

COUNTY OF VOLUSIA, FLORIDA



POPULAR ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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, Accounting Director
Karen Roberts, CPA, Accounting Manager
Myriam Lemay, CTP, Activity Project Manager
Svetlana Ries, Senior Accountant
Trudi Murdock, Senior Accountant
Tiffany Alvarez, Senior Accountant

Tommy Long, Accountant
Jason Weaver, Accountant
Madeline Nelson, Accountant
Kristen Turner, 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
Roger Wittenberg, Operations Manager

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May 27, 2022

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, 2021*. 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, Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2021*. The ACFR consists of over 450 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 ACFR, 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, 2020

Christopher P. Morill

Executive Director/CEO

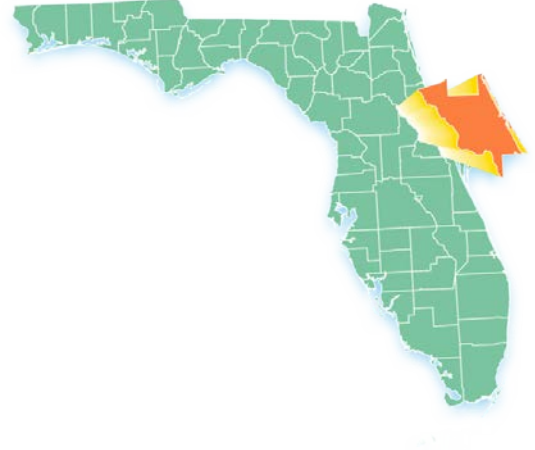
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the County of Volusia, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2020. The Award for 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.

On November 6, 2018, an amendment to the Constitution of the State of Florida was approved by the voters (Amendment 10) to be effective January 5, 2021. As a result, the structure of the County has significantly changed. Amendment 10 supersedes Volusia County's Home Rule Charter, where the Property Appraiser, Tax Collector, Supervisor of Elections, and Sheriff are elected department heads. Amendment 10 confers state Constitutional Officer status on the offices of the Property Appraiser, Tax Collector, Supervisor of Elections, and Sheriff.

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:

Jeff Brower, County Chair

Billie Wheeler
Ben Johnson
Barbara Girtman
Danny Robins
Heather Post
Dr. Fred Lowry

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

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.
Will Roberts

Sheriff
Supervisor of Elections
Property Appraiser
Tax Collector

APPOINTED OFFICIALS

The council appoints the County Manager and the County Attorney.

George Recktenwald
Michael Dyer

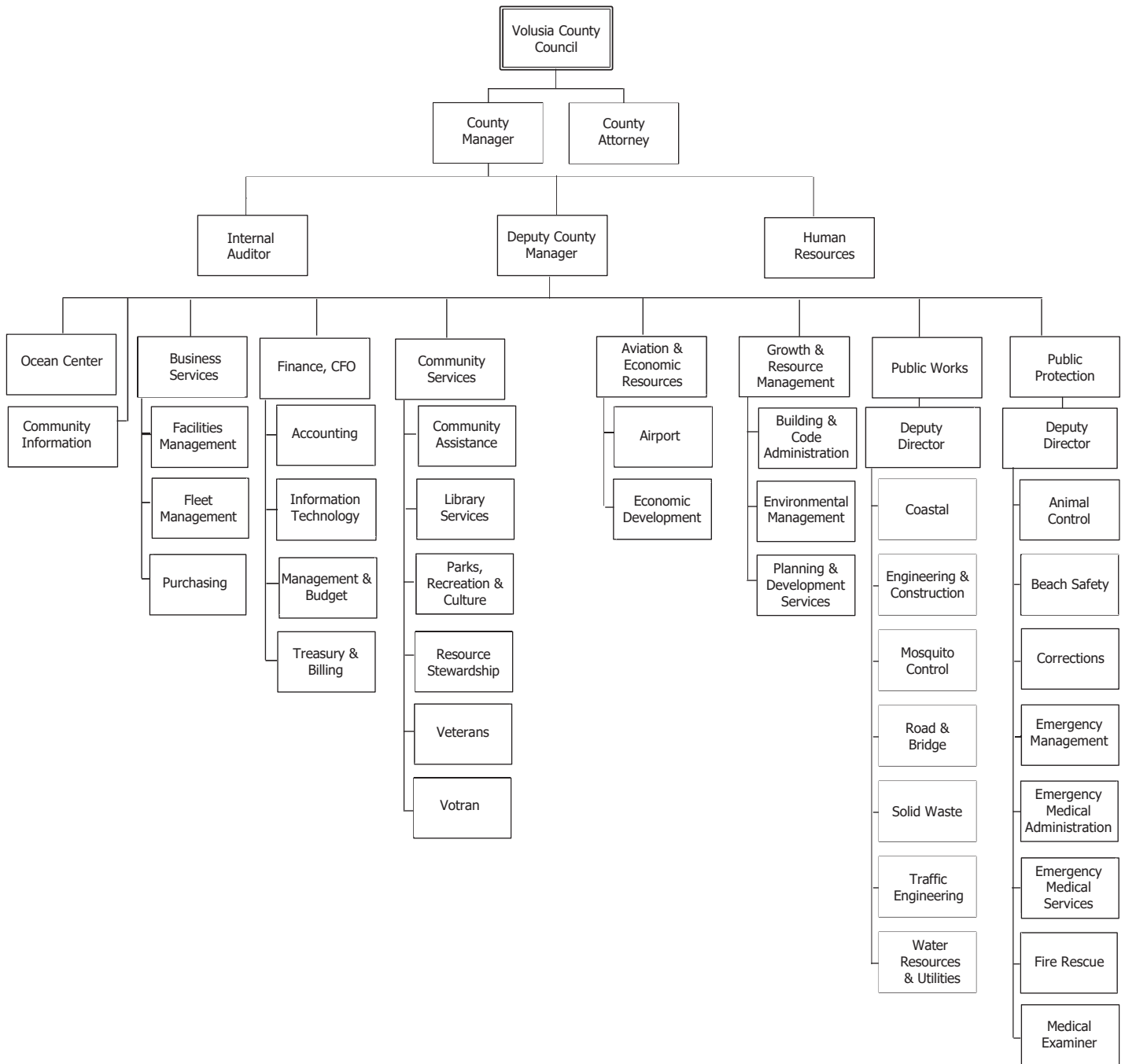
County Manager
County Attorney

The County Manager appoints Deputy County Managers.

Suzanne Konchan

Deputy County Manager

Volusia County Organizational Chart



Economic Condition of the County

Local Economy

Nearly all industry sectors of the Volusia County economy had returned to pre-pandemic operating levels by fiscal 2021 year end. Most notable were the recoveries of sectors experiencing the greatest disruption in 2020, such as professional services, education, and hospitality. Year-over-year combined employment gains within these three sectors reached 4,700 by September 2021. Manufacturing employment also grew by an additional 800 jobs over the same time period. In total, over two hundred forty nine thousand (249,283) Volusia County residents were successful in finding employment, a new record high.

Paralleling the growth in hospitality employment was the growth in Volusia County's tourist development tax revenue. Though travel restrictions reduced the number of international tourists coming to the region, increases in domestic visitor traffic made up the difference. Buoyed by higher average daily room rates, fiscal year 2021 collections reached a new peak of over \$14 million, a 20 percent increase over pre-pandemic levels.

The most resilient industry sector of Volusia County's economy over the past two years has been construction. Though building material supply chain disruptions limited year-over-year growth, construction employment continued its gains with the addition of 900 more jobs in fiscal year 2021. And, for the tenth consecutive year, residential new construction permit value has exceeded the previous year's total. The combined value of both residential and commercial new construction permits in fiscal year 2021 reached nearly \$1.6 billion.

Business Development Projects

Several large commercial projects were launched or brought to completion during the year with each company planning significant job additions.

Brown & Brown Insurance completed construction of their new 11-story headquarters building in Daytona Beach. The new 225,000 square foot riverfront building, now occupied, will be home to an estimated 1,100 employees, 600 of which will be new to the Daytona Beach location.

Buc-ee's Convenience Store completed facility construction and lane expansions at the LPGA Blvd. / Interstate 95 exchange. This \$32.5 million project has already generated 330 new jobs and has become a destination stop for both travelers and residents alike.

ALCOM Trailers leased and completed over \$3 million in upgrades to a 136,000 square foot facility near DeLand. The company has initiated production and plans to create 100 new skilled jobs.

Cookies, LLC has begun renovation of a 400,000 square foot facility in northeast DeLand as a first step in the development of their Florida headquarters, a \$100 million capital investment that will bring 400 jobs to Volusia County.

Housing Development Projects

Volusia County continued to attract both multi-family and single-family housing investments during 2021. Permits for three new multi-family construction projects, valued at \$90 million, were submitted and approved during the fiscal year. This brings the two-year total investment in large multi-family housing projects to \$353 million.

Demand for single-family properties also remained strong, including new home construction. Though the typical sale price for an area home increased 25 percent, demand appeared unabated with Volusia County and its municipal jurisdictions receiving and approving 4,338 permits with a combined value of \$1.3 billion in fiscal year 2021. This is the second consecutive fiscal year where new single-family permit values exceeded one billion dollars.

Higher Education Expansion

Embry Riddle Aeronautical University opened its new \$40 million residence hall and completed construction of a \$4.5 million office building near its Daytona Beach campus on Beville Road. Palmer College completed construction of a new \$12 million education complex that will house classrooms, new laboratories and faculty offices.

Stetson University completed a \$10 million renovation of the Sage Hall science building in 2021. It is phase 1 in the creation of a new science complex for students, who will be studying health sciences, natural and environmental sciences, and other fields. Phase 2 of the complex will include the addition of a new structure, the Cici & Hyatt Brown Hall for Health & Innovation, currently under construction and funded in large part by the generosity of its namesake.

Transportation Programs and Initiatives

2021 passenger traffic at Daytona Beach International Airport (DBIA) has increased 53 percent versus the previous year. A portion of this growth came from the successful launch of new seasonal, non-stop service to Philadelphia and Dallas-Fort Worth from DBIA. These new routes were well utilized and will again be offered in 2022. Though year-over-year results represent a significant recovery from 2020's losses, they still lag 2019 passenger traffic levels by 26 percent. Much of the shortfall was due to the lingering effects of the pandemic on airline schedules.

Other transportation highlights include road and bridge improvements that will reduce maintenance costs, improve traffic safety and expand vehicle capacity. They include replacement of the \$27.2 million SR44 drawbridge, launch of the \$12.7 million Orange Camp road widening project and continuation of both the \$17.4 million Howland Boulevard and \$18.7 million Tenth Street widening projects.

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 2021 included:

- Trails – Spring to Spring and River to Sea Loop
- Lemon Bluff Marine Park
- Holsonback Wellness Center
- Ocean Center low slope roof replacement
- Highbridge boat ramp improvements and 27th Avenue vehicular beach ramp
- Knox Bridge submarine cable replacement
- Medical Examiner facility

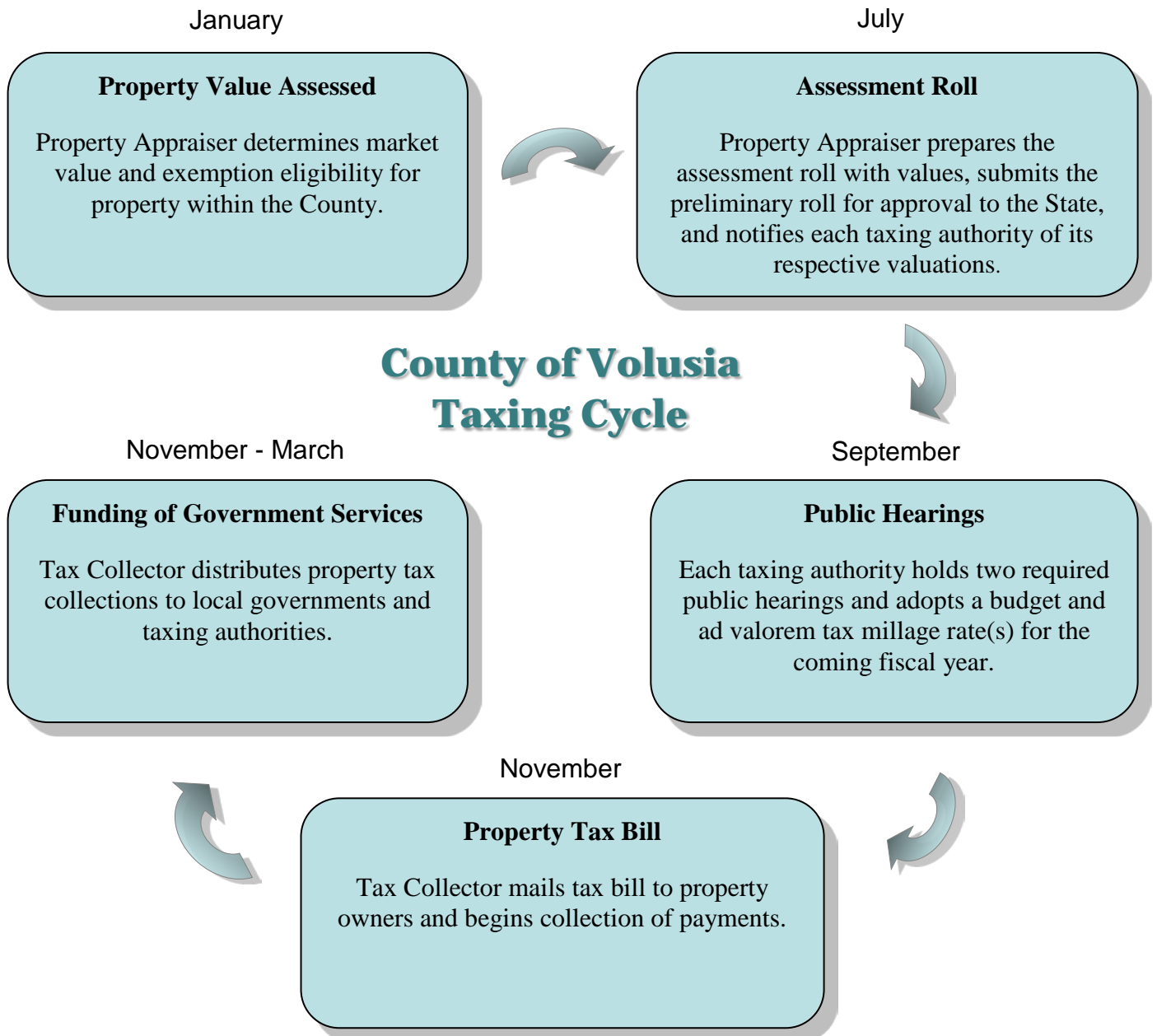
- Deltona North wastewater treatment facility and Gabordy Canal stormwater treatment facility improvements
- Solid Waste Tomoka Landfill Class III stormwater improvements
- 800 MHz public safety radio system modernization
- Street widening of Tenth Street, Orange Camp Road, Howland Boulevard, Williamson Blvd and LPGA to Strickland

Budgeted CIP for fiscal year 2021 included \$88.8 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 \$34.9 million and new funding allocations of \$53.9 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 a 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 2021, 2020 and 2019

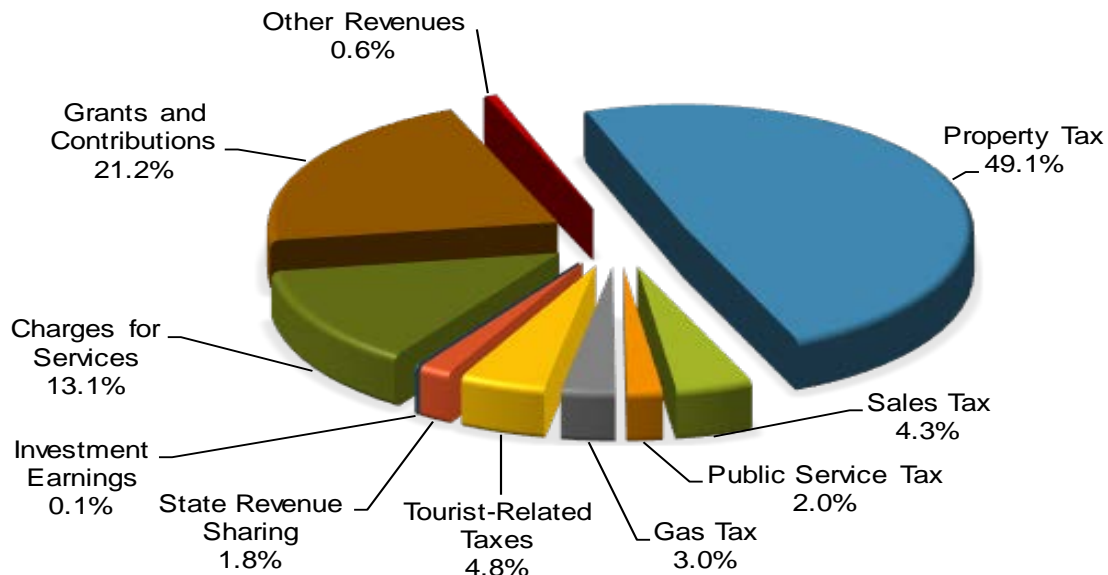
	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
(Amounts in Millions)			
Governmental activities:			
Property taxes	\$ 292	\$ 286	\$ 268
Sales tax	26	22	22
Public service tax	12	12	11
Gas tax	18	16	18
Tourist-related taxes	28	20	24
State revenue sharing	11	9	10
Investment earnings	1	5	9
Charges for services	78	70	70
Grants and contributions	126	132	67
Other revenues	3	4	4
Total governmental activities	<u>595</u>	<u>576</u>	<u>503</u>
Business-type activities:			
Refuse disposal	22	21	20
Daytona Beach International Airport	28	38	30
Volusia Transportation Authority	27	26	24
Water and sewer utilities	24	24	24
Parking garage	2	2	2
Garbage collection	11	11	11
Total business-type activities	<u>114</u>	<u>122</u>	<u>111</u>
Primary government total	<u><u>\$ 709</u></u>	<u><u>\$ 698</u></u>	<u><u>\$ 614</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.

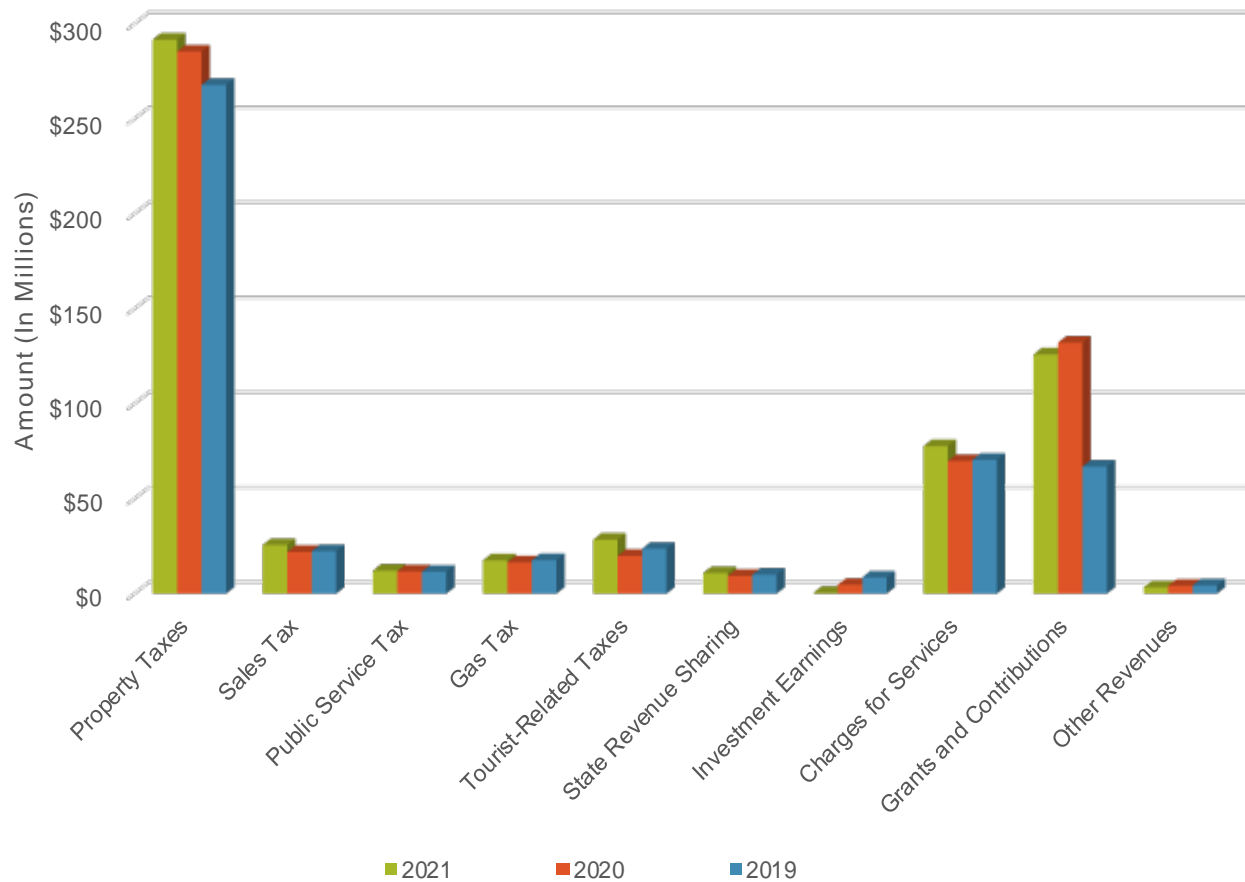
Compared to the prior fiscal year, revenues for the governmental activities increased by \$17.9 million (3.1 percent). The increase was primarily due to operating grant revenue received from the federal government. As part of the American Rescue Plan Act (ARPA), Volusia County received a direct allocation of Coronavirus Local Fiscal Recovery Funds (CLFRF) from the federal government in the amount of \$107.5 million, approximately. Of the direct allocation, approximately \$12.6 million was used. Property tax revenues increased by approximately \$6.3 million. The increase is mainly attributed to an additional \$5.8 million in revenues due to new construction values added to the tax roll. Charges for services incurred an increase in beach toll collection revenue of approximately \$3 million versus the prior year. The increase is entirely due to the increased usage, as no rate changes occurred during the last three fiscal years. Emergency medical transports performed by Volusia County EMS increased by approximately 4,500 billable trips versus the prior year, resulting in an increase of revenues of approximately \$2.1 million.

Revenues by Source



Revenues – Governmental Activities

Comparison of Revenues by Source - Last Three Fiscal Years



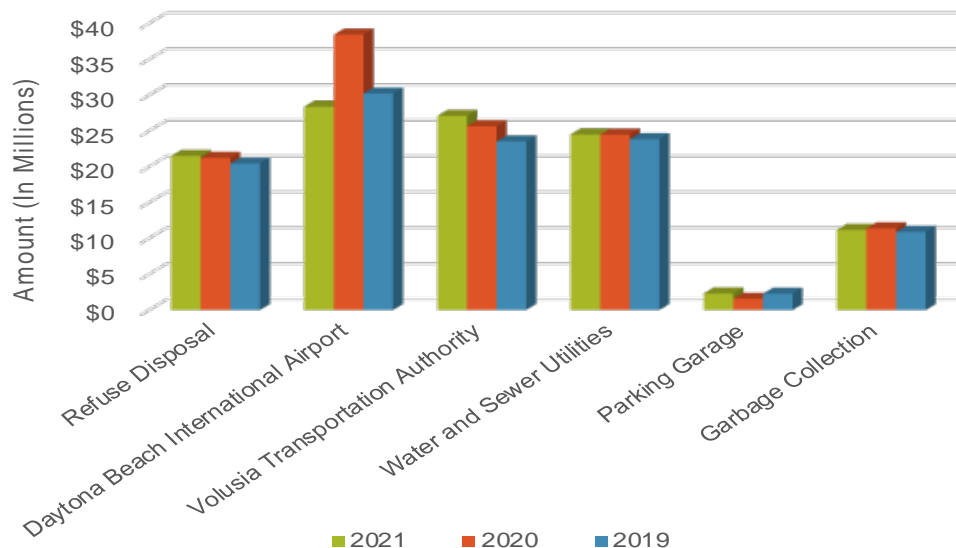
Revenues – Business-Type Activities

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 (DBIA), Volusia Transportation Authority (VOTRAN), water and sewer utilities, parking garage (beach side), and garbage collection funds.

Revenues for the County's business-type activities decreased by \$7.8 million (6.4 percent), when compared to the prior fiscal year. The decrease is due, in large part, to a decrease in airport charges for services. Due to the significant decline in air travel related to the COVID-19 pandemic, the airport negotiated (with County Council approval), rental accommodations for tenant airlines and parking services vendor. The accommodations, which reduced charges for services revenues by approximately \$3.0 million versus the prior year, were enabled through the use of federal grant funds to fund the operations of the airport. The accommodations are one-time in nature. Airport capital grants and contributions decreased by approximately \$9.6 million when compared to the prior fiscal year. This is mainly attributed to the decrease in federal and state grant receipts for the Taxiway November rehabilitation project totaling approximately \$11.7 million. Receipts for the project are recognized at the same time as cash outlays are made for construction. Because the project was completed during fiscal year 2021, both grant revenues and cash outlays on the project decreased for fiscal year 2021 versus fiscal year 2020.

Alternatively, airport operating grants and contributions increased from the prior year by approximately \$3.0 million, which is primarily due to additional grant funding being available for airports. Specifically, the airport received 100 percent expense reimbursement from Federal Aviation Administration (FAA) grants used to reimburse regular operating expenses of the airport as part of the federal CARES Act. VOTRAN operating grants and contributions also increased by approximately \$3.9 million due to additional grant funding being available for transit services. Water and sewer utilities capital grants and contributions increased by approximately \$0.5 million compared to the prior fiscal year due to increased grant revenues associated with the Deltona North master lift station project.

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



Expenses

Comparison of Expenses Between Fiscal Years 2021, 2020 and 2019

	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
(Amounts in Millions)			
Governmental activities:			
General government	\$ 80	\$ 78	\$ 71
Public safety	210	255	217
Physical environment	12	12	8
Transportation	35	39	39
Economic environment	49	41	25
Human services	32	25	22
Culture/recreation	52	52	61
Interest on long-term debt	3	3	4
Total governmental activities	473	505	447
Business-type activities:			
Refuse disposal	18	17	16
Daytona Beach International Airport	17	18	19
Volusia Transportation Authority	32	31	31
Water and sewer utilities	16	16	15
Parking garage	2	2	2
Garbage collection	11	11	11
Total business-type activities	96	95	94
Primary government total	\$ 569	\$ 600	\$ 541

Expenses – Governmental Activities

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

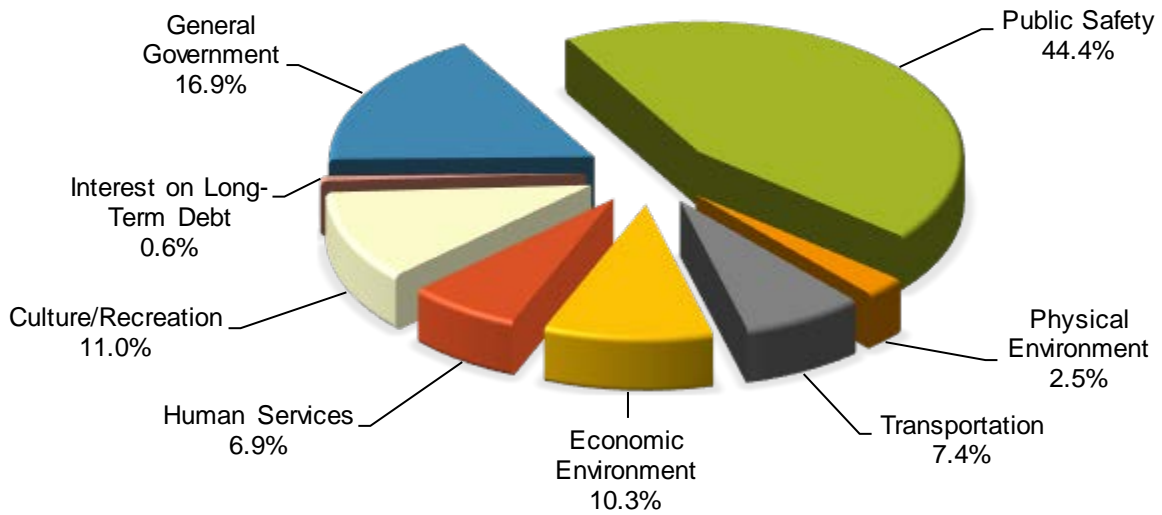
- **General government** includes the county council, county manager, county attorney, elections, property appraiser, growth management commission, judicial, financial services, central services, planning and development, construction engineering and information technology expenses.
- **Public safety** 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 2021 decreased by approximately \$32.4 million (6.4 percent) when compared to the prior year. Major factors contributing to the decrease and other offsetting increases are listed below:

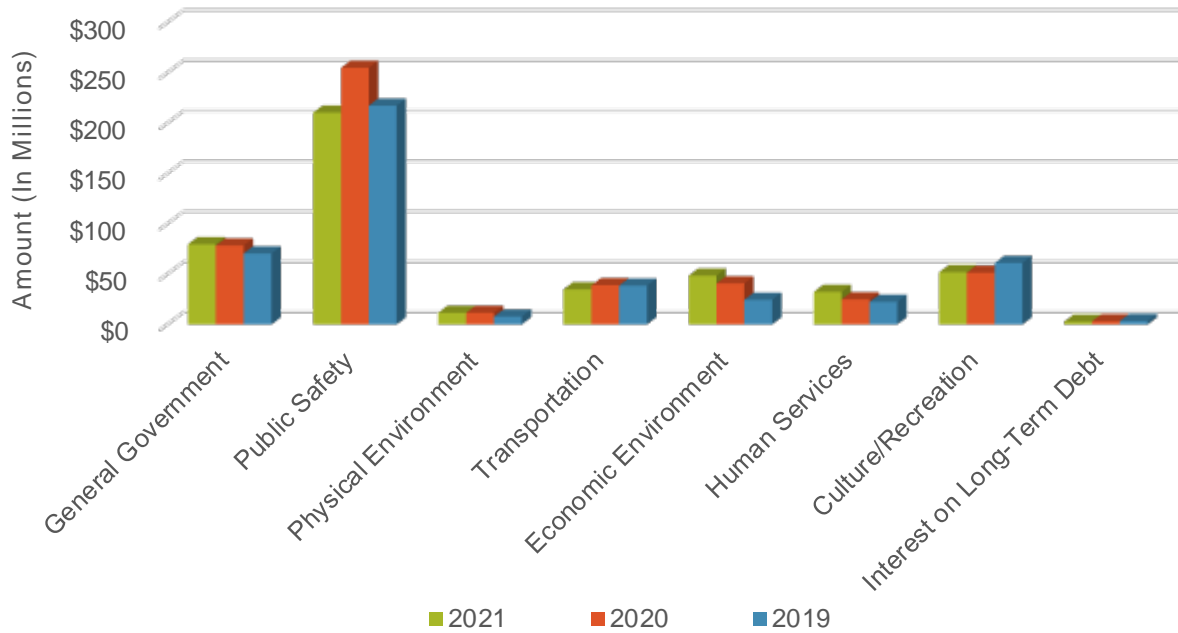
- Pension Expense as calculated in accordance with GASB Statement No. 68, decreased by approximately \$63.4 million compared to prior year. This decrease is related to the strong performance of investments for the multiple employer cost-sharing pension plans in which the County participates. Information on the pension expenses for the County's pension plan can be found in the notes to the financial statements.
- A wage adjustment of 3.0 percent resulted in an increase of approximately \$6.0 million dollars across all governmental activities.
- An increase in liability insurance premiums totaling approximately \$2.7 million resulted in an increase in all governmental activities.
- An increase in compensated absences due to County employees' utilizing less paid time off, resulted in an increase of approximately \$2.7 million across all governmental activities.
- Depreciation expense increased by approximately \$3.5 million, primarily related to end-of-life software and additional tangible assets acquired.

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 overall by \$544,216 (0.6 percent), when compared to the prior fiscal year.

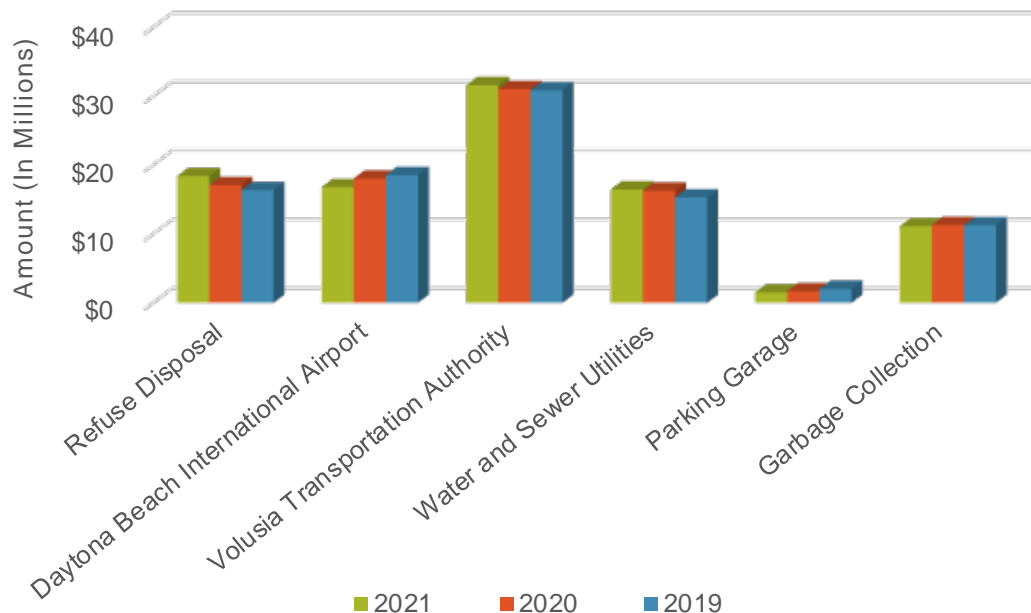
Expenses of all six of the County's business-type activities were affected by four broad factors during the fiscal year ended September 30, 2021. First, pension expense decreased by approximately \$1.5 million. The decrease is related to strong performance of investments for the multiple employer cost-sharing pension plans in which the County participates. The second factor relates to changes in the net position of the internal service funds. Third, a wage adjustment of 3.0 percent resulted in an increase in expenses of approximately \$0.3 million across all business-type activities as compared to the prior fiscal year. Lastly, an increase in liability insurance premiums totaling approximately \$0.1 million resulted in increased expenses across all activities.

Expenses relating to future landfill closure, and postclosure care, increased by approximately \$1.9 million as compared to the prior year.

Solid waste capital assets decreased by approximately \$0.5 million due to several large pieces of equipment being purchased in the prior year when no such activity occurred in the current fiscal year. Depreciation expense increased, however, due to the annual depreciation expense on the equipment purchased in fiscal year 2020.

The Daytona Beach International Airport paid \$0.3 million in connection to a coordinated marketing effort with American Airlines for newly establish routes to Philadelphia and Dallas-Fort Worth. This was a one-time increase to expenses in fiscal year 2021.

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 2021, 2020, and 2019 is provided.

Governmental Activities – Last Three Fiscal Years			
	2021	2020	2019
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 592	\$ 536	\$ 412
Due from state/federal governments	34	32	34
Receivables and other current assets	17	19	13
Inventories and prepaid items	5	5	5
Net pension asset	4	4	3
Capital assets, net of depreciation	867	841	820
Total assets	<u>1,519</u>	<u>1,437</u>	<u>1,287</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>91</u>	<u>102</u>	<u>95</u>
LIABILITIES			
Accounts and contracts payable	25	26	19
Accrued interest payable	2	3	4
Other current liabilities	101	96	23
Notes and bonds, due within one year	3	3	3
Notes and bonds, due in more than one year	73	84	94
Net pension liability	102	337	276
Other long-term liabilities	70	73	94
Total liabilities	<u>376</u>	<u>622</u>	<u>513</u>
DEFERRED INFLOWS OF RESOURCES	<u>211</u>	<u>11</u>	<u>25</u>
NET POSITION (EQUITY)			
Net investment in capital assets	791	753	720
Net position, restricted	204	192	181
Net position, unrestricted	28	(39)	(57)
Total net position (equity)	<u>\$ 1,023</u>	<u>\$ 906</u>	<u>\$ 844</u>

Balance Sheet (cont.)

Business-type Activities – Last Three Fiscal Years			
	2021	2020	2019
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 106	\$ 79	\$ 93
Due from state/federal governments	15	25	10
Receivables and other current assets	9	8	7
Inventories and prepaid items	4	4	4
Capital assets, net of depreciation	292	289	263
Total assets	426	405	377
DEFERRED OUTFLOWS OF RESOURCES	5	4	4
LIABILITIES			
Accounts and contracts payable	7	9	9
Other current liabilities	4	3	2
Notes and bonds, due within one year	2	2	2
Notes and bonds, due in more than one year	17	19	28
Net pension liability	5	12	9
Other long-term liabilities	30	29	31
Total liabilities	65	74	81
DEFERRED INFLOWS OF RESOURCES	8	1	1
NET POSITION (EQUITY)			
Net investment in capital assets	272	267	241
Net position, restricted	4	4	7
Net position, unrestricted	82	63	51
Total net position (equity)	\$ 358	\$ 334	\$ 299

Balance Sheet (cont.)

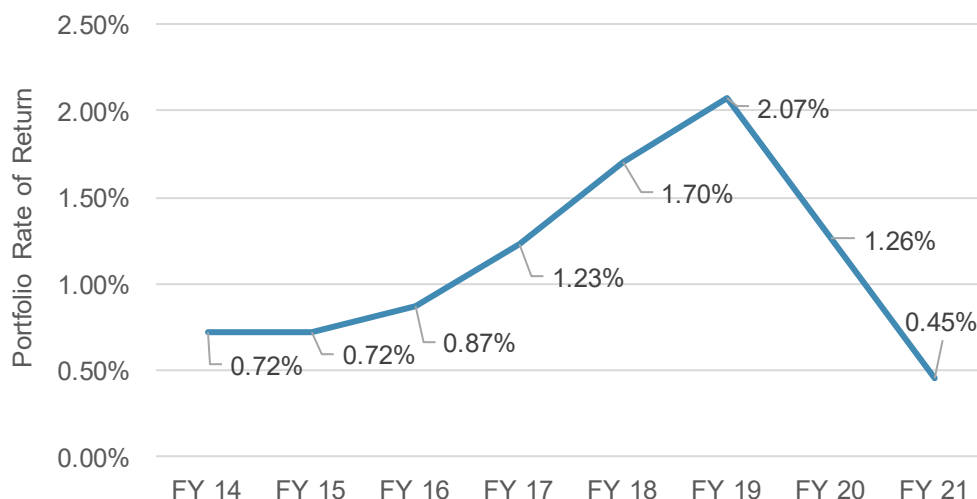
County Total – Last Three Fiscal Years			
	2021	2020	2019
(Amounts in Millions)			
ASSETS			
Cash and investments	\$ 698	\$ 615	\$ 505
Due from state/federal governments	49	57	44
Receivables and other current assets	26	27	20
Inventories and prepaid items	9	9	9
Net pension asset	4	4	3
Capital assets, net of depreciation	1,159	1,130	1,083
Total assets	1,945	1,842	1,664
DEFERRED OUTFLOWS OF RESOURCES	96	106	99
LIABILITIES			
Accounts and contracts payable	32	35	28
Accrued interest payable	2	3	4
Other current liabilities	105	99	25
Notes and bonds, due within one year	5	5	5
Notes and bonds, due in more than one year	90	103	122
Net pension liability	107	349	285
Other long-term liabilities	100	102	125
Total liabilities	441	696	594
DEFERRED INFLOWS OF RESOURCES	219	12	26
NET POSITION (EQUITY)			
Net investment in capital assets	1,063	1,020	961
Net position, restricted	208	196	188
Net position, unrestricted	110	24	(6)
Total net position (equity)	\$ 1,381	\$ 1,240	\$ 1,143

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 2021, 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 0.01 percent to 2.375 percent. The Federal Reserve System, Federal Open Market Committee (FOMC) left rates unchanged at 0-0.25 percent for the entirety of fiscal year 2021. With rates remaining unchanged at historical lows for the entire fiscal year, we saw the County's average annual return decrease from 1.26 percent for 2020 to .451 percent for 2021. For additional information concerning the investment of County funds, refer to Note 2 of the Notes to the Financial Statements.

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.

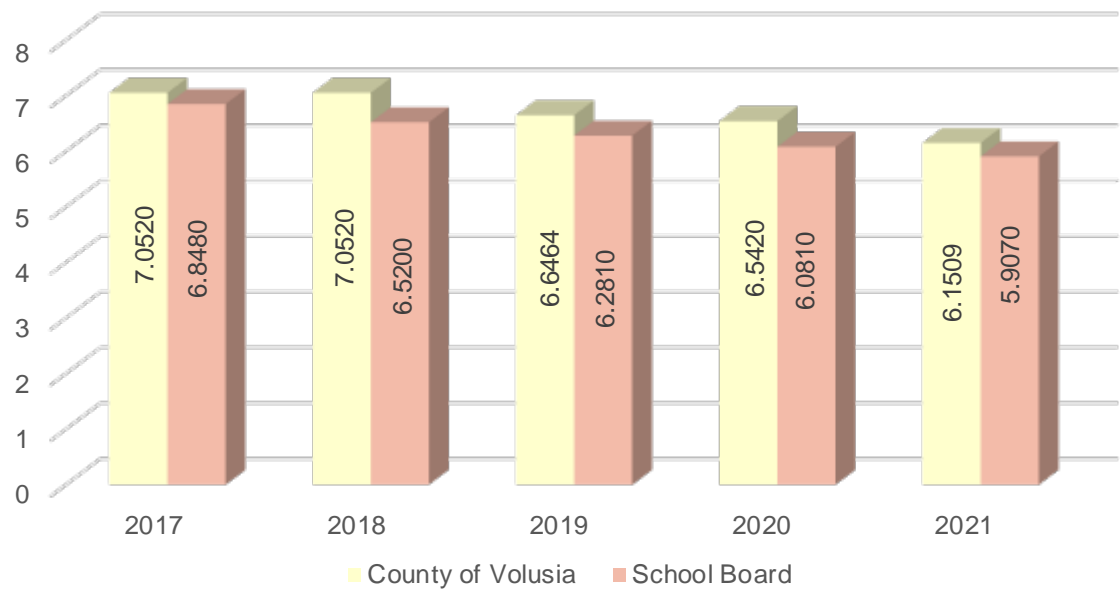
The County paid off the Limited Tax General Obligation Refunding Bond Series 2014 as scheduled during fiscal year 2021.

A comparison of the amount of long-term debt owed at the end of fiscal year 2021 to the same time period in 2020 and 2019 is presented below:

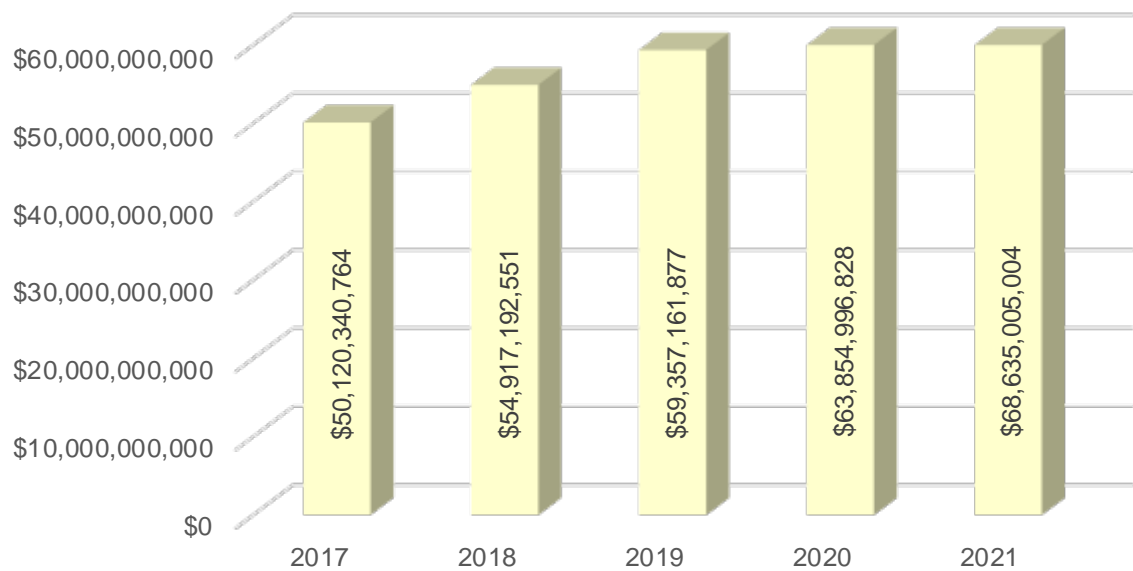
	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>
(Amounts in Millions) [except debt burden per capita]			
Bonds payable:			
Revenue bonds	\$ 59	\$ 65	\$ 77
General obligation bonds	-	3	6
Notes payable	<u>35</u>	<u>39</u>	<u>43</u>
Total bonds and notes	<u><u>\$ 94</u></u>	<u><u>\$ 107</u></u>	<u><u>\$ 126</u></u>
Debt burden per capita	\$ 168	\$ 194	\$ 234

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

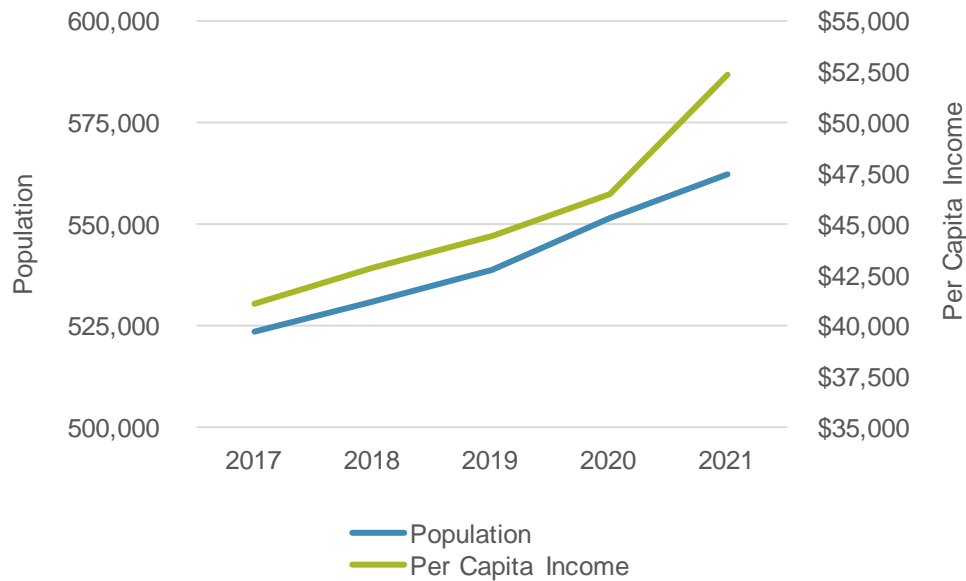
Taxpayer	Type of Business	Fiscal Year Ended September 30, 2021	
		2020 Taxable Value	Percent of Total Taxable Value
Florida Power and Light Company	Electric utility	\$ 1,675,545,753	3.92
Duke Energy Florida LLC	Electric utility	312,281,850	0.73
International Speedway Corporation	Entertainment	130,577,742	0.31
Oceanwalk I/II Condo Association	Timeshare Sales	116,941,221	0.27
Wal-Mart Stores East LP	Retail sales	111,795,110	0.26
Publix Super Markets Inc	Food sales	67,757,771	0.16
Spectrum Sunshine State LLC	Entertainment/Cablevision	65,088,763	0.15
BellSouth Telecommunication LLC	Telecommunication	58,347,284	0.14
Daytona Beach Owner LP	Real estate investment	57,335,753	0.13
LIT Deltona Logistics LLC	Warehouse/Distribution	55,775,359	0.13
Subtotal Principal Taxpayers		2,651,446,606	6.20
All Other Taxpayers		40,093,585,118	93.80
Total		\$ 42,745,031,724	100.00

Property Tax Collected in Fiscal Year Last Five Fiscal Years

Fiscal Year	Total Tax Levy	Collected to End of Tax Year			Collected in Fiscal Year	
		Current Tax Collection	Percent of Levy	Delinquent Collections	Total Collections	Percent of Levy
2021	\$ 301,163,425	\$ 290,609,104	96.50	\$ 1,080,708	\$ 291,689,812	96.85
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

Demographics

Comparison of Population and Per Capita Income Last Five Fiscal Years



Ten Largest Employers in Fiscal Year 2021

Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	7,997	3.21
AdventHealth	6,448	2.59
Halifax Health	4,000	1.60
Publix Supermarkets Incorporated	3,795	1.52
County of Volusia	3,305	1.33
Walmart Stores Incorporated	3,248	1.30
State of Florida	2,747	1.10
Embry-Riddle Aeronautical University	1,628	0.65
Amazon – Deltona location	1,500	0.60
Daytona State College	1,383	0.55
Total	36,051	14.45
Estimated total workforce	249,283	

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 3,336 scheduled flights last year, with 517,625 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 81 events with over 277,350 attendees per year
- has a library system that provided approximately 2.3 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 video and 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

