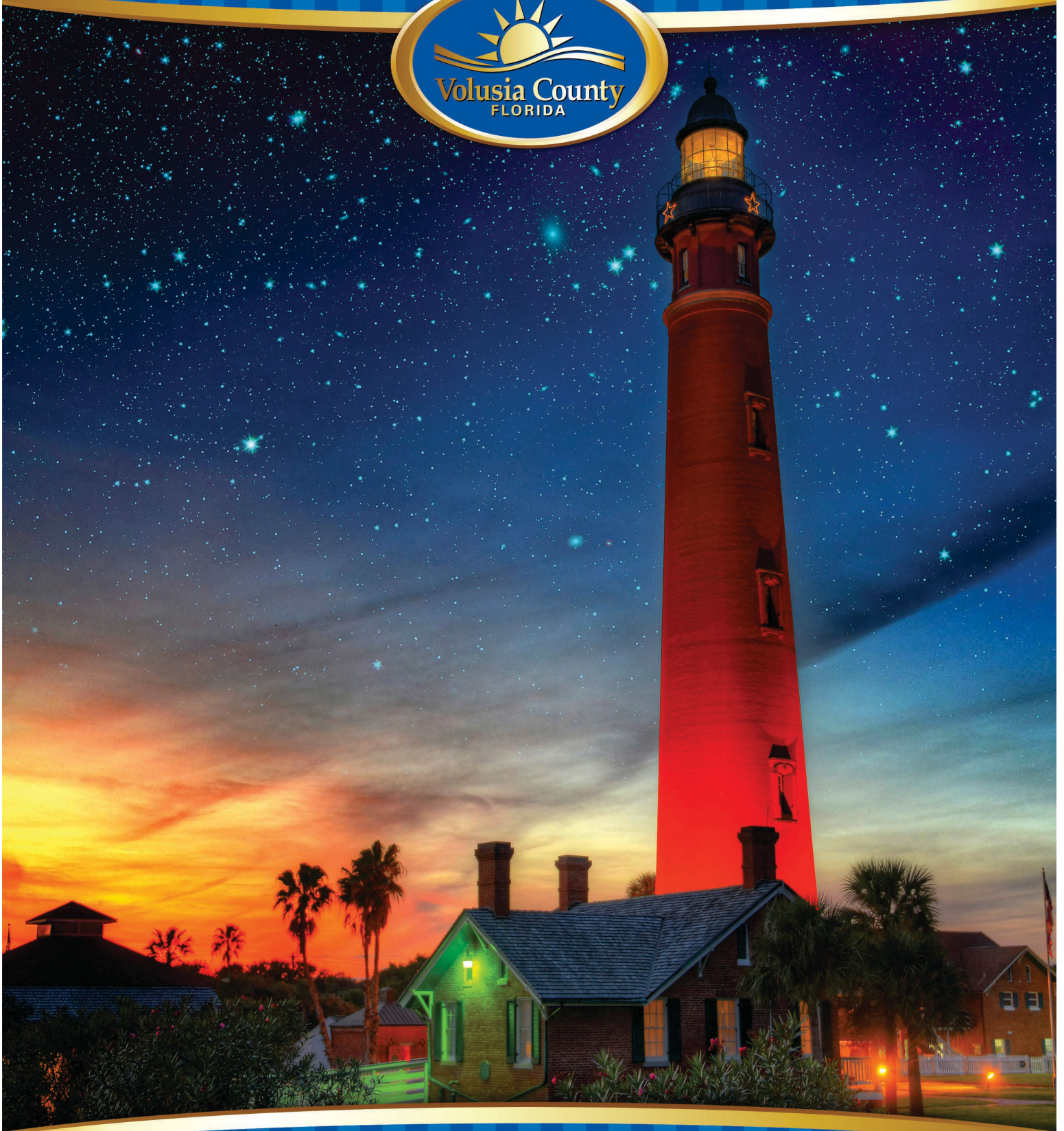


COUNTY OF VOLUSIA, FLORIDA



POPULAR ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

ACKNOWLEDGEMENTS

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

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

Lynne Urice, CGFO, Acting Accounting Director
Karen Roberts, CPA, Accounting Manager
Myriam Lemay, CTP, Activity Project Manager
Shirley Liu, CPA, Senior Accountant

Svetlana Ries, Senior Accountant
Tiffany Alvarez, Accountant
Patti McLauchlin, Administrative Coordinator
Penny Hood, Accounting Specialist

Additional Acknowledgements:

Aaron Van Kleeck, Division Director, Management and Budget
Wanda Lindberg, Chief Financial Officer, Volusia County Tax Collector
Helga Van Eckert, Division Director, Economic Development
Jennifer Madewell, CGFO, Activity Project Manager

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March 25, 2021

It is a pleasure to present the eleventh issue of the *County of Volusia, Florida, Popular Annual Financial Report for the fiscal year ended September 30, 2020*. It represents a brief presentation of financial information and activities of the County, but excludes discretely presented component units. Since the *Popular Annual Financial Report* contains simplified information, it does not conform to Generally Accepted Accounting Principles (GAAP) for governmental entities.

Information contained in this *Popular Annual Financial Report* was derived from the audited *County of Volusia, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2020*. The CAFR consists of over 335 pages of detailed financial statements, notes, schedules, and reports and, along with this annual report, is published online at www.volusia.org/finance. The Government Finance Officers Association has awarded the County the Certificate of Achievement for Excellence in Financial Reporting for the CAFR, an ongoing tradition since the County received its first award in 1977.

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, County Chair, and County Council for their leadership and support in planning the financial operations of the County in a responsible and progressive manner.

Sincerely,

Ryan Ossowski, CPA
Chief Financial Officer



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**County of Volusia
Florida**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO

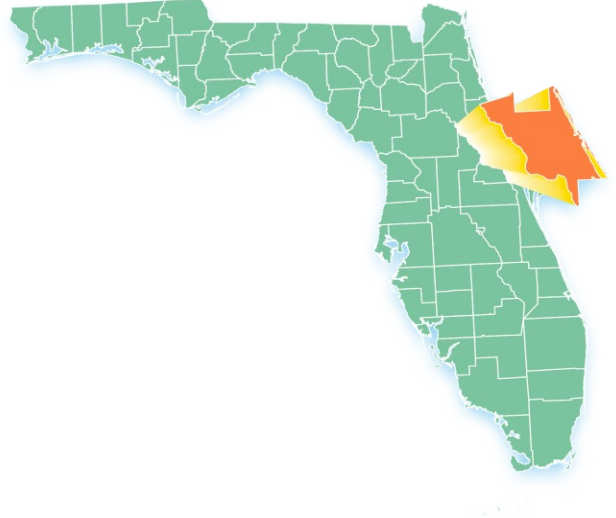
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the County of Volusia, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2019. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA for consideration.

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.

The County provides a full range of services, including public protection; highway, street, and other infrastructure construction and maintenance; growth management; conservation and resource management; economic development; health and human welfare assistance; and recreational activities and cultural events. In addition, the County operates a water and sewer system, an international airport, a public transportation system, a parking garage, a garbage collection program, and a refuse disposal system.

Volusia County Vision and Mission Statement

Vision: To be a community rich with resources and opportunities today and for generations to come.

Mission: To provide responsive and fiscally responsible services for the health, safety, and quality of life for our citizens.

Strategic Goals:

- Thriving Communities: Promote health and safety, provide services to meet needs of citizens, and practice stewardship of the environment.
- Economic and Financial Vitality: Achieve strong economic health tied to job growth, industry balance, and financial soundness.
- Excellence in Government: Foster partnerships to deliver exceptional services.

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. Council members at fiscal year-end were:

Ed Kelley, County Chair

Dr. Fred Lowry
Ben Johnson
Barbara Girtman
Billie Wheeler
Deborah Denys
Heather Post

District No. 5, Vice Chair
Council Member At-Large
District No. 1
District No. 2
District No. 3
District No. 4

ELECTED OFFICIALS

Elected officials responsible for specifically designated functions of County government at year-end were:

Michael J. Chitwood
Lisa Lewis
Larry Bartlett, J.D.

Sheriff
Supervisor of Elections
Property Appraiser

APPOINTED OFFICIALS

The council appoints the County Manager and the County Attorney.

George Recktenwald
Michael Dyer

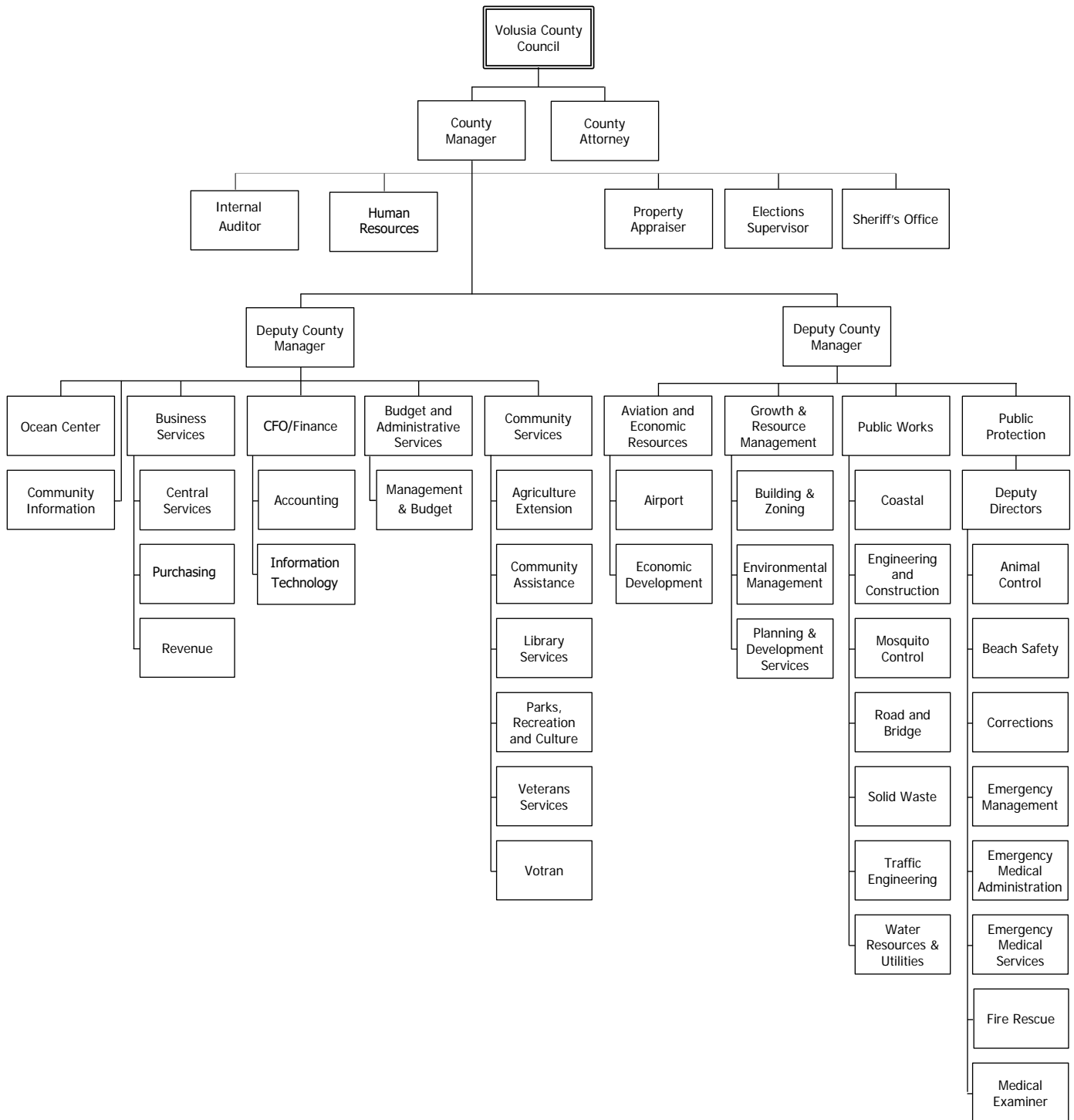
County Manager
County Attorney

The County Manager appoints Deputy County Managers.

Suzanne Konchan

Deputy County Manager

Volusia County Organizational Chart



Economic Condition of the County

Local Economy

Prior to the COVID-19 pandemic, several sectors of the local economy experienced substantial growth. However, a financial crisis caused by the pandemic, beginning in March 2020, resulted in a significant decrease in economic activity.

Travel restrictions, temporary closures, social distancing requirements and other COVID-19 related restrictions prompted local hotels, restaurants, retail shops, and business service providers to experience revenue and employment loss in fiscal year 2020. Volusia County tourism was reported to be down by 16 percent in fiscal year 2020. The County unemployment rate increased to 6.8 percent in September 2020, up from a historically low 3.6 percent in the prior year.

While many economic sectors were negatively impacted by the pandemic, the local construction segment experienced little to no effect. Both residential and commercial construction remained strong, displaying a year-over-year increase in activity of 16 percent for residential and 40 percent for commercial.

Local Development Projects

Brown & Brown Insurance continued construction of their 11-story headquarters building in Daytona Beach. The new 225,000 square foot riverfront building will be home to an estimated 1,100 employees, 600 of which will be new to the Daytona Beach location. The highly anticipated \$35 million facility is expected to ignite redevelopment around the historic Beach Street area of Daytona Beach.

Duke Energy completed construction of their new solar power facility in fiscal year 2020. The \$70 million solar power generating facility in the City of DeBary will produce up to 74 megawatts of electricity from its 300,000 fixed-tilt solar panels. The project is just one part of Duke Energy's \$1 billion effort to expand renewable energy in the State of Florida.

Amazon completed the construction of a second Volusia County fulfillment center, adding to the County's logistics and distribution footprint. The new 1.4 million square foot distribution facility located in Deltona is the second biggest building in Volusia County, exceeded in size only by the Daytona International Speedway.

Housing Development Projects

The COVID-19 pandemic had little impact on the demand for housing in Volusia County. New housing construction activity exceeded that of 2019 and added a ninth consecutive year of growth. There were 3,369 new construction permits issued for single-family housing during fiscal year 2020 with a value in excess of \$1 billion. Additionally, there were 10 multi-family housing projects being developed across the County with the fiscal year 2020 permit value totaling \$263 million.

Transportation Programs and Initiatives

The Daytona Beach International Airport (DBIA) experienced a significant drop in passenger traffic in fiscal year 2020, down 46 percent from 2019, due to the COVID-19 pandemic. However, despite the low year-to-date passenger traffic, American Airlines plans to expand its Daytona Beach air service. Effective December 17, 2020, the airline will add two new non-stop flights to/from Dallas-Fort Worth and Philadelphia.

In May 2020, the Department of Environmental Protection (DEP) awarded \$2.5 million in funding for design and construction of approximately 16,500 linear feet of central sewer infrastructure along the US Highway 17 corridor, between the City of DeLand and the unincorporated community of DeLeon Springs. This project represents an essential step toward improving water quality within the spring basin by establishing a centralized wastewater treatment system and allowing the conversion of private wastewater package plants and conventional septic systems. This technique will help reduce current levels of nutrient pollutants while providing much needed infrastructure to prevent additional nitrogen loading resulting from increased population within the priority focus area of the spring basin.

Major improvements to the Interstate 4 to Interstate 95 interchange, and the Interstate 95 to US 92 interchange were completed in fiscal year 2020. Construction continued on the high-level, multi-arch, Veterans Memorial Bridge over the Halifax River in Daytona Beach. Added to the County's road widening projects during fiscal year 2020 was the essential east-west artery, Howland Boulevard, in Deltona. The two miles of road from Providence Boulevard and Elkcam Boulevard will be widened from two lanes to four lanes.

Long-term Financial Planning

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

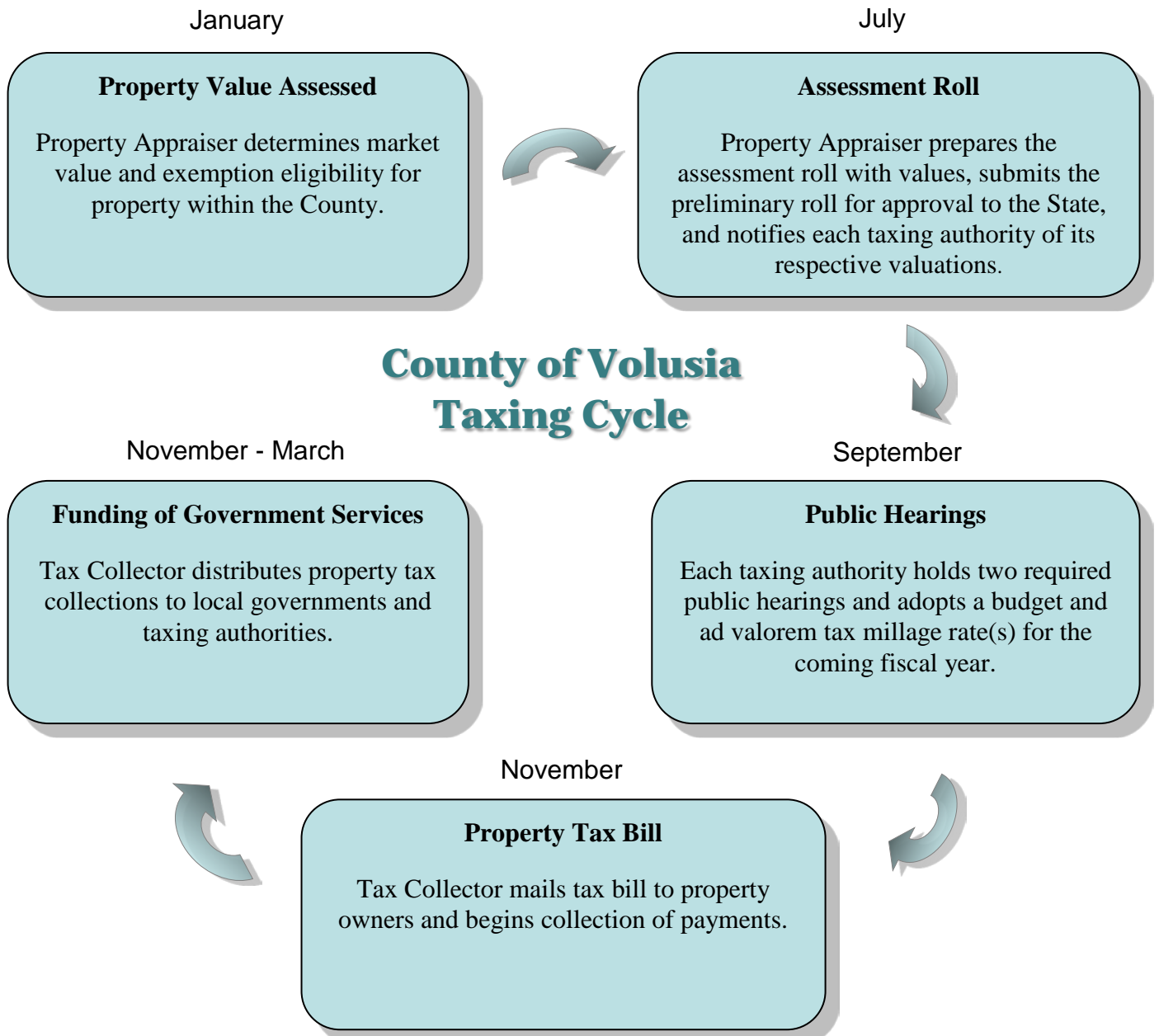
Major capital improvement projects with initial and continued funding during fiscal year 2020 included:

- Trails – East Central Regional Rail and Spring to Spring
- Lemon Bluff Marine Park
- Taxiway November rehabilitation and terminal improvements at the Daytona Beach International Airport
- Ocean Center arena and Medical Examiner lab roof replacement
- Public Works Northeast Services facility
- Deltona North wastewater treatment facility
- Orange City VOTRAN Parking Lot
- Street widening of Tenth Street, Orange Camp Road, Howland Boulevard, Sugar Mill Drive, Williamson Blvd and LPGA Blvd
- Veteran's Memorial Bridge

Budgeted CIP for fiscal year 2020 included \$93.4 million in projects funded through a mix of property taxes, gas taxes, impact fees, grants, user fees, and other miscellaneous revenues. Prior year carry-forwards of \$46.6 million and new funding allocations of \$46.8 million provided the resources to cover project costs. Long-term planning also incorporates multi-year projections for operating funds including the general fund, library, municipal services district, fire service, and other funds that have significant impact on the County's budget, such as debt service and enterprise funds. Revenue estimates are based on historical data, trend analysis, discussions with department directors, reviews of proposed initiatives, estimates from the U.S. Bureau of Labor Statistics, Florida Department of Revenue, Florida Legislature's Office for Demographic and Economic Research, and an analysis of economic data from various sources, including the University of Florida Bureau of Economic and Business Research.

Annual Budget

The County must prepare an annual budget authorizing the spending of public funds and Florida law requires the County have a balanced budget. 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 elicit comments and feedback from County citizens concerning the proposed budget and tax rates. The budget can only be amended with approval of the County Council.



Revenues

Comparison of Revenues Between Fiscal Years 2020, 2019 and 2018

	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
(Amounts in Millions)			
Governmental activities:			
Property taxes	\$ 286	\$ 268	\$ 260
Sales tax	22	22	22
Public service tax	12	11	11
Gas tax	16	18	18
Tourist-related taxes	20	24	23
State revenue sharing	9	10	10
Investment earnings	5	9	2
Charges for services	70	70	69
Grants and contributions	132	67	86
Other revenues	4	4	1
Total governmental activities	<u>576</u>	<u>503</u>	<u>502</u>
Business-type activities:			
Refuse disposal	21	20	19
Daytona Beach International Airport	38	30	26
Volusia Transportation Authority	26	24	18
Water and sewer utilities	24	24	18
Parking garage	2	2	2
Garbage collection	11	11	10
Total business-type activities	<u>122</u>	<u>111</u>	<u>93</u>
Primary government total	<u><u>\$ 698</u></u>	<u><u>\$ 614</u></u>	<u><u>\$ 595</u></u>

Revenues – Governmental Activities

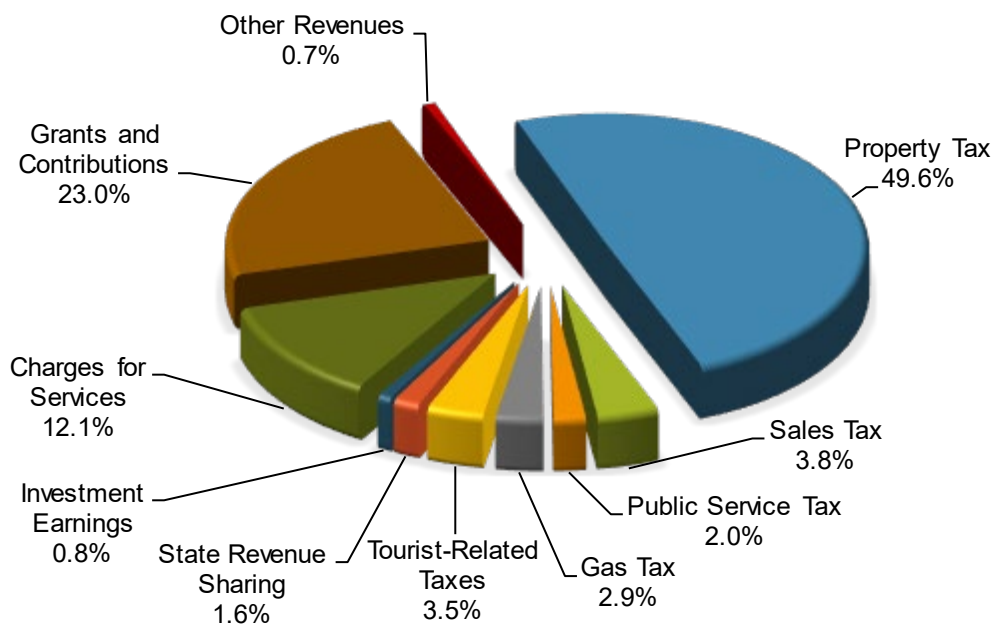
Governmental Activities are primarily supported by taxes, state shared revenues, or grants. These activities include the following functional areas: general government, public safety, physical environment, transportation, economic environment, health and social services, and culture/recreation.

Compared to the prior fiscal year, revenues for the governmental activities increased by \$72.4 million (14.4 percent). The increase was primarily due to operating grant revenue received from the federal government for Coronavirus Relief Funds (CRF) for approximately \$67.4 million. Property tax revenues increased by approximately \$17.6 million due in part to rate changes and in part to property value increases.

Capital grants for culture/recreation increased by approximately \$2.1 million related to additional construction of grant funded trails as compared to the prior fiscal year. At the same time, capital grants for public safety decreased by approximately \$0.7 million related to prior year grant funding for E-911 equipment not repeated in the current fiscal year.

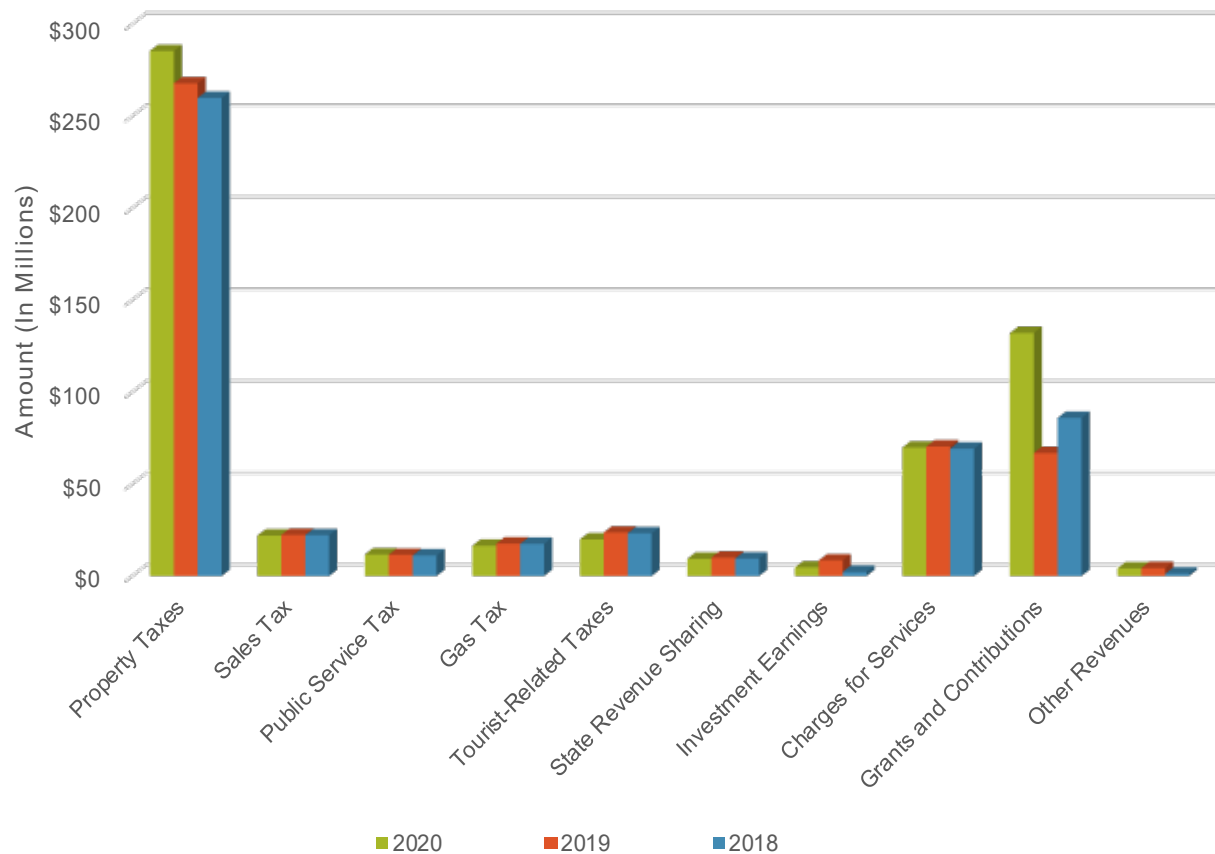
Due to the COVID-19 pandemic, there was a reduction in charges for services of approximately \$2.2 million for beach tolls when compared to prior year toll collections.

Revenues by Source



Revenues – Governmental Activities

Comparison of Revenues by Source - Last Three Fiscal Years



Revenues – Business-Type Activities

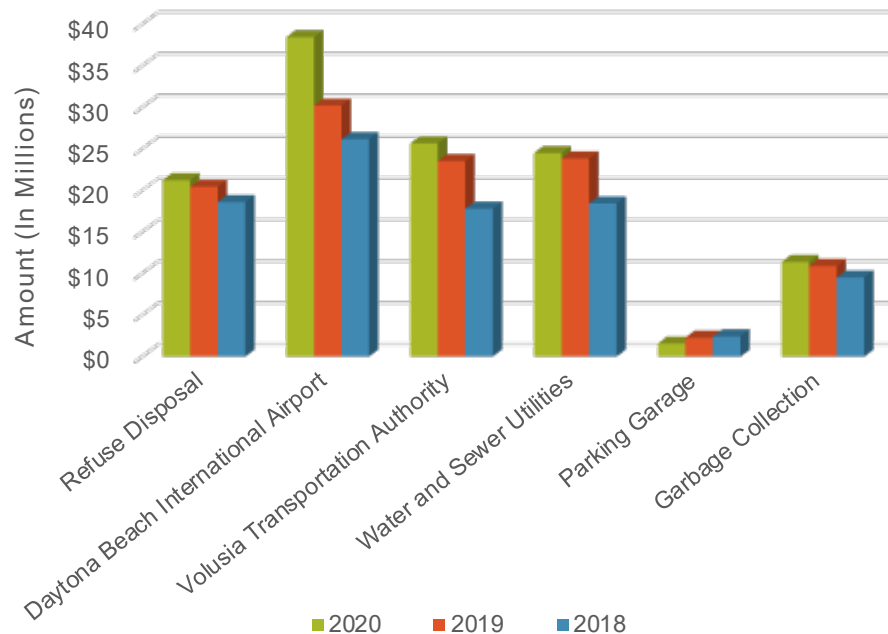
Business-type Activities are supported by fees and user charges that are set to recover the cost of services provided. Business-type activities consist of the refuse disposal, Daytona Beach International Airport (DAB), Volusia Transportation Authority (VOTRAN), water and sewer utilities, parking garage (beach side), and garbage collection funds.

Revenues for the County's business-type activities increased by \$11.6 million (10.4 percent), when compared to the prior fiscal year. The increase was primarily due to operating grant revenue received from the federal government for Coronavirus Relief Funds (CRF). Specifically, VOTRAN operating grants and contributions increased by approximately \$6.7 million due to additional grant funding being available for transit services.

Airport operating grants and contributions increased by approximately \$5.8 million primarily due to additional grant funding being available for airports. Specifically, the airport received 100 percent expense reimbursement Federal Aviation Administration (FAA) grants usable to reimburse regular operating expenses of the airport as part of the federal CARES Act.

Water and sewer utilities capital grants and contributions decreased by approximately \$2.5 million compared to the prior year. An approximate \$3.6 million reduction in developer-provided contributed infrastructure as compared to the prior year was offset by an increase of approximately \$1.1 million in state and local grants for water and sewer capital infrastructure projects. The increase in grants is attributed to the County obtaining grants for the Deltona North master lift station and Blue Springs aquifer recharge projects.

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



Expenses

Comparison of Expenses Between Fiscal Years 2020, 2019 and 2018

	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
(Amounts in Millions)			
Governmental activities:			
General government	\$ 78	\$ 71	\$ 66
Public safety	255	217	193
Physical environment	12	8	7
Transportation	39	39	38
Economic environment	41	25	41
Human services	25	22	21
Culture/recreation	52	61	59
Interest on long-term debt	3	4	4
Total governmental activities	<u>505</u>	<u>447</u>	<u>429</u>
Business-type activities:			
Refuse disposal	17	16	14
Daytona Beach International Airport	18	19	19
Volusia Transportation Authority	31	31	29
Water and sewer utilities	16	15	14
Parking garage	2	2	2
Garbage collection	11	11	10
Total business-type activities	<u>95</u>	<u>94</u>	<u>88</u>
Primary government total	<u><u>\$ 600</u></u>	<u><u>\$ 541</u></u>	<u><u>\$ 517</u></u>

Expenses – Governmental Activities

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

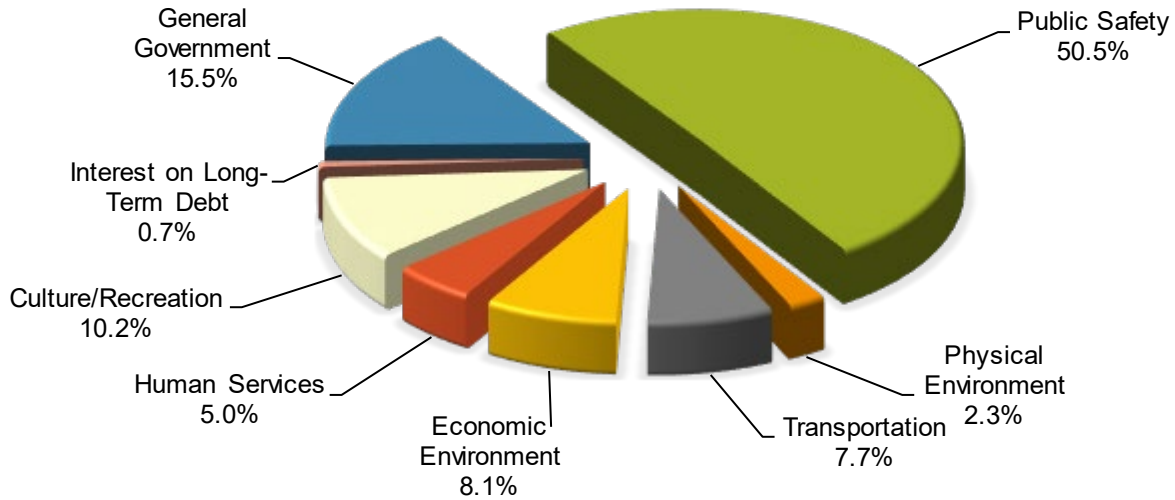
- **General government** includes the county council, county manager, county attorney, elections, property appraiser, growth management commission, judicial, financial services, central services, planning and development, construction engineering and information technology expenses.
- **Public safety** includes the costs for sheriff, corrections, ambulance services, emergency management, fire services, medical examiner, emergency medical administration, public protection administration 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 mitigating 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, mental health and substances abuse assistance, 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 and notes issued for capital improvement projects.

The cost of all governmental activities for fiscal year 2020 increased by \$58.4 million (13.1 percent) when compared to the prior year. Some factors contributing to the increase are listed below:

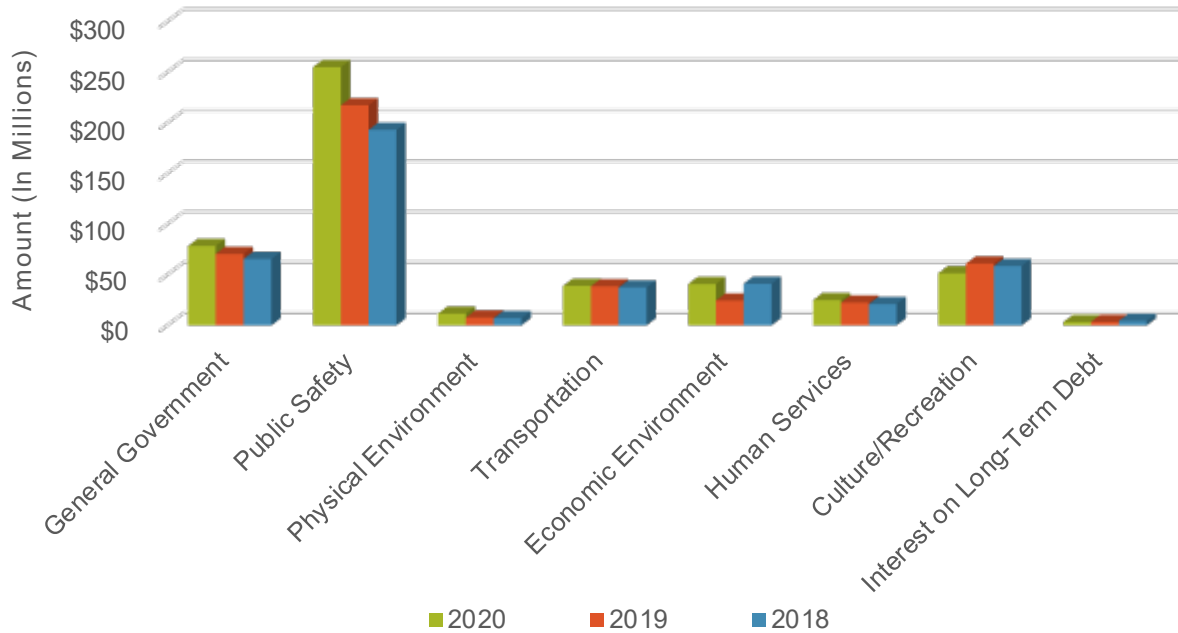
- Increased expenses of the County's internal service funds, primarily for self-funded health insurance, totaling approximately \$11.6 million.
- Pension expense, as calculated in accordance with GASB Statement No. 68, increased by approximately \$6.0 million.
- A wage adjustment of 3.0 percent resulted in an increase of approximately \$4.0 million across all governmental activities.
- The County Council approved a joint project agreement with the Florida Department of Transportation (FDOT) for right-of-way acquisition at State Road 44 and Kepler Road, which resulted in a one-time disbursement of county impact fees to the FDOT for \$3.9 million.
- The County Council approved a food relief program for the federal Coronavirus Relief Funds received directly by the County from the CARES Act. Expenses for the food relief program totaled approximately \$1.6 million, all of which were new in fiscal year 2020. Additionally, the County incurred approximately \$0.2 million expenses related to the warehousing and distribution for the food relief programs.

Expenses – Governmental Activities

Expenses by Function/Program



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



Expenses – Business-Type Activities

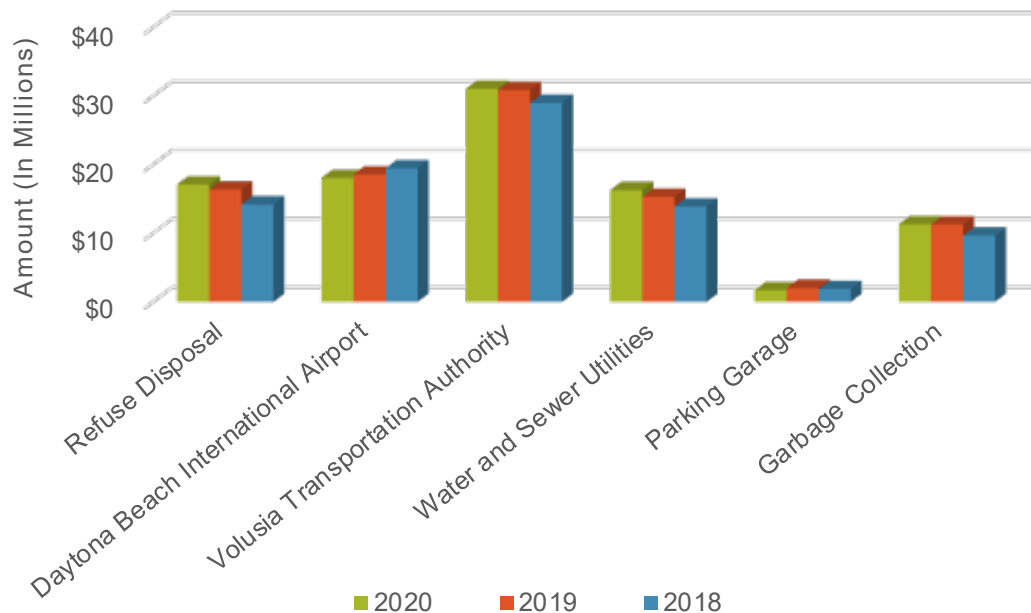
Business-type Activities expenses increased by approximately \$1.1 million (1.1 percent), when compared to the prior fiscal year.

Expenses of all six of the County's business-type activities were affected by two broad factors during the fiscal year ended September 30, 2020. First, a wage adjustment of 3.0 percent resulted in an increase in expenses of approximately \$550,000 across all business-type activities as compared to the prior fiscal year. Secondly, increased expenses of the internal service funds, primarily for self-funded health insurance, were allocated to all business-type activities, totaling approximately \$640,000.

The Volusia Transportation Authority had an increase in depreciation expense of approximately \$790,000 when compared to the prior fiscal year, attributable to the acquisition of several new buses in recent fiscal years. This increase was offset by a reduction in fuel expenses of approximately \$800,000 from lower per-gallon fuel prices when compared to the prior fiscal year.

As airport traffic decreased due to the COVID-19 pandemic, the Daytona Beach International Airport had a reduced need for temporary staffing; accordingly, expenses for temporary staffing decreased by approximately \$550,000 versus the prior fiscal year. Also related to the pandemic, a reduction in advertising placements and sponsorships resulted in an approximate \$340,000 decrease in promotional expenses.

Comparison of Expenses by Business-type Activity - Last Three Fiscal Years



Balance Sheet

The balance sheet reflects the financial position of the County on the last day of the fiscal year. Restricted net position represents equity that may be used only as specified by debt covenants, grantors, laws or regulations, other governments, or other external restrictions. A comparison of fiscal years 2020, 2019, and 2018 is provided.

Governmental Activities – Last Three Fiscal Years			
	2020	2019	2018
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 536	\$ 412	\$ 371
Due from state/federal governments	32	34	42
Receivables and other current assets	19	13	13
Inventories and prepaid items	5	5	4
Net pension asset	4	3	3
Capital assets, net of depreciation	841	820	803
Total assets	<u>1,437</u>	<u>1,287</u>	<u>1,236</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>102</u>	<u>95</u>	<u>103</u>
LIABILITIES			
Accounts and contracts payable	26	19	25
Accrued interest payable	3	4	5
Other current liabilities	96	23	21
Notes and bonds, due within one year	3	3	4
Notes and bonds, due in more than one year	84	94	118
Net pension liability	337	276	244
Other long-term liabilities	73	94	90
Total liabilities	<u>622</u>	<u>513</u>	<u>507</u>
DEFERRED INFLOWS OF RESOURCES	<u>11</u>	<u>25</u>	<u>32</u>
NET POSITION (EQUITY)			
Net investment in capital assets	753	720	692
Net position, restricted	192	181	161
Net position, unrestricted	(39)	(57)	(53)
Total net position (equity)	<u>\$ 906</u>	<u>\$ 844</u>	<u>\$ 800</u>

Balance Sheet (cont.)

Business-type Activities – Last Three Fiscal Years			
	2020	2019	2018
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 79	\$ 93	\$ 75
Due from state/federal governments	25	10	8
Receivables and other current assets	8	7	8
Inventories and prepaid items	4	4	4
Capital assets, net of depreciation	289	263	241
Total assets	<u>405</u>	<u>377</u>	<u>336</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>4</u>	<u>4</u>	<u>4</u>
LIABILITIES			
Accounts and contracts payable	9	9	6
Other current liabilities	3	2	2
Notes and bonds, due within one year	2	2	2
Notes and bonds, due in more than one year	19	28	21
Net pension liability	12	9	8
Other long-term liabilities	29	31	29
Total liabilities	<u>74</u>	<u>81</u>	<u>68</u>
DEFERRED INFLOWS OF RESOURCES	<u>1</u>	<u>1</u>	<u>1</u>
NET POSITION (EQUITY)			
Net investment in capital assets	267	241	218
Net position, restricted	4	7	7
Net position, unrestricted	63	51	46
Total net position (equity)	<u>\$ 334</u>	<u>\$ 299</u>	<u>\$ 271</u>

Balance Sheet (cont.)

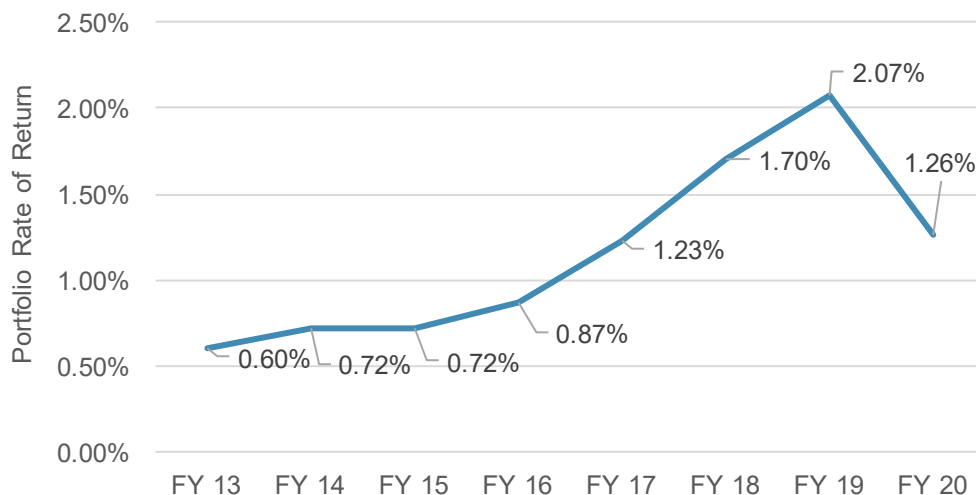
County Total – Last Three Fiscal Years			
	2020	2019	2018
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 615	\$ 505	\$ 446
Due from state/federal governments	57	44	50
Receivables and other current assets	27	20	21
Inventories and prepaid items	9	9	8
Net pension asset	4	3	3
Capital assets, net of depreciation	1,130	1,083	1,044
Total assets	1,842	1,664	1,572
DEFERRED OUTFLOWS OF RESOURCES	106	99	107
LIABILITIES			
Accounts and contracts payable	35	28	31
Accrued interest payable	3	4	5
Other current liabilities	99	25	23
Notes and bonds, due within one year	5	5	6
Notes and bonds, due in more than one year	103	122	139
Net pension liability	349	285	252
Other long-term liabilities	102	125	119
Total liabilities	696	594	575
DEFERRED INFLOWS OF RESOURCES	12	26	33
NET POSITION (EQUITY)			
Net investment in capital assets	1,020	961	910
Net position, restricted	196	188	168
Net position, unrestricted	24	(6)	(7)
Total net position (equity)	\$ 1,240	\$ 1,143	\$ 1,071

Cash and Investments

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

During fiscal year 2020, the County's cash resources were primarily invested in U.S. Agency and Treasury instruments, and government money market mutual funds regulated by the Securities and Exchange Commission. In order to provide some additional diversification, but still maintain an acceptable level of safety, the County invested in highly rated commercial paper with maturities of 270 days or less and two Florida Local Government Investment Pools (LGIPs). The County did not invest in any derivatives or similar debt and investment instruments because these do not meet its risk mitigation objectives. The interest rates received from individual securities for the fiscal year ranged from 0.22 percent to 3 percent. Observing world-wide economic disruption and in anticipation of domestic economic disruption from the spread and effects of the COVID-19 virus, the Federal Reserve System Federal Open Market Committee (FOMC) reduced the target range for the federal funds rate by 1.5 percent during two unscheduled meetings in March. The range remained at 0-0.25 percent and the County's average annual return correspondingly decreased from 2.07 percent for 2019 to 1.26 percent for 2020.

The chart below shows the County's rate of return on investments (excluding the Volunteer Firefighters pension plan) over the last eight years.



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. As part of its overall monitoring activities, the County assesses existing market conditions to determine the appropriate time to refund or extinguish outstanding debt issues, if appropriate, to realize cost savings.

On June 2, 2020, the County elected to prepay the remaining obligation of \$1,500,000 for Airport System Refunding Revenue Bond, Series 2012, and defease the remaining balance of \$5,125,000 for Airport System Refunding Revenue Bond, Series 2000. The original maturity dates for both bonds were October 1, 2021. By paying off Series 2012 and defeasing Series 2000 bonds, the County was released from the restrictive covenants of the bond resolution; and the early payoff of Series 2012 saved the airport approximately \$21,425 of future interest.

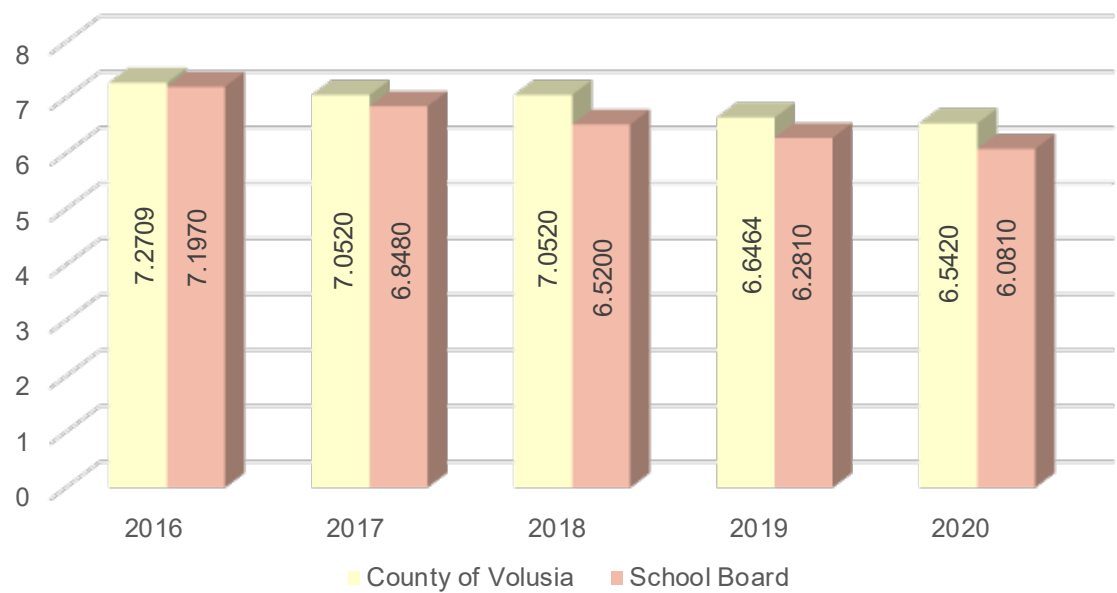
In addition, the County paid off two Water and Sewer State of Florida Revolving Loans as scheduled during fiscal year 2020.

A comparison of the amount of long-term debt owed at the end of fiscal year 2020 to the same time period in 2019 and 2018 is presented below:

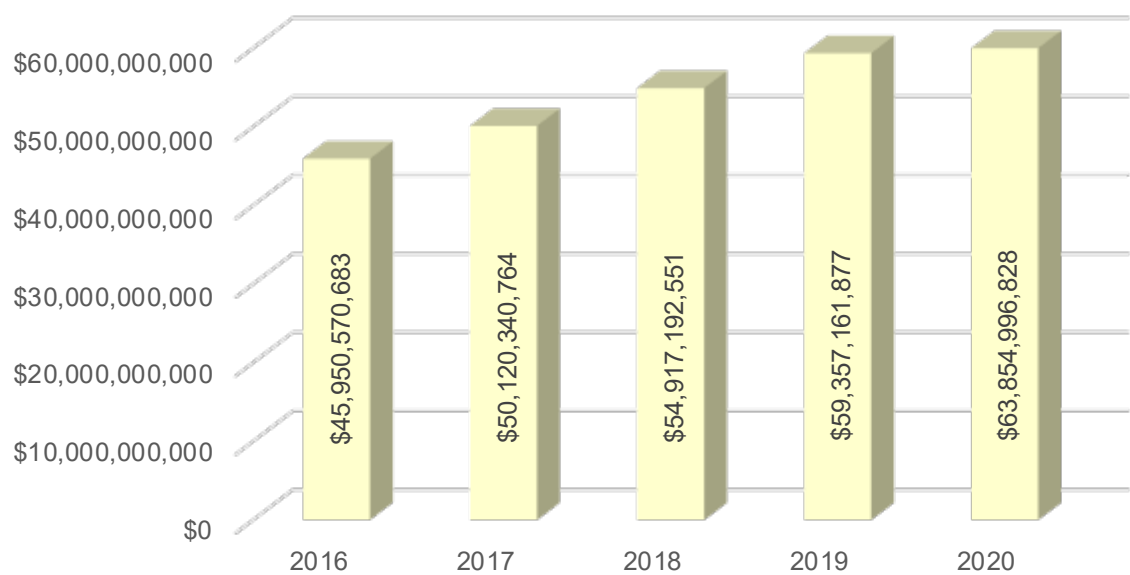
	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
(Amounts in Millions) [except debt burden per capita]			
Bonds payable:			
Revenue bonds	\$ 65	\$ 77	\$ 86
General obligation bonds	3	6	9
Notes payable	39	43	50
Total bonds and notes	\$ 107	\$ 126	\$ 145
Debt burden per capita	\$ 194	\$ 234	\$ 274

County-wide Property Taxes and Assessed Value

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



Total Assessed Value of Taxable Property



Principal Property Taxpayers

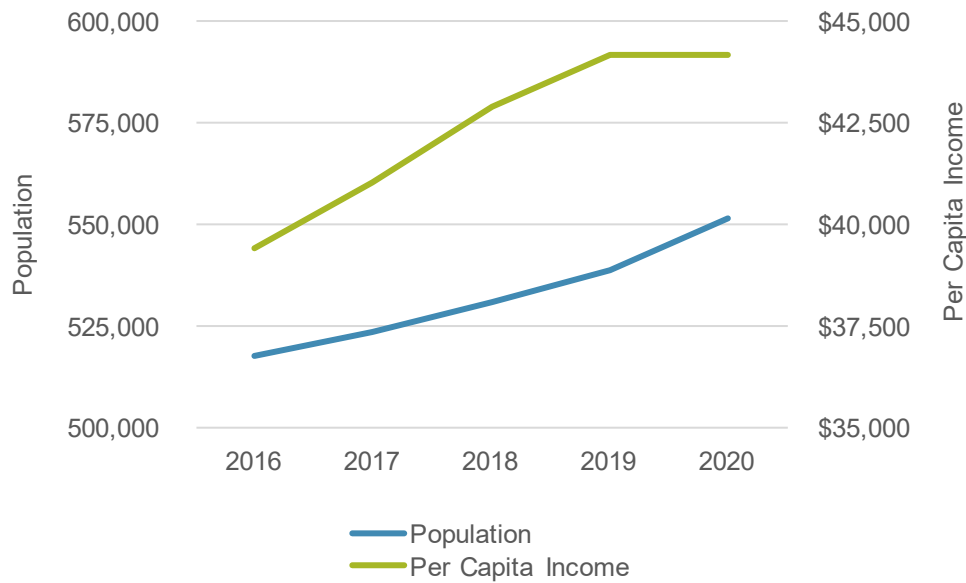
Taxpayer	Type of Business	Fiscal Year Ended September 30, 2020	
		2019 Taxable Value	Percent of Total Taxable Value
Florida Power and Light Company	Electric Utility	\$ 1,304,752,906	3.28
Duke Energy Florida, Inc.	Electric Utility	257,290,192	0.65
Oceanwalk	Timeshare Sales	118,614,496	0.30
Walmart Inc./Sam's Club	Retail Sales	90,636,026	0.23
Starwood	Investments	79,506,242	0.20
Spectrum	Communications	75,521,547	0.19
Utilities Commission of NSB	Electric Utility	70,882,623	0.18
BellSouth	Telephone	69,608,148	0.17
International Speedway Corporation	Entertainment	65,341,209	0.16
Volusia Mall	Retail Sales	56,610,449	0.14
Subtotal Principal Taxpayers		2,188,763,838	5.50
All Other Taxpayers		37,634,738,289	94.50
Total		\$ 39,823,502,127	100.00

Property Tax Collected in Fiscal Year Last Five Fiscal Years

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Delinquent Collections	Collected in Fiscal Year	
		Current Tax Collection	Percent of Levy		Total Collections	Percent of Levy
2020	\$ 295,256,364	\$ 284,917,936	96.50	\$ 812,551	\$ 285,730,487	96.77
2019	276,373,617	266,491,152	96.42	1,175,811	267,666,963	96.85
2018	267,847,878	258,323,048	96.44	1,663,097	259,986,145	97.06
2017	250,157,758	241,433,627	96.51	797,561	242,231,188	96.83
2016	240,585,734	232,118,353	96.48	812,002	232,930,355	96.82

Demographics

**Comparison of Population and Per Capita Income
Last Five Fiscal Years**



Ten Largest Employers in Fiscal Year 2020

Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	7,944	3.38
AdventHealth	6,275	2.67
Halifax Health	3,966	1.69
Publix Supermarkets Incorporated	3,640	1.55
County of Volusia	3,402	1.45
Walmart Incorporated	3,160	1.35
State of Florida	2,775	1.18
Embry-Riddle Aeronautical University	1,759	0.75
Daytona State College	1,401	0.60
Stetson University	1,325	0.56
Total	35,647	15.18
Estimated total workforce	234,869	

Interesting Facts

Did you know that Volusia County...

- offers 54 parks that total 11,937 acres, including 274 miles of bike paths and sidewalks, multi-use trails, camping, bird observation towers, fishing, fresh and saltwater boating, historic and archaeological sites, and sports and recreation centers
- has 47 miles of beaches on the Atlantic Ocean, including one of the few places you are able to drive on the beach
- includes Blue Springs and DeLeon Springs state parks that have swimming and recreation in and around the fresh water springs
- is home to the world-famous Daytona 500 NASCAR race and headquarters of the Ladies Professional Golf Association (LPGA)
- has a Marine Science Center that includes rehabilitation services for sea turtles and birds which also offers tours and educational opportunities for all ages
- has the Lyonia Environmental Center that provides a unique insight into the County's fragile ecosystems with interactive displays where visitors can learn about the importance of the environment, energy conservation, and natural resources
- owns and operates the Daytona Beach International Airport which had 2,589 scheduled flights last year, with almost 420,000 passengers arriving and departing the airport
- owns and operates the Ocean Center, a convention and entertainment complex, located in Daytona Beach, 400 feet from the Atlantic Ocean. Ocean Center includes over 200,000 square feet of flexible exhibit and meeting space, featuring a 9,300 seat, 42,000 square foot arena, and hosting 73 events with over 174,000 attendees per year
- has a library system that provided approximately 2.5 million circulation materials to members of the public and over 2 million users took advantage of the electronic resources available during the year
- provides information on county services through its website, social media, news releases, live audio of County Council meetings, live beach cams, and weekly TV and radio shows
- provides an email notification service created to disperse updates from the County Manager's office, emergency management, Ocean Center, parks and recreation, building permit center, University of Florida/Volusia County Extension, revenue services and the sheriff's office



