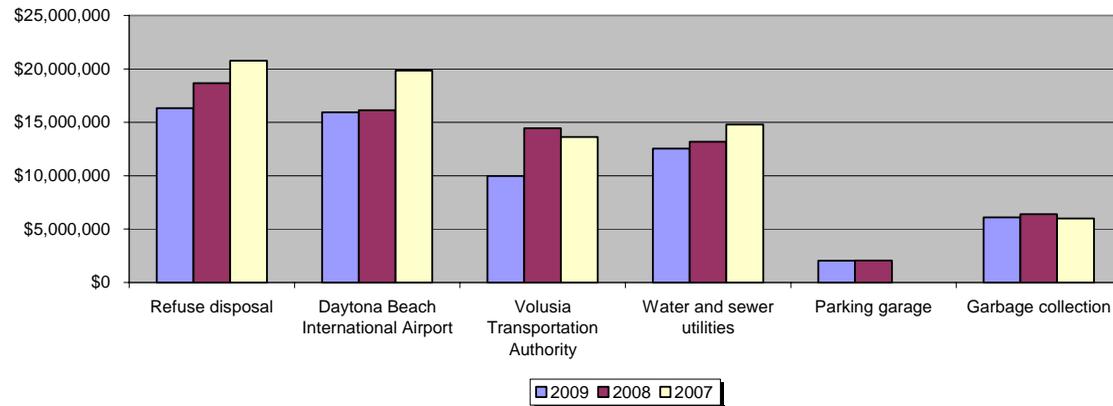
Comparison of Revenues by Source-Last 3 Fiscal Years



Revenues – Business-Type Activities

Business-type Activities are supported by fees and user charges that are set to recover the cost of services provided. Business-type activities consist of the Refuse disposal, Daytona Beach International Airport, Volusia Transportation Authority (VOTRAN), Water and sewer utilities, Parking garage (beach side), and Garbage collection. Revenues for the County's business-type activities decreased by \$8 million or 11.3 percent, when compared to last year. A decline in resident population and fewer tourists resulted in an 11 percent reduction in tonnage of solid waste processed at the landfill. This reduction accounts for the \$3 million decrease in Refuse disposal's revenues. Reductions in capital grants was the main contributor to VOTRAN's \$4 million reduction in its revenues.

Comparison of Revenues by Business-type Activity-Last 3 Fiscal Years



Expenses

A comparison of expenses between fiscal years 2009 and 2008 is presented below:

	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008</u>	<u>Increase (Decrease)</u>
(Amounts in Millions)			
Governmental activities:			
General government	\$ 66	\$ 66	\$ 0
Public safety	142	142	0
Physical environment	7	5	2
Transportation	29	32	(3)
Economic environment	20	25	(5)
Human services	21	22	(1)
Culture/recreation	53	48	5
Interest on long-term debt	10	10	0
Total governmental activities	<u>348</u>	<u>350</u>	<u>(2)</u>
Business-type activities:			
Refuse disposal	20	17	3
Daytona Beach International Airport	16	17	(1)
Volusia Transportation Authority	21	21	0
Water and sewer utilities	12	12	0
Parking garage	2	2	0
Garbage collection	7	7	0
Total business-type activities	<u>78</u>	<u>76</u>	<u>2</u>
Total Expenses	<u>\$ 426</u>	<u>\$ 426</u>	<u>\$ 0</u>