

COUNTY OF VOLUSIA, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016



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COUNTY OF VOLUSIA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2016

Prepared By:

DONNA de PEYSTER, CPA
DEPUTY COUNTY MANAGER /
CHIEF FINANCIAL OFFICER

RYAN OSSOWSKI, CPA
ACCOUNTING DIRECTOR

ACKNOWLEDGEMENTS

The successful completion of this year's Comprehensive 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, Assistant Accounting Director
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Additional Acknowledgements:

Rhonda Orr, CGFO, Department Director of Business Services
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Roger Wittenberg, Fiscal Resource Manager, Community Assistance
Wanda Lindberg, Fiscal Resource Manager, Revenue
Robert Ehrhardt, Business Manager, Economic Development

Our gratitude for the creative and technical contributions in preparing the cover and tabs for this report goes to Community Information.

**COUNTY OF VOLUSIA, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

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INTRODUCTORY SECTION:

This section contains the following subsections:

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Principal County Officials
- Organizational Chart

INTRODUCTORY SECTION



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Finance Department

March 10, 2017

Honorable Members of the County Council,
County Manager and Citizens of Volusia County:

Ladies and Gentlemen:

It is a pleasure to present the Comprehensive Annual Financial Report (CAFR) of the County of Volusia, Florida (the County) for the fiscal year ended September 30, 2016.

FORMAL TRANSMITTAL OF THE CAFR

Volusia County Home Rule Charter and Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the comprehensive annual financial report of the County of Volusia, Florida for the fiscal year ended September 30, 2016.

The report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

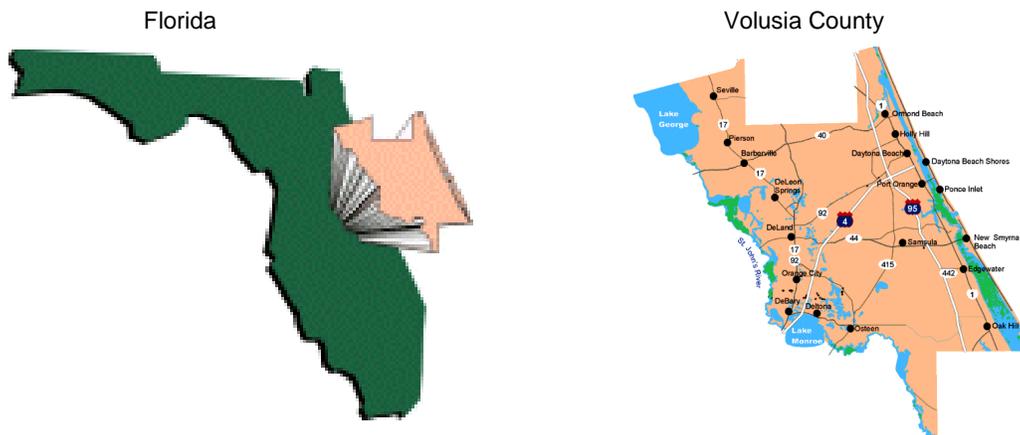
The County's financial statements have been audited by an independent firm of certified public accountants, James Moore & Co., P.L., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated single audit and passenger facility charge audit designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements, with special emphasis on those internal controls and legal requirements involving the administration of federal and state awards. These reports are in the compliance section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the independent auditors' report.

PROFILE OF THE COUNTY OF VOLUSIA, FLORIDA

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 Reporting Entity

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 services; 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. The legally separate Clerk of the Circuit Court and Volusia County Law Library are reported separately within the County's financial statements as discretely presented component units. Additional information on these legally separate entities can be found in Note 1.A.1. of the Notes to the Financial Statements.

INFORMATION USEFUL IN ASSESSING THE COUNTY'S ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment in which the County operates.

Local Economy

The economy of Volusia County improved in fiscal year 2016 with almost all non-agricultural, private industry sectors showing employment growth. The number of unemployed residents remained steady at 12,826 in November 2016 compared to 12,460 in November 2015, while the number employed over the same time period increased by almost 8,900 to 235,275. The unemployment rate stood at 5.2 percent in November 2016.

Residential new construction permit activity increased 36.6 percent in both total numbers and dollars over the prior fiscal year. Commercial new construction permits in fiscal year 2016 increased 41.7 percent in number and 84 percent in total value over fiscal year 2015. New foreclosure filings and sales of foreclosed properties in Volusia County continued to decline compared to the prior year.

Tourism leaders estimate the county had 9.8 million visitors in calendar year 2016, a 3 percent increase over the record 9.5 million visitors in 2015. Overall, bed tax revenue has increased approximately 9.5 percent.

Business Expansion and Recruitment Projects

During the fiscal year ended September 30, 2016, the \$400 million DAYTONA Rising project was completed at Daytona International Speedway (DIS), and the International Speedway Corporation has begun construction of ONE DAYTONA, a mixed-use entertainment complex across the street from DIS. Phase one of the development exceeds \$120 million and includes a Cobb Theatre multiplex facility, a Daytona-themed Bass Pro Shops store, a new 145-room Marriott hotel and more than 250,000 square feet of retail, dining and entertainment space. In November 2016, the Tanger Outlet Mall at Interstate 95 and LPGA Blvd was completed with private investment totaling \$100 million and 800 new full and part time positions created.

Halifax Health began construction of a \$12.9 million free standing emergency room on 30 acres in Deltona, the first of four facilities planned at the Interstate 4 and SR 472 interchange. Davita Labs broke ground in September for their new \$30 million facility in DeLand's Northwest Industrial Park. Northwest Lineman College finalized preparations to open a new facility in Edgewater's ParkTowne Industrial Center, making it the company's first training site in the eastern U.S.

B. Braun Medical, Inc., announced plans to renovate and expand a facility in Daytona Beach with projected investment of \$100 million, establishing their first manufacturing facility in Florida. The manufacturer is projected to create 175 higher wage positions once the project is complete. Volusia County approved performance-based financial support for several business expansion projects by small or medium-size local companies: Synergy Billing (Holly Hill), AMPS (DeLand), Dougherty Manufacturing (Edgewater), and Magnolia River Services Inc. (DeBary). Combined capital investment by these firms is projected to exceed \$30 million, and job creation could exceed 350 new, higher wage positions.

The Summit Hospitality Group is spending more than \$20 million to redevelop the former Desert Inn in Daytona Beach into a Westin Resort & Spa; the opening is anticipated in the summer of 2017. The Protogroup is nearing completion of a \$6.9 million six-story parking garage in Daytona Beach on the west side of A1A and is expected to begin construction in 2017 of the \$185 million Daytona Beach Convention Hotel & Condominiums project on the east side of A1A. The \$6 million renovation of the historic Streamline hotel in Daytona Beach is expected to be completed in the spring of 2017 and a five-story Courtyard by Marriott hotel is nearing completion in downtown DeLand south of Stetson University.

Higher Education Expansion

Embry Riddle Aeronautical University (ERAU) began construction of the John Mica Engineering and Aerospace Innovation complex at its \$32 million 17-acre Research Park West location adjacent to the Daytona Beach International Airport. In April 2016, a Through-The-Fence agreement was approved that allows the extension of Taxiway Sierra to provide ERAU with direct airport-airfield access from their research park, and will generate additional annual revenue from ERAU for the Daytona Beach International Airport. ERAU began construction of a new 4-story 177,000-square-foot student center and is nearing completion of a new 5-story 145,000 square foot residence hall.

Stetson University completed the new Marshall and Vera Lea Rinker Welcome Center and began a \$26 million expansion and renovation of the Carlton Union Building on the DeLand campus. Bethune-Cookman University opened Phase 1 of the Thomas and Joyce Hanks Moorehead Residential Life Center in Daytona Beach.

Transportation Programs and Initiatives

Passenger traffic at the Daytona Beach International Airport (DAB) through October 2016 increased 10 percent over 2015. Passenger traffic is at its highest in nine years and is projected to exceed 700,000 by the end of 2016, an increase of 65 percent compared to passenger traffic in 2009. The new JetBlue service (DAB-JFK), which began in January 2016, has become one of the most profitable new domestic routes for JetBlue according to JetBlue executives.

Construction started in June of 2016 to replace the outdated Airfield Rescue and Fire Fighting Facility and is expected to be complete in July of 2017. The design for extending Taxiway Sierra into ERAU's Research Park West was completed in 2016 and construction is expected to conclude in late 2017 or early 2018. The Airport received Federal Aviation Administration and Florida Department of Transportation funding in 2016 to commence an airport master plan update. This study will not only update the airport layout plan and provide supporting documentation for the airport's capital improvement program, but will also provide review and analysis of possible southern property development scenarios and options. Development of the southern property remains a high priority for the airport with a focus on real estate development for future aerospace, aeronautical and supporting business opportunities.

Major interstate transportation construction improvements in Volusia County continued during 2016. The Florida Department of Transportation is nearing completion on the \$138 million Interstate 4 widening project and the \$118 million Interstate 95 widening project. Improvements to the Interstate 4/Interstate 95 interchange, valued at more than \$200 million, are underway with a planned completion date in 2018. Other transportation construction projects that were completed, or are near completion, include the widening of SR 415 (\$51 million), US 92 pedestrian improvements (\$17 million), Orange Avenue in Daytona Beach (\$43 million) and the extension of Williamson Boulevard to Pioneer Trail (\$15 million). Construction commenced on the new \$38 million Veterans Memorial Bridge project over the Halifax River in Daytona Beach.

RELEVANT FINANCIAL INFORMATION

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) is 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 funding during fiscal year 2016 included:

- Public works service center
- Elections warehouse
- Sheriff's office evidence facility and forensic lab
- Study of current and future court facility requirements

The fiscal year 2016 budgeted CIP included \$58 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 \$5 million and new funding allocations of \$53 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 analysis of economic data from various sources, including the University of Florida Bureau of Economic and Business Research.

Budget Development

The development, approval, and execution of the annual budget is essentially a year-round process that involves understanding financial forecasts, legislative and property valuation impacts and aligning them with the County Council's policies and priorities. As the country continues to rebound from one of the deepest and longest economic downturns in history, the County's focus can now be directed toward providing services to its citizens beyond the basics. Reductions in unemployment, job growth, increases in retail sales and building permit activity, and increased property values are the indicators that confirm the County's economy has been improving.

Included in the adopted budget was \$2.8 million to continue the efforts of job creation through incentives within the economic development fund. As major infrastructure is added to the tax rolls with ONE DAYTONA, Tanger Outlet and various hotel developments, the financial outlook will continue to improve with increased property values, job creation and consumer spending.

Investment Policies and Practices

Cash balances of County funds are pooled and invested pursuant to the following criteria: safety, liquidity, and yield. The County's investment policy states safety - the preservation of capital - is the "foremost objective of the investment program." This objective is met by purchasing investments that mitigate both credit and interest rate risks. Credit risk, or the risk of loss due to failure of the security issuer, is mitigated by limiting investments to the safest types of securities, pre-qualifying broker/dealers with which the County will do business, and diversifying investments so that potential losses on individual securities is minimized. The investment policy provides a list of authorized investments with maximum percentages allowed. Interest rate risk, or the risk of reduced market value due to changes in interest rates, is mitigated by purchasing securities that mature to meet cash requirements thereby avoiding the need to sell securities prior to maturity.

During fiscal year 2016, 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. 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 2.00 percent. In December 2015, for the first time in seven years, the Federal Reserve's Federal Open Market Committee (FOMC) raised interest rates from 0.00 percent to 0.25 percent target range to 0.25 percent to 0.50 percent target range for the federal funds rate. In this slightly higher interest rate environment, the County's average annual rate of return correspondingly increased slightly from 0.72 percent for fiscal year 2015 to 0.87 percent for 2016. For additional information concerning the investment of county funds, refer to Note 2 of the Notes to the Financial Statements.

Debt Management

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.

During fiscal year 2016 the County closed on two loan agreements. The first loan was a \$9 million capital improvement revenue note to fund the County's obligation for the Williamson Boulevard reconstruction and extension project at the rate of 2.17 percent for ten years. The second note issued carrying a fixed rate of 1.85 percent, also for ten years, will fund certain infrastructure costs for the One Daytona Community Development District mixed-use project. The second note was for \$15 million in total proceeds, with an initial draw of \$7 million; the remaining \$8 million proceeds may be drawn down by the County, as needed, during the initial 24 months of the loan. The second note allows for early redemption on November 1, 2018, or any year thereafter with no prepayment penalty.

Emergency Reserve Policy

For the property tax supported operating funds, the County Council adopted an emergency reserve policy based upon staff recommendations and the Government Finance Officers Association (GFOA) recommended practices. The policy sets the goal for the County to systematically build emergency reserves for future fiscal years until the total of such reserves equal a minimum of five percent and maximum of ten percent of current budgeted revenues. Based upon recommendation and request from the County Manager, the County Council must approve any transfers from these reserves to the operating accounts to cover emergency-related expenditures not covered by other resources. No funds were transferred in fiscal year 2016. To the extent possible, emergency reserves that fall below the five percent threshold will be replenished during the following fiscal year, which for this reporting period, did not occur. For fiscal year 2016, the status of those reserves, based upon actual revenues, is as follows:

<u>Fund</u>	<u>Reserve Amount</u>	<u>Percentage of Operating Revenue</u>
General	\$ 19,661,054	10.0%
Fire services	2,461,776	10.0%
Municipal service district	2,063,774	5.1%
Library	1,150,531	7.2%
East Volusia Mosquito Control district	421,437	10.0%
Ponce Inlet Port Authority	243,181	10.0%

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015, an ongoing tradition since the County received its first award in 1977. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and it will be submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgements

A Comprehensive Annual Financial Report of this nature could not have been prepared without the dedicated efforts of the finance staff. I would like to express my sincere appreciation to the each member of the Accounting Division, the Department Director of Budget and Administrative Services, the Economic Development Business Manager, and Department Director of Business Services, who assisted and contributed in the preparation of this report. I would also like to thank the County Manager, the County Chair and members of the County Council for their leadership and support in planning the financial operations of the County in a responsible and progressive manner.

USE OF THIS REPORT

This report and other financial information prepared by the County of Volusia, Finance Department may be found on the County's website at <http://www.volusia.org/finance>.

Sincerely,



Donna de Peyster, CPA
Deputy County Manager/Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Volusia
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

**COUNTY OF VOLUSIA, FLORIDA
PRINCIPAL COUNTY OFFICIALS**

September 30, 2016

COUNTY COUNCIL

Jason P. Davis, County Chair

Pat Patterson	District No. 1, Vice Chair
Joyce M. Cusack	Council Member At-Large
Joshua J. Wagner	District No. 2
Deborah Denys	District No. 3
Doug Daniels	District No. 4
Fred Lowry, Jr.	District No. 5

COUNTY MANAGER

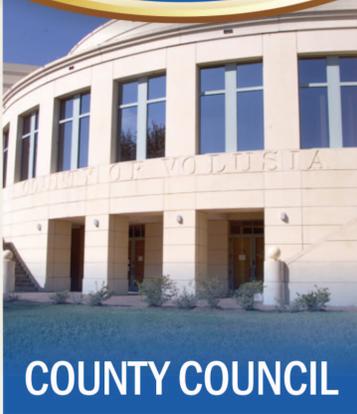
James Dinneen

ELECTED COUNTY OFFICIALS

Ben F. Johnson	Sheriff
Lisa Lewis	Interim Supervisor of Elections
Morgan B. Gilreath, Jr.	Property Appraiser



JASON P. DAVIS
COUNTY CHAIR



COUNTY COUNCIL



PAT PATTERSON
VICE CHAIR, DISTRICT 1



JOYCE M. CUSACK
AT-LARGE



JOSHUA J. WAGNER
DISTRICT 2



DEBORAH DENYS
DISTRICT 3



DOUG DANIELS
DISTRICT 4

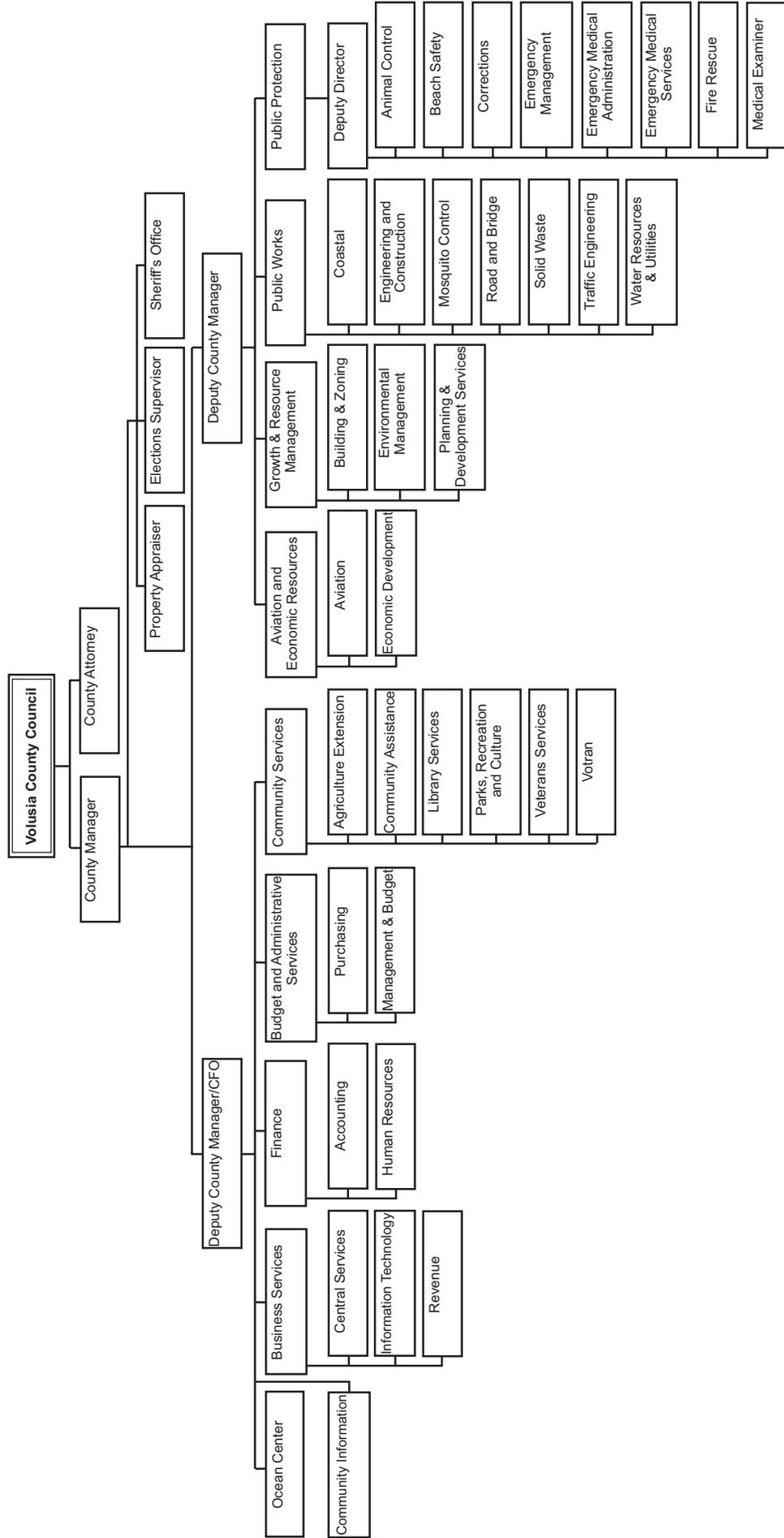


FRED LOWRY, JR.
DISTRICT 5



JAMES DINNEEN
COUNTY MANAGER

Volusia County Organizational Chart



FINANCIAL SECTION:

This section contains the following subsections:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Supplementary Information

FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the Honorable County Council Members
of the County of Volusia, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Volusia, Florida, (the County), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Clerk of the Circuit Court, County of Volusia, Florida, which represents ninety-three and ninety-six percent, respectively, of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Clerk of the Circuit Court, County of Volusia, Florida, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Volusia, Florida, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows and the respective budgetary comparisons for the General, Municipal Service District, Federal and State Grants, County Transportation Trust, and Volusia Forever funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

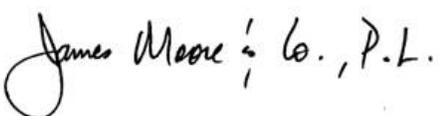
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, statistical section, schedule of passenger facility charges, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes, *Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, schedule of passenger facility charges, and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



James Moore & Co., P.L.

Daytona Beach, Florida
March 10, 2017

Management's Discussion and Analysis

Introduction

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2016. Please read it in conjunction with the letter of transmittal, beginning on page 3, and the County's financial statements beginning on page 29.

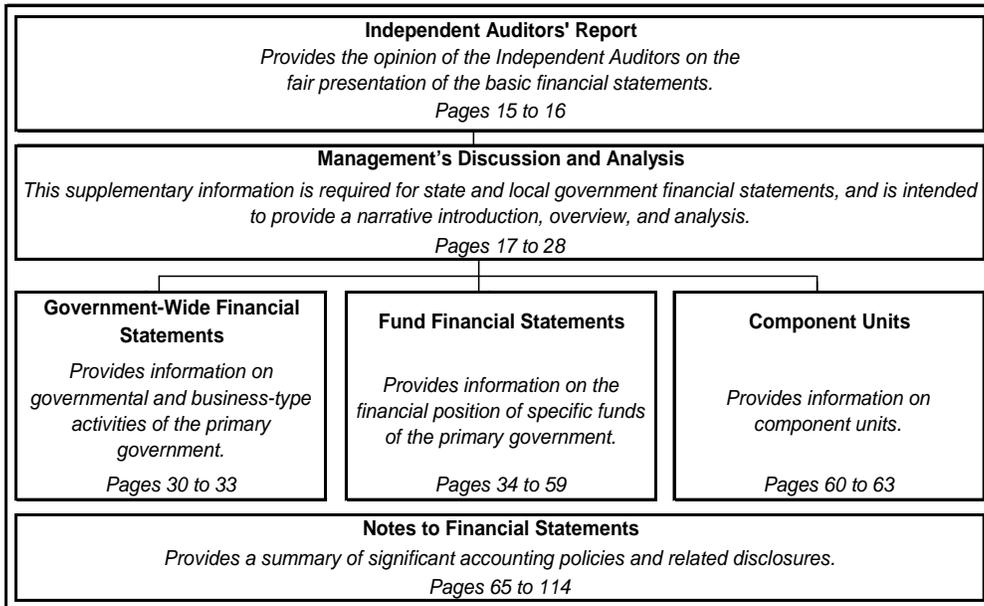
Financial Highlights

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of fiscal year 2016 by \$970,166,761 (*net position*). Of this amount, \$8,285,969 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. This was the second year in which the amount reported as unrestricted net position was significantly lower than historical averages, due to the implementation of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*.
- At September 30, 2016, the County's governmental funds reported combined ending fund balances of \$277,106,170, an increase of \$19,973,491.
- At September 30, 2016, spendable fund balance, which includes restricted, assigned, and unassigned components, for the General Fund was \$75,193,476, an increase of 4.6 percent from the prior fiscal year.
- Governmental funds revenues increased \$26,127,671 or 6.5 percent over the prior fiscal year.
- The County's net outstanding notes payable and bonded debt decreased by \$24,312,314 or 11.8 percent during fiscal year 2016. The principal retirements of its notes payable and bonded debt totaling \$40,312,314 offset an increase in its notes payable in the amount of \$16,000,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Organization and Flow of Financial Section Information



COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They consist of the *statement of net position* and the *statement of activities*. The *statement of net position* presents information about all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, health and social services, culture/recreation, and other community services. The business-type activities of the County include refuse disposal, airport operations, mass transit, water and sewer utilities, parking garage operations, and garbage collection.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the following legally separate component units: Clerk of the Circuit Court and Volusia County Law Library. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 30-33 of this report.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between *governmental funds* and *governmental activities*.

The County reports on 52 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, municipal service district, federal and state grants, county transportation trust, and Volusia Forever, which are considered to be major funds. Data from the other 47 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the supplementary information section of this report.

The County adopts an annual appropriated budget for its general, special revenue, and debt service funds and project-length budgets for the capital projects funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 34-47 of this report.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Proprietary funds

The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements, except in more detail. The County uses enterprise funds to account for activities of a government that provide goods or services to the public at large primarily on a consumer charge basis. The proprietary fund financial statements provide separate information for the refuse disposal, Daytona Beach International Airport, Volusia Transportation Authority, water and sewer utilities, parking garage, and garbage collection funds. *Internal service funds* are an accounting device used to accumulate and internally allocate costs to the County's various functions. The County uses internal service funds to account for its computer replacement, vehicle maintenance, self-insurance and risk management, and employee group insurance programs. Because the services of these funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 48-57 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statements can be found on pages 58-59 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 65-114 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* related to the County's pension plans and Other Post Employment Benefit (OPEB) obligations. Required supplementary information can be found on pages 115-121 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, debt service, capital projects, internal service, and agency funds are presented in the supplementary information section of this report. Combining and individual fund statements and schedules can be found on pages 123-214 of this report.

Financial Analysis of County of Volusia, Florida:
Government-Wide Financial Analysis

The County's net position increased from \$931,940,644 a year ago to \$970,166,761. The increase of \$38,226,117 is less than last year's increase of \$57,038,288. Looking at the net position of the governmental and business-type activities separately, the net position of the County's governmental activities increased by \$29,432,825 or 4.2 percent (\$730,225,809 compared to \$700,792,984). In the prior year, the County reported net position of \$231,147,660 for its business-type activities, which increased in the current fiscal year by \$8,793,292 (3.8 percent), and ended the year with \$239,940,952 in net position. The following analysis focuses on the changes in net position of both the County's governmental and business-type activities.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

County of Volusia, Florida
Net Position
As of September 30, 2015, and 2016

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 372,767,137	\$ 363,866,123	\$ 80,325,823	\$ 74,574,166	\$ 453,092,960	\$ 438,440,289
Capital assets	750,589,228	733,579,771	232,084,921	236,457,258	982,674,149	970,037,029
Total assets	<u>1,123,356,365</u>	<u>1,097,445,894</u>	<u>312,410,744</u>	<u>311,031,424</u>	<u>1,435,767,109</u>	<u>1,408,477,318</u>
Deferred outflows of resources	<u>90,857,515</u>	<u>26,786,750</u>	<u>2,961,909</u>	<u>1,236,716</u>	<u>93,819,424</u>	<u>28,023,466</u>
Current liabilities	39,804,358	38,452,577	6,369,215	5,971,995	46,173,573	44,424,572
Noncurrent liabilities:						
Due within 1 year	20,913,335	36,010,981	2,923,333	6,102,637	23,836,668	42,113,618
Due in more than 1 year	413,185,349	317,725,531	65,382,781	67,860,182	478,568,130	385,585,713
Total liabilities	<u>473,903,042</u>	<u>392,189,089</u>	<u>74,675,329</u>	<u>79,934,814</u>	<u>548,578,371</u>	<u>472,123,903</u>
Deferred inflows of resources	<u>10,085,029</u>	<u>31,250,571</u>	<u>756,372</u>	<u>1,185,666</u>	<u>10,841,401</u>	<u>32,436,237</u>
Net position:						
Net investment in capital assets	611,431,198	586,555,103	198,227,958	193,842,002	809,659,156	780,397,105
Restricted	144,845,741	136,923,873	7,375,895	10,445,185	152,221,636	147,369,058
Unrestricted	(26,051,130)	(22,685,992)	34,337,099	26,860,473	8,285,969	4,174,481
Total net position	<u>\$ 730,225,809</u>	<u>\$ 700,792,984</u>	<u>\$ 239,940,952</u>	<u>\$ 231,147,660</u>	<u>\$ 970,166,761</u>	<u>\$ 931,940,644</u>

The largest portion of the County's net position (83.5 percent) reflects its net investment in capital assets (e.g., land, buildings, and equipment). The County uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (15.7 percent) represents resources that are subject to external restrictions on how they may be used. These restrictions include debt covenants, enabling legislation, and other legal requirements. For governmental activities, restricted net position was \$144,845,741 (19.8 percent) of its total net position. The restricted portion of the County's business-type activities net position was \$7,375,895 (3.1 percent).

The remaining balance of unrestricted net position of \$8,285,969 (0.8 percent) for both governmental and business-type activities may be used to finance its day-to-day operations and meet the ongoing obligation to citizens and creditors without constraints by debt covenants, enabling legislation, or other legal requirements.

At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position for both governmental and business-type activities with the exception of the unrestricted net position in governmental activities. For governmental activities, unrestricted net position was a deficit of \$26,051,130. Deficit unrestricted net position is caused by long-term obligations exceeding currently available resources. The County's deficit is caused primarily by \$218,845,074 in governmental activities net pension liabilities for the County's proportionate share of the two cost-sharing defined-benefit pension plans in which the County participates (Florida Retirement System (FRS) and the separate FRS Health Insurance Subsidy Program). Reporting the amount is required by Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. However, these plans are administered by the State of Florida, and the County's only required future contributions to these plans are those percentages of payroll on active employees that are required to be contributed per Florida Statutes. Positive amounts (except governmental activities unrestricted) for net position were also reported for the prior fiscal year.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

County of Volusia, Florida
Changes in Net Position
For the Fiscal Years Ended September 30, 2015, and 2016

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:						
Program revenues:						
Charges for services	\$ 63,681,481	\$ 61,799,039	\$ 58,003,781	\$ 55,302,197	\$ 121,685,262	\$ 117,101,236
Operating grants and contributions	26,075,727	26,896,501	16,607,248	13,226,910	42,682,975	40,123,411
Capital grants and contributions	23,113,716	14,338,241	5,412,079	13,139,853	28,525,795	27,478,094
General revenues:						
Property taxes	232,986,267	219,000,088	-	-	232,986,267	219,000,088
Other taxes	69,044,121	65,197,059	-	-	69,044,121	65,197,059
Other general revenues	14,124,395	16,433,505	669,704	874,659	14,794,099	17,308,164
Total revenues	429,025,707	403,664,433	80,692,812	82,543,619	509,718,519	486,208,052
Expenses:						
General government	60,204,732	58,548,530	-	-	60,204,732	58,548,530
Public safety	179,761,302	158,055,670	-	-	179,761,302	158,055,670
Physical environment	7,044,921	5,906,298	-	-	7,044,921	5,906,298
Transportation	33,899,450	33,406,368	-	-	33,899,450	33,406,368
Economic environment	34,660,029	19,741,393	-	-	34,660,029	19,741,393
Human services	19,470,761	21,537,485	-	-	19,470,761	21,537,485
Culture/recreation	51,482,331	46,943,428	-	-	51,482,331	46,943,428
Interest on long-term debt	6,058,703	5,848,805	-	-	6,058,703	5,848,805
Refuse disposal	-	-	12,978,296	12,386,627	12,978,296	12,386,627
Daytona Beach International Airport	-	-	16,861,726	17,433,801	16,861,726	17,433,801
Volusia Transportation Authority	-	-	26,156,607	25,348,362	26,156,607	25,348,362
Water and sewer utilities	-	-	12,660,415	13,929,786	12,660,415	13,929,786
Parking garage	-	-	1,849,773	1,828,171	1,849,773	1,828,171
Garbage collection	-	-	8,403,356	8,255,040	8,403,356	8,255,040
Total expenses	392,582,229	349,987,977	78,910,173	79,181,787	471,492,402	429,169,764
Change in net position before transfers	36,443,478	53,676,456	1,782,639	3,361,832	38,226,117	57,038,288
Transfers in (out)	(7,010,653)	(7,035,653)	7,010,653	7,035,653	-	-
Change in net position	<u>29,432,825</u>	<u>46,640,803</u>	<u>8,793,292</u>	<u>10,397,485</u>	<u>38,226,117</u>	<u>57,038,288</u>
Net position - beginning	700,792,984	654,152,181	231,147,660	220,750,175	931,940,644	874,902,356
Net position - ending	<u>\$ 730,225,809</u>	<u>\$ 700,792,984</u>	<u>\$ 239,940,952</u>	<u>\$ 231,147,660</u>	<u>\$ 970,166,761</u>	<u>\$ 931,940,644</u>

The combined revenues of both the County's governmental and business-type activities increased by 4.8 percent (\$23,510,467) and the total cost of all programs and services increased by approximately 9.9 percent (\$42,322,638) when compared to last year.

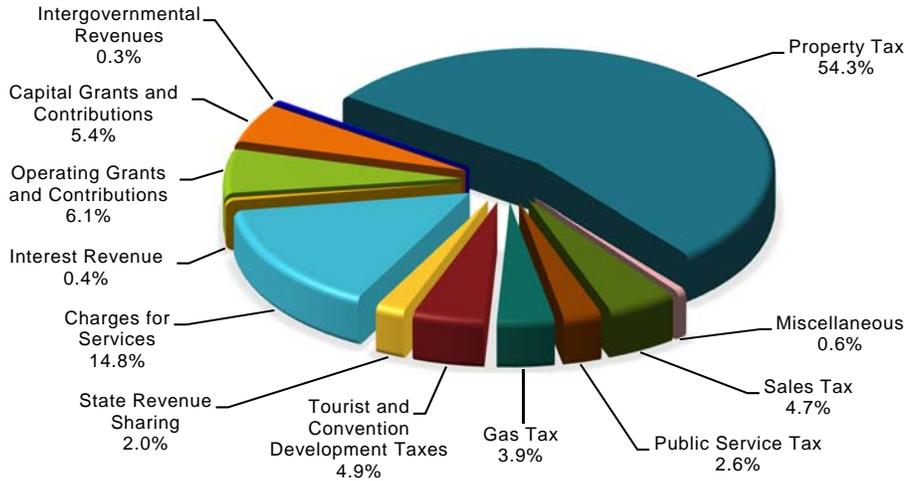
The following analysis separately considers the operations of governmental and business-type activities.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
 September 30, 2016

Governmental activities

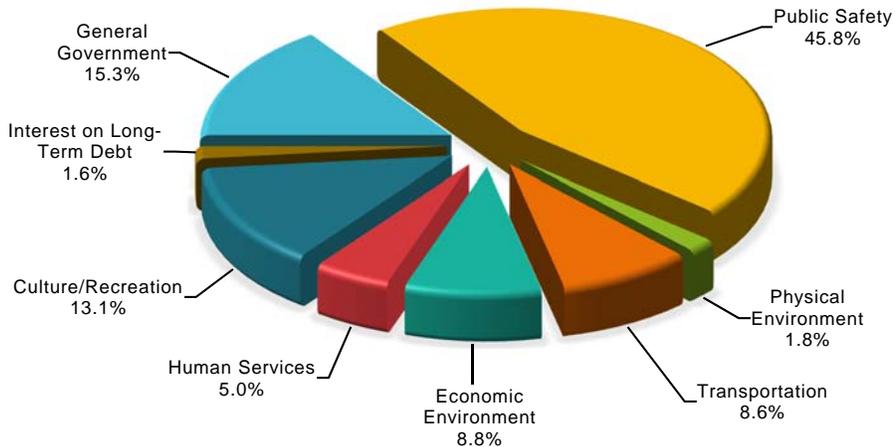
Revenues for the governmental activities increased by \$25,361,274 (6.3 percent). Increases in property tax revenue (approximately \$14.0 million), capital grants and contributions (approximately \$8.8 million), and charges for services (approximately \$1.9 million) were the primary reasons for the increase in revenues.

Revenue by Source – Governmental Activities



The cost of all governmental activities this year was \$392,582,229 compared to \$349,987,977 last year. As shown in the Statement of Activities on pages 32-33, \$112,870,924 was financed either through user fees by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions. The statement presents the cost of each of the County's seven largest programs – general government, public safety, physical environment, transportation, economic environment, human services, and culture/recreation – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the amount needed to be financed by taxes or other sources. As a result, the remaining amount of \$279,711,305 was covered by taxes and other general revenues.

Expenses by Function/Program – Governmental Activities



COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

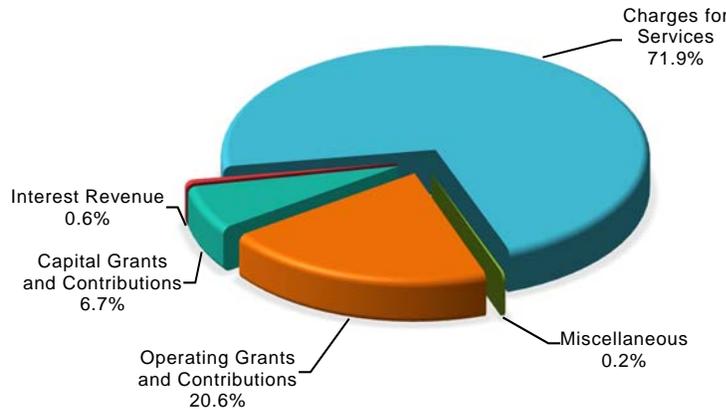
The cost of all governmental activities this year increased \$42,594,252 (12.2 percent) compared to the prior year. Increases were experienced by all activities because of \$21.9 million in increased pension expense as calculated in the parameters of GASB Statement No. 68 versus the prior fiscal year. Once the effect of GASB Statement No. 68 is removed, the remaining change in governmental activities expenses was an increase of \$20.7 million compared to last year. The reasons for the remaining increase are as follows:

- \$14.8 million of the non-pension increase was attributable to the economic environment activity, almost all of which was economic development infrastructure incentives. During the current fiscal year, the County paid \$13.1 million in economic development infrastructure incentives, \$12 million to the One Daytona Community Development District (CDD) and \$1.1 million to the Tomoka Town Center CDD. This compares to approximately \$1.5 million of such incentives in the prior fiscal year related to a new regional warehousing and distribution facility. The resulting increase in economic development infrastructure incentives is approximately \$11.6 million. The remaining \$3.2 million variance in economic development activity expenses is due primarily to increased housing assistance related disbursements and tourism advertising expenses.
- \$5.3 million of the non-pension increase was attributable to the public safety activity, primarily due to a 3.0 percent pay adjustment (approximately \$2.4 million), increased required contributions to fund the County's shared obligation with the State for juvenile justice (approximately \$2.4 million) and changes in required contributions to the County's medical insurance program (approximately \$1.7 million). The increases were offset by net decreases in other expense classifications (approximately \$1.2 million).
- The remaining \$0.6 million non-pension increase was spread across all of the County's remaining activities, all of which experienced the same increase in pay and health insurance as the public safety activity (costing approximately \$1.6 million and \$1.4 million, respectively). The increases in pay and health insurance were offset by \$2.4 million of decreases in other expenses.

Business-type activities

Revenues for the County's business-type activities decreased by \$1,850,807 (2.2 percent), when compared to last fiscal year. This overall decrease is comprised of the following: an approximate \$7.7 million decrease in capital grants and contributions and an approximate \$0.2 million decrease in other revenues, offset by an approximate \$2.7 million increase in charges for services and an approximate \$3.3 million increase in operating grants and contributions.

Revenues by Source – Business-type Activities



The Daytona Beach International Airport (DBIA) experienced an increase in operating grant funding of approximately \$2.9 million primarily related to an innovative financing grant which reimburses based on the timing of debt payments. In the current fiscal year, debt payments with a scheduled due date of October 1, 2016 were paid one day early, on September 30, 2016. This timing variance resulted in the accrual of a second increment of the innovative financing grant and increased revenues of approximately \$2.5 million versus the prior year. The increase in DBIA operating grant funding was offset by a decrease in capital grant funding of approximately \$4.0 million primarily due to major capital grant projects that were completed in the fiscal year 2015 which were not repeated in fiscal year 2016. Finally, DBIA had an increase in charges for services of approximately \$1.1 million due to increased airport rentals.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Volusia Transportation Authority (VOTRAN) capital grants decreased by \$5.8 million when compared to last year because only 8 paratransit buses were purchased in fiscal year 2016 compared to 11 full-size and 16 paratransit buses in the prior fiscal year. However, operating grants for VOTRAN increased by approximately \$0.5 million due to an increase in grant eligible expenses.

The water and sewer activity revenue increased approximately \$2.1 million due to a new cost share grant with the St. Johns River Water Management District for the expansion of the Southwest Regional Water Reclamation Facility. This project was started during fiscal year 2016 and remains in progress. The water and sewer activity also had an increase in charges for services of approximately \$1.6 million due primarily to new housing development activity resulting in more connection and capacity reservation fee collections as well as new service charges related to these new users. No other large increases or decreases occurred related to business-type activities revenues.

Operating expenses of business-type activities overall decreased by \$271,614 (0.3 percent), when compared to the prior fiscal year. Refuse disposal expenses were up by approximately \$0.6 million when compared to the prior fiscal year. The higher expenses were primarily due to an increase in landfill closure costs. DBIA experienced an approximate \$0.6 million decrease in operating expenses for decreased maintenance and repair costs (\$1.6 million) related to roof repairs and apron drainage maintenance, offset by increases in advertising expense (\$0.6 million) and temporary staffing (\$0.4 million). VOTRAN's expenses were up by approximately \$0.8 million, primarily in personnel services (\$0.5 million) mainly due to a wage increase along with an increase in health insurance. The decrease in expenses from last fiscal year for the water and sewer activity was approximately \$1.3 million, due to a one-time purchase in the prior fiscal year. No other large increases or decreases occurred related to business-type activities expenses.

Financial Analysis of the County's Funds

Governmental funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Specifically, unrestricted fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance that has not been limited to a particular purpose by an external party.

The combined total fund balances of governmental funds increased during the current fiscal year by \$19,973,491 (7.8 percent). The total governmental fund balance at September 30, 2016, was \$277,106,170, of which 36.5 percent, or \$101,147,215, is unrestricted and uncommitted, therefore available for spending at the County's discretion. Of this amount, \$99,799,574 has been assigned for particular purposes, including capital projects already in progress and the various reserves the County appropriates annually as described in the County's budget. The remainder of the fund balance is nonspendable, restricted, or committed, which indicates that it is 1) not in spendable form (\$14,627,784), 2) restricted for particular purposes (\$159,624,505), or 3) committed for particular purposes (\$1,706,666).

Major governmental funds

The general fund is the chief operating fund of the County. The general fund ended the year with a fund balance of \$82,810,374. Of this amount, \$7,616,898 is considered nonspendable because it cannot be easily converted to cash or is contractually required to remain intact. The remaining spendable portions are either restricted for a particular purpose (\$482,887), assigned to fund the fiscal year 2017 budget (\$72,345,502), or are unassigned (\$2,365,087). As a measure of the general fund's liquidity, it may be useful to compare the total assigned and unassigned fund balances to general fund total expenditures. The total assigned and unassigned fund balance is approximately 34 percent of the total general fund expenditures, while total fund balance represents approximately 38 percent of total general fund expenditures.

The fund balance of the general fund increased \$2,202,269 from the prior fiscal year. Revenues increased \$10,465,014 over the prior year. Tax revenues comprised \$8,584,900 of this increase primarily due to increased property values. Charges for services increased by \$1,933,580 from the prior year because of increased beach access fee collections and increased ambulance transport revenue, both of which were caused by increased use of the services. Proceeds of \$7,000,000 from the issuance of notes payable were recorded for the fiscal year ended 2016; no such activity occurred in the prior fiscal year.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Expenditures of the general fund increased by \$21,515,375 (11.0 percent) from the prior year. All functional areas experienced increases from a 3.0 percent pay adjustment (approximately \$2.6 million), changes in required contributions to the County's medical insurance program (approximately \$2.1 million) and an increase in retirement contribution rates (approximately \$1.0 million). The largest single cause of the increase in expenditures was reported in the economic development function, which had \$13.1 million in economic development infrastructure incentives paid in the current fiscal year (\$12 million to the One Daytona CDD and \$1.1 million to the Tomoka Town Center CDD). No such incentives were paid from the general fund in the prior fiscal year. The function also had a \$0.9 million increase in expenditures for the DBIA corporate park road construction. The largest single decrease in expenditures occurred in the coastal functional area, which decreased due to prior year purchases of land for off-beach parking at \$7.4 million not recurring in fiscal year 2016. Required contributions to fund the County's shared obligation with the State for juvenile justice increased by \$2.4 million, and was the primary cause of the change in the corrections function. Costs for new and replacement vehicles caused increases in both the Sheriff and ambulance services functions of \$2.2 million and \$1.7 million, respectively. The first disbursement to a private non-profit organization, to create a temporary housing center for families, caused a \$1.0 million increase in the housing and urban development function, while non-recurring building repair and renovation projects caused a \$1.0 million increase in the central services function. The increase in Property Appraiser expenditures was primarily caused by the initial purchase of a software license to upgrade its computerized appraisal information system (\$0.7 million).

The municipal services district fund accounts for the fiscal activity of the resources generated by any municipal-type service rendered to the citizens and taxpayers of the County's unincorporated areas. The fund's revenues of \$41,042,048 exceeded its expenditures of \$39,987,747 by \$1,054,301 which was offset by net transfers out of \$1,064,521. As a result, its fund balance decreased by \$10,220 to \$11,286,075 at the end of the fiscal year.

The municipal service district fund revenues increased \$478,379 from the previous year primarily due to higher collections of property taxes. Total expenditures increased \$2,153,499 (5.7 percent) over the previous year, primarily in the public safety function. Most of the increase in expenditures for the function were related to personnel, including a 3.0 percent pay adjustment (approximately \$460,000), increased wages for additional staff hours worked (approximately \$380,000), adjustments to required contributions to the County's medical insurance program (approximately \$340,000), increases in retirement contributions (approximately \$400,000) and in worker's compensation insurance (\$260,000). The human services function also increased by approximately \$360,000, primarily caused by capital expenditures for animal control. The fund maintained its transfer out to the County transportation trust fund of \$4,700,000 to help fund road maintenance projects for the unincorporated areas.

The federal and state grants fund accounts for the fiscal activity relating to funds received from various federal and state grant programs. The federal and state grants fund balance of \$9,906,345 represents an increase of \$2,157,417 from last fiscal year end. Total revenues increased by \$7,205,404 (39.8 percent), and expenditures increased by \$13,199,741 (69.0 percent). The increase in expenditures was primarily attributed to an increase in transportation expenditures for the South Williamson Blvd extension (\$9.2 million) and Veteran's Memorial Bridge replacement (\$4.5 million), offset by a net decrease in smaller grant programs. The increase in revenues was also attributable to the transportation projects; however, for a lower amount because of local match requirements.

The County transportation trust fund accounts for the fiscal activity relating to road and bridge maintenance and construction. The fund balance decreased by \$9,240,565 during the fiscal year to \$39,867,161 as of the year end. When compared to the prior year increase in fund balance of \$5,850,426, the change in fund balance was \$15,090,991 less than the prior year. The difference in the amount of fund balance change is primarily attributed to an increase in net interfund transfers out versus the prior year of \$17,925,582 offset by a decrease in expenditures of \$1,751,197, and increase in revenues of \$1,083,394. Increases in taxes account for the majority of the change in revenue. The increase in net transfers out was primarily caused by a one-time current year transfer out of \$15,000,000 to the public works service center capital projects fund. The decrease in expenditures was primarily due to a decrease in one-time capital expenditures.

The Volusia Forever fund was established to use voter-approved ad-valorem taxes to purchase, manage, and improve environmentally sensitive lands. In fiscal year 2011, the County purchased 4,806 acres of preservation lands. This purchase was financed, in part, by an interfund loan of \$10.9 million from the general fund to the Volusia Forever fund. The entire amount owed is recorded in the Volusia Forever fund and will be repaid over a ten year period from ad-valorem taxes collected. The amount currently owed to the general fund is \$7.9 million. The deficit fund balance of \$840,767 in the Volusia Forever fund is attributed to the effects of recording the long-term portion of this debt. The amount of the deficit fund balance is decreasing each year, as additional ad-valorem taxes are collected to repay the general fund.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Proprietary funds

The County's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of proprietary funds at the end of the year is shown below.

County of Volusia, Florida
Proprietary Funds
Unrestricted Net Position
As of September 30, 2016, and 2015

<u>Proprietary Fund</u>	<u>2016</u>	<u>2015</u>
Enterprise funds:		
Refuse disposal	\$ 5,721,719	\$ 3,006,036
Daytona Beach International Airport	13,649,605	10,238,636
Volusia Transportation Authority	(562,698)	386,192
Water and sewer utilities	8,658,756	6,986,191
Parking garage	884,308	568,190
Garbage collection	1,945,143	1,887,565
Total enterprise funds	<u>\$ 30,296,833</u>	<u>\$ 23,072,810</u>
Internal service funds	\$ 17,562,919	\$ 17,425,059

The changes in unrestricted net position of the enterprise funds is primarily due to non-operating revenues of \$17,276,952, capital grants and contributions of \$5,412,079, and net transfers in of \$7,010,653, offset by operating losses of \$19,473,633 and non-operating expenses of \$1,685,332. Changes in the amounts reported for revenues and expenses versus the prior year are the same as those previously listed in the discussion of business-type activities.

In comparison to last year, unrestricted net position of the internal service funds increased by \$137,860. Unrestricted net position reported in the vehicle maintenance fund increased by approximately \$2.5 million because of the accumulation of resources for vehicle replacement. To offset the vehicle maintenance fund increase, unrestricted net position of the employee group insurance fund decreased by approximately \$2.3 million, caused by an increase in other post-employment benefit obligations.

General Fund Budgetary Highlights

Final budgeted expenditures in the general fund were \$23,062,966 more than originally budgeted. The majority of the variance in budgeted expenditures was reported in the economic development and housing and urban development functional areas. The budget for economic development incentives was increased by \$15,000,000 for an interlocal infrastructure agreement between the County and the One Daytona Community Development District. The budget for housing and urban development was increased when the County Council approved a \$3,500,000 agreement with Halifax Urban Ministries for the creation of Hope Place, a family center offering temporary emergency housing. The remaining increase in budgeted expenditures, \$4,562,966, was attributable to the remaining 35 functional areas, which are shown on pages 42-43 of this report.

Actual expenditures in the general fund were \$52,196,672 less than budgeted. The majority of the variances in budget expenditures compared to actual for the general fund were reported as reserves as well as in the economic development functional area. Budgeted reserves of \$20,207,698 remain unspent at the close of the fiscal year. These reserves are used to fund unanticipated expenditures or are accumulated for anticipated future projects. Budgeted yet unspent funds reported in economic development include \$8,000,000 and \$1,125,000 for two interlocal infrastructure incentive grant agreements between the County and the One Daytona Community Development District and Tomoka Town Center Community Development District, respectively, and \$1,458,819 remaining unspent for job creation programs. Finally, the economic development functional area had \$522,711 in unspent, budgeted funds split among various other programs.

After consideration of amounts unspent in reserves and in the economic development functional area, the remaining portion of actual expenditures less than the amount budgeted of \$20,882,444 was in the remaining 35 functional areas, which are shown by functional area on pages 42-43 of this report. The variance includes several one-time capital and noncapital outlays, which while unspent in the current fiscal, are almost all reappropriated in the next fiscal year. This includes \$2,500,000 for the Hope Place family center, \$1,321,510 for replacement of the Property Appraiser's computerized appraisal information system, \$482,887 for Dori Slosberg driver's education funds, and \$8,470,598 in other capital budgets. The final amount remaining of \$8,107,449 (3.0 percent of the final general fund budget) was a result of salaries (\$3,401,594) and operating (\$4,705,855) expenditures coming in less than the amount budgeted.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2016 amounts to \$982,674,149 (net of accumulated depreciation). This investment in capital assets includes land, easements, buildings, improvements other than buildings, leasehold improvements, equipment, intangibles, infrastructure, and construction in progress. The net increase in the County's investment in capital assets net of accumulated depreciation for the current fiscal year was \$12,637,120 or 1.3 percent [\$17,009,457 or a 2.3 percent increase for governmental activities and (\$4,372,337) or a 1.8 percent decrease for business-type activities].

Major capital asset events during the current fiscal year included the following:

- The Spring to Spring Trail Project Phase 3 and a new segment of the East Coast Regional Rail Trail Project were completed in fiscal year 2016, at values of \$4,256,220 and \$3,197,033, respectively.
- Infrastructure assets increased by \$5,001,294 due to the completion of road projects, most notably including Pioneer Trail to Turnbull Bay Road curve realignment and Dunn Avenue and Doyle Road shoulder paving.
- Leasehold improvements increased by \$1,387,200 for the completion of improvements to the Orange City branch of the Volusia County Health Department.
- Beville Road and Pelican Bay Drive intersection improvements valued at \$1,002,687 were completed, allowing additional access to the Daytona Beach International Airport Corporate Center.
- Sixty-eight new vehicles, totaling \$2,148,866 were purchased in the Sheriff activity. An additional forty-three vehicles and other heavy equipment items, totaling \$2,782,346, were purchased in other governmental activities. Emergency medical services in conjunction with fire services, in an effort to replace aging equipment and better serve public safety and interest, purchased replacement cardiac monitors totaling \$1,839,723.
- The Daytona Beach International Airport completed a \$2,383,331 wildlife mitigation project. This involved removal of trees and other landscaping to deter wildlife from creating their habitat on airport property. The risks of aircraft-wildlife collisions at airports has been a huge concern and the completion of this project will assist the airport in maintaining a safe operating environment.
- The water and sewer system business-type activities completed the Halifax Water Quality project for \$1,996,498, which consisted of plant process improvements and technology updates to help minimize hydrogen sulfide levels and improve overall drinking water quality. Construction of the North Peninsula force main section along SR A1A was completed at a cost of \$1,259,681, which allowed for the elimination of four aging County package plants. Improvements at the Halifax Plantation Water Treatment Plant were also completed at a cost of \$2,375,181, which included the addition of several new systems as well as electrical and instrumentation improvements.

County of Volusia, Florida
Capital Assets

(net of accumulated depreciation and amortization)
As of September 30, 2015, and 2016

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 225,200,710	\$ 223,340,689	\$ 53,220,499	\$ 53,206,368	\$ 278,421,209	\$ 276,547,057
Easements	1,176,233	1,176,233	-	-	1,176,233	1,176,233
Intangibles	27,041,887	27,416,916	3,058,046	3,003,919	30,099,933	30,420,835
Buildings	194,239,776	205,072,038	14,038,671	14,441,627	208,278,447	219,513,665
Improvements other than buildings	28,332,838	21,317,758	124,929,287	125,107,848	153,262,125	146,425,606
Leasehold improvements	2,845,950	1,539,851	481,482	508,250	3,327,432	2,048,101
Equipment	59,009,193	54,212,688	23,925,487	26,931,279	82,934,680	81,143,967
Infrastructure	175,312,798	176,679,102	-	-	175,312,798	176,679,102
Construction in progress	37,429,843	22,824,496	12,431,449	13,257,967	49,861,292	36,082,463
Total	\$ 750,589,228	\$ 733,579,771	\$ 232,084,921	\$ 236,457,258	\$ 982,674,149	\$ 970,037,029

Additional information on the County's capital assets can be found in Note 6 on pages 84-85 of this report.

COUNTY OF VOLUSIA, FLORIDA
Management's Discussion and Analysis
September 30, 2016

Long-term bonded debt and note payable

At the end of fiscal year 2016, the County's total long-term debt outstanding, before issuance premiums, amounted to \$180,872,575. This amount includes bonds secured by specified revenue sources (i.e. revenue bonds) and bonds secured by a property tax levy of 0.20 mills on taxable property in the County (general obligation bonds).

County of Volusia, Florida
Outstanding Debt
Revenue and General Obligation Bonds and Notes Payable
As of September 30, 2015, and 2016

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenue bonds	\$ 104,908,689	\$ 127,899,669	\$ 17,695,000	\$ 24,265,000	\$ 122,603,689	\$ 152,164,669
General obligation bonds	15,510,000	21,295,000	-	-	15,510,000	21,295,000
Notes payable	26,610,000	13,486,711	16,148,886	18,238,509	42,758,886	31,725,220
Total	\$ 147,028,689	\$ 162,681,380	\$ 33,843,886	\$ 42,503,509	\$ 180,872,575	\$ 205,184,889

During fiscal year 2016 the County issued \$16 million in new notes payable to fund the County's portion of the South Williamson Blvd extension (\$9 million) and an economic development infrastructure incentive for the One Daytona Community Development District (\$7 million). The second note was authorized for \$15 million in total proceeds, with an initial draw of \$7 million; the remaining \$8 million of proceeds were drawn down in the subsequent fiscal year. Overall, the County's outstanding debt, before issuance premiums, decreased by \$24,312,314 (11.8 percent), during fiscal year 2016. The key factor in this decrease was required principal retirements in the amount of \$40,312,314 which were offset by \$16 million in new debt issuances.

Additional information on the County's debt can be found in Note 7 on pages 86-90 of this report.

Other Matters of Significance

In developing the fiscal year 2017 budget, the County Council considered many factors including the following major components:

- Economic indicators, such as retail sales and housing starts, continue to improve and the unemployment rate continues to drop. Consumer confidence is strengthening as demonstrated by the growth of 5.5 percent in sales tax, 9.5 percent in tourist and convention development taxes, and 6.9 percent in gas taxes.
- General fund property values increased 6.8 percent to \$28.9 billion with 5.6 percent of this increase from reassessments and 1.2 percent from new construction. The values are, however, still below fiscal year 2006 "pre-bubble" levels.
- Eight of the taxing funds' millage rates remain flat. In order to provide a reduction in taxes, the general fund's millage rate was decreased by 0.2189 mills.
- New and continued capital projects planned for the fiscal year include the Public Works Service Center, Elections Warehouse, Sheriff's Office Evidence and Forensic Laboratory, Off-Beach Parking Development and Beach Boardwalk Development. Continued funding is provided for the Trail Program and maintaining the Ocean Center building.
- The personnel services portion of the budget reflects a pay adjustment of 3.0 percent for all eligible County employees and state-mandated increases in the Florida Retirement System (FRS) rates.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the County's Chief Financial Officer, 123 West Indiana Avenue, Room 300, DeLand, FL 32720-4602. Additional financial information can be found on our web-site <http://www.volusia.org/finance>.

BASIC FINANCIAL STATEMENTS

COUNTY OF VOLUSIA, FLORIDA

Statement of Net Position

September 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Equity in pooled cash and investments	\$ 329,571,961	\$ 44,349,081	\$ 373,921,042	\$ 7,098,229
Restricted:				
Cash and cash equivalents	-	16,652,314	16,652,314	-
Receivable	-	239,065	239,065	-
Prepaid items	-	2,754,000	2,754,000	-
Accounts receivable, net	6,089,940	4,328,502	10,418,442	1,474
Accrued interest receivable	708,052	-	708,052	-
Employee receivable	32,307	-	32,307	-
Taxes receivable	2,449,219	-	2,449,219	-
Notes receivable, net	4,155,300	-	4,155,300	-
Special assessments receivable - current	108,822	-	108,822	-
Special assessments receivable - deferred	212,880	-	212,880	-
Special assessments receivable - interest	80,321	-	80,321	-
Due from component units	237,257	-	237,257	-
Due from primary government	-	-	-	2,022
Due from other governments	22,537,208	8,979,393	31,516,601	142,762
Internal balances	(1,431,204)	1,431,204	-	-
Inventories	3,100,390	977,904	4,078,294	-
Prepaid items	2,152,672	614,360	2,767,032	149,075
Deposits	30,000	-	30,000	-
Net pension asset	2,732,012	-	2,732,012	-
Capital assets:				
Nondepreciable:				
Land	225,200,710	53,220,499	278,421,209	-
Easements	1,176,233	-	1,176,233	-
Intangibles	26,292,603	3,058,046	29,350,649	-
Construction in progress	37,429,843	12,431,449	49,861,292	-
Depreciable:				
Buildings	351,708,663	36,221,698	387,930,361	-
Improvements other than buildings	53,638,573	293,912,008	347,550,581	-
Equipment	173,216,534	65,950,050	239,166,584	6,963,238
Leasehold improvements	3,518,628	535,000	4,053,628	39,436
Infrastructure	486,582,170	-	486,582,170	-
Intangibles	1,124,313	-	1,124,313	-
Less: accumulated depreciation	(609,299,042)	(233,243,829)	(842,542,871)	(5,596,395)
Total assets	1,123,356,365	312,410,744	1,435,767,109	8,799,841
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	87,204,658	2,646,776	89,851,434	4,147,262
Deferred charges on debt refundings	3,652,857	315,133	3,967,990	-
Total deferred outflows of resources	90,857,515	2,961,909	93,819,424	4,147,262
LIABILITIES				
Accounts and contracts payable	15,952,699	5,047,298	20,999,997	106,756
Accrued liabilities	12,075,426	362,389	12,437,815	427,202
Due to component units	2,022	-	2,022	-
Due to primary government	-	-	-	237,257
Due to other governments	1,136,324	178,358	1,314,682	986,153
Accrued interest payable	6,335,524	2,466	6,337,990	-
Current liabilities payable from restricted assets:				
Accrued interest payable	-	77,599	77,599	-
Deposits	369,011	551,105	920,116	948,391
Unearned revenue	3,933,352	150,000	4,083,352	-

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position (continued)
September 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES (continued)				
Non-current liabilities:				
Due within one year:				
Advance rents	-	79,045	79,045	-
Notes payable	1,088,000	2,158,463	3,246,463	-
Compensated absences payable	7,320,874	571,120	7,891,994	646,249
Estimated claims payable	8,480,676	-	8,480,676	-
Bonds payable	2,503,849	-	2,503,849	-
Pollution remediation payable	31,250	39,335	70,585	-
Net pension liability	1,488,686	75,370	1,564,056	-
Due in more than one year:				
Advance rents	-	2,213,260	2,213,260	-
Notes payable	25,522,000	13,990,423	39,512,423	-
Compensated absences payable	19,995,819	1,559,923	21,555,742	922,276
Estimated claims payable	8,608,551	-	8,608,551	-
Bonds payable	118,077,736	17,695,000	135,772,736	-
Pollution remediation payable	38,298	206,010	244,308	-
Landfill closure costs payable	-	22,555,167	22,555,167	-
Net OPEB obligation	23,586,557	-	23,586,557	551,376
Net pension liability	217,356,388	7,162,998	224,519,386	11,099,499
Total liabilities	473,903,042	74,675,329	548,578,371	15,925,159
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	10,085,029	756,372	10,841,401	292,591
Total deferred inflows of resources	10,085,029	756,372	10,841,401	292,591
NET POSITION				
Net investment in capital assets	611,431,198	198,227,958	809,659,156	1,406,279
Restricted:				
General government	96,780	-	96,780	-
Law enforcement and fire safety	10,104,230	-	10,104,230	-
Conservation and environmental programs	220,157	-	220,157	-
Transportation construction and operation	87,777,784	-	87,777,784	-
Tourism development and housing programs	7,967,225	-	7,967,225	-
Social services and community programs	3,516,809	-	3,516,809	-
Library, parks and cultural programs	30,443,681	-	30,443,681	-
Debt service principal and interest	1,847,889	779,032	2,626,921	-
Passenger facility charges program	-	1,639,065	1,639,065	-
Equipment replacement	-	350,000	350,000	3,375,743
Maintenance and operations	-	4,607,798	4,607,798	-
Payment of pension benefits	2,871,186	-	2,871,186	-
Unrestricted	(26,051,130)	34,337,099	8,285,969	(8,052,669)
Total net position	\$ 730,225,809	\$ 239,940,952	\$ 970,166,761	\$ (3,270,647)

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA

Statement of Activities

For the Fiscal Year Ended September 30, 2016

FUNCTIONS / PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 60,204,732	\$ 10,703,648	\$ 28,861	\$ 115,500
Public safety	179,761,302	39,607,370	3,219,138	1,308,197
Physical environment	7,044,921	1,228,185	525,408	-
Transportation	33,899,450	863,530	12,644,890	19,651,306
Economic environment	34,660,029	571,789	5,415,147	-
Human services	19,470,761	70,519	2,842,990	-
Culture/recreation	51,482,331	10,636,440	1,263,370	2,038,713
Interest on long-term debt	6,058,703	-	135,923	-
Total governmental activities	<u>392,582,229</u>	<u>63,681,481</u>	<u>26,075,727</u>	<u>23,113,716</u>
Business-type activities:				
Refuse disposal	12,978,296	15,187,576	15,000	1,000
Daytona Beach International Airport	16,861,726	11,803,835	6,658,462	998,023
Volusia Transportation Authority	26,156,607	3,747,630	9,933,786	1,442,278
Water and sewer utilities	12,660,415	16,358,888	-	2,970,778
Parking garage	1,849,773	2,490,909	-	-
Garbage collection	8,403,356	8,414,943	-	-
Total business-type activities	<u>78,910,173</u>	<u>58,003,781</u>	<u>16,607,248</u>	<u>5,412,079</u>
Total primary government	<u>\$ 471,492,402</u>	<u>\$ 121,685,262</u>	<u>\$ 42,682,975</u>	<u>\$ 28,525,795</u>
Component units:				
Clerk of the Circuit Court	\$ 17,933,963	\$ 12,740,186	\$ 4,054,461	\$ -
Volusia County Law Library	677,115	29,599	-	-
Total component units	<u>\$ 18,611,078</u>	<u>\$ 12,769,785</u>	<u>\$ 4,054,461</u>	<u>\$ -</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities (continued)
For the Fiscal Year Ended September 30, 2016

FUNCTIONS / PROGRAMS	Net (Expense) Revenue and Changes in Net Position			Component Units
	Primary Government			
	Governmental Activities	Business-type Activities	Total	
Primary government:				
Governmental activities:				
General government	\$ (49,356,723)	\$ -	\$ (49,356,723)	
Public safety	(135,626,597)	-	(135,626,597)	
Physical environment	(5,291,328)	-	(5,291,328)	
Transportation	(739,724)	-	(739,724)	
Economic environment	(28,673,093)	-	(28,673,093)	
Human services	(16,557,252)	-	(16,557,252)	
Culture/recreation	(37,543,808)	-	(37,543,808)	
Interest on long-term debt	(5,922,780)	-	(5,922,780)	
Total governmental activities	(279,711,305)	-	(279,711,305)	
Business-type activities:				
Refuse disposal	-	2,225,280	2,225,280	
Daytona Beach International Airport	-	2,598,594	2,598,594	
Volusia Transportation Authority	-	(11,032,913)	(11,032,913)	
Water and sewer utilities	-	6,669,251	6,669,251	
Parking garage	-	641,136	641,136	
Garbage collection	-	11,587	11,587	
Total business-type activities	-	1,112,935	1,112,935	
Total primary government	(279,711,305)	1,112,935	(278,598,370)	
Component units:				
Clerk of the Circuit Court				\$ (1,139,316)
Volusia County Law Library				(647,516)
Total component units				(1,786,832)
General revenues:				
Property tax	232,986,267	-	232,986,267	-
Sales tax	20,167,829	-	20,167,829	-
Public service tax	11,185,586	-	11,185,586	-
Gas tax	16,559,519	-	16,559,519	-
Tourist and convention development taxes	21,131,187	-	21,131,187	-
State revenue sharing not restricted to specific programs	8,614,833	-	8,614,833	-
Intergovernmental revenues not restricted to specific programs	1,091,124	-	1,091,124	660,537
Interest revenue	1,877,079	463,542	2,340,621	7,598
Miscellaneous	2,541,359	206,162	2,747,521	29,492
Transfers	(7,010,653)	7,010,653	-	-
Total general revenues and transfers	309,144,130	7,680,357	316,824,487	697,627
Change in net position	29,432,825	8,793,292	38,226,117	(1,089,205)
Net position - beginning	700,792,984	231,147,660	931,940,644	(2,181,442)
Net position - ending	\$ 730,225,809	\$ 239,940,952	\$ 970,166,761	\$ (3,270,647)

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2016

	<u>General Fund</u>	<u>Municipal Service District</u>	<u>Federal and State Grants</u>	<u>County Transportation Trust</u>
ASSETS				
Equity in pooled cash and investments	\$ 74,959,519	\$ 10,119,642	\$ 6,716,458	\$ 34,630,361
Accounts receivable, net	4,255,473	877,410	812	-
Accrued interest receivable	708,052	-	-	-
Employee receivable	32,307	-	-	-
Taxes receivable	954,119	81,904	-	-
Notes receivable, net	-	-	1,460,571	-
Special assessments receivable - current	-	108,822	-	-
Special assessments receivable - deferred	-	212,880	-	-
Special assessments receivable - interest	-	80,321	-	-
Due from other funds	12,422,434	-	-	-
Due from component units	237,257	-	-	-
Due from other governments	1,458,248	506,856	11,946,126	4,748,196
Advances to other funds	7,023,324	-	-	-
Inventories	531,267	-	-	1,614,801
Prepaid items	-	-	141,867	-
Deposits	30,000	-	-	-
Total assets	<u>\$ 102,612,000</u>	<u>\$ 11,987,835</u>	<u>\$ 20,265,834</u>	<u>\$ 40,993,358</u>
LIABILITIES				
Accounts and contracts payable	\$ 6,420,110	\$ 190,216	\$ 3,638,404	\$ 817,129
Accrued liabilities	12,075,426	-	-	-
Due to other funds	-	68,015	5,624,851	-
Due to component units	763	972	30	181
Due to other governments	410,694	14,829	234,758	2,644
Accrued interest payable	-	-	-	-
Bonds payable - current	-	-	-	-
Deposits	7,208	-	47,352	104,813
Unearned revenue	-	-	814,094	-
Advances from other funds	-	137,912	-	-
Total liabilities	<u>18,914,201</u>	<u>411,944</u>	<u>10,359,489</u>	<u>924,767</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	887,425	76,936	-	-
Unavailable revenues - special assessments	-	212,880	-	-
Unavailable revenues - other	-	-	-	201,430
Total deferred inflows of resources	<u>887,425</u>	<u>289,816</u>	<u>-</u>	<u>201,430</u>
FUND BALANCES				
Non-spendable:				
Inventories	531,267	-	-	1,614,801
Prepaid items	-	-	141,867	-
Advances	7,023,324	-	-	-
Deposits	30,000	-	-	-
Employee receivables	32,307	-	-	-
Long-term notes receivable	-	-	1,460,571	-
Restricted for:				
General government	-	-	96,780	-
Law enforcement and fire safety	-	-	44,489	-
Conservation and environmental programs	-	-	-	-
Transportation construction and operation	-	1,490,333	6,488,807	38,252,360
Tourism development and housing programs	-	-	193,947	-
Social services and community programs	482,887	-	222,280	-
Library, parks and cultural programs	-	-	1,434,283	-
Debt service principal and interest	-	-	-	-
Committed for:				
Library, parks and cultural programs	-	-	-	-
Assigned to:				
Next fiscal year budget	72,345,502	9,795,742	-	-
Capital projects	-	-	-	-
Unassigned	2,365,087	-	(176,679)	-
Total fund balances	<u>82,810,374</u>	<u>11,286,075</u>	<u>9,906,345</u>	<u>39,867,161</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 102,612,000</u>	<u>\$ 11,987,835</u>	<u>\$ 20,265,834</u>	<u>\$ 40,993,358</u>

(continued)

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Balance Sheet (continued)
Governmental Funds
September 30, 2016

	<u>Volusia Forever</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Equity in pooled cash and investments	\$ 7,043,016	\$ 136,510,326	\$ 269,979,322
Accounts receivable, net	-	256,931	5,390,626
Accrued interest receivable	-	-	708,052
Employee receivable	-	-	32,307
Taxes receivable	10,740	1,402,456	2,449,219
Notes receivable, net	-	2,694,729	4,155,300
Special assessments receivable - current	-	-	108,822
Special assessments receivable - deferred	-	-	212,880
Special assessments receivable - interest	-	-	80,321
Due from other funds	-	-	12,422,434
Due from component units	-	-	237,257
Due from other governments	-	3,811,442	22,470,868
Advances to other funds	-	-	7,023,324
Inventories	-	501,775	2,647,843
Prepaid items	-	597,143	739,010
Deposits	-	-	30,000
Total assets	<u>\$ 7,053,756</u>	<u>\$ 145,774,802</u>	<u>\$ 328,687,585</u>
LIABILITIES			
Accounts and contracts payable	\$ 18,666	\$ 3,769,421	\$ 14,853,946
Accrued liabilities	-	-	12,075,426
Due to other funds	1,145,780	3,153,922	9,992,568
Due to component units	-	76	2,022
Due to other governments	-	445,278	1,108,203
Accrued interest payable	-	11,822	11,822
Bonds payable - current	-	899,000	899,000
Deposits	-	209,638	369,011
Unearned revenue	13,994	2,901,504	3,729,592
Advances from other funds	6,706,216	-	6,844,128
Total liabilities	<u>7,884,656</u>	<u>11,390,661</u>	<u>49,885,718</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	9,867	307,159	1,281,387
Unavailable revenues - special assessments	-	-	212,880
Unavailable revenues - other	-	-	201,430
Total deferred inflows of resources	<u>9,867</u>	<u>307,159</u>	<u>1,695,697</u>
FUND BALANCES			
Non-spendable:			
Inventories	-	501,775	2,647,843
Prepaid items	-	597,143	739,010
Advances	-	-	7,023,324
Deposits	-	-	30,000
Employee receivables	-	-	32,307
Long-term notes receivable	-	2,694,729	4,155,300
Restricted for:			
General government	-	-	96,780
Law enforcement and fire safety	-	16,537,696	16,582,185
Conservation and environmental programs	-	220,157	220,157
Transportation construction and operation	-	48,295,286	94,526,786
Tourism development and housing programs	-	3,645,135	3,839,082
Social services and community programs	-	3,078,983	3,784,150
Library, parks and cultural programs	-	35,614,609	37,048,892
Debt service principal and interest	-	3,526,473	3,526,473
Committed for:			
Library, parks and cultural programs	-	1,706,666	1,706,666
Assigned to:			
Next fiscal year budget	-	-	82,141,244
Capital projects	-	17,658,330	17,658,330
Unassigned	(840,767)	-	1,347,641
Total fund balances	<u>(840,767)</u>	<u>134,076,982</u>	<u>277,106,170</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,053,756</u>	<u>\$ 145,774,802</u>	<u>\$ 328,687,585</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
September 30, 2016

Total fund balances of governmental funds \$ 277,106,170

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Nondepreciable capital assets	\$ 289,726,591	
Depreciable capital assets	1,030,096,970	
Less: Accumulated depreciation	<u>(586,765,431)</u>	733,058,130

Because some revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenue in the governmental funds, and therefore, are reported as deferred inflows of resources. In the Statement of Net Position, which is presented on the accrual basis, no deferral is reported since the revenue is fully recognized in the Statement of Activities.

Property taxes	1,281,387	
Special assessment	212,880	
Other	<u>201,430</u>	1,695,697

In the fund statements, a net pension liability is not recorded until an amount due and payable and the pension plan's fiduciary net position is not sufficient for payment benefits (no such liability exists at the end of the current fiscal year). In the Statement of Net Position, the County's proportionate share of the net pension liability of the cost-sharing defined benefit pension plans in which the County participates is reported as a liability. In addition, the County's net pension asset for the Volunteer Firefighters Pension Plan is reported as an asset in the Statement of Net Position that is not reported on the fund statements. Finally, deferred outflows and deferred inflows related to pensions are also reported in the Statement of Net Position that are not reported in the fund statements.

Net pension asset	2,732,012	
Net pension liability	(216,287,654)	
Deferred outflows related to pensions	86,307,831	
Deferred inflows related to pensions	<u>(9,735,198)</u>	(136,983,009)

(continued)

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position (continued)
September 30, 2016

Long-term liabilities, including bonds payables and notes payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. These liabilities and other debt-related deferred charges consist of the following:

Bonds payable	(119,519,689)	
Less: Deferred charge on refunding		
(to be amortized as interest expense		
and reported as a deferred outflow)	3,652,857	
Plus: issuance premium		
(to be amortized as interest expense)	(162,896)	
Notes payable	(26,610,000)	
Accrued interest payable	(6,323,702)	
Compensated absences payable	(26,671,952)	
Pollution remediation payable	<u>(69,548)</u>	(175,704,930)

Internal service funds are used by management to charge the costs of computer replacement, vehicle maintenance, risk management, and health insurance services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.

Total net position	35,094,017	
Less: Amount attributable to business-type activities	<u>(4,040,266)</u>	31,053,751

Total net position of governmental activities			<u><u>\$ 730,225,809</u></u>
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COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended September 30, 2016

	General Fund	Municipal Service District	Federal and State Grants	County Transportation Trust
REVENUES				
Taxes	\$ 165,891,850	\$ 24,236,986	\$ -	\$ 16,559,519
Licenses and permits	695,939	1,609,684	-	-
Intergovernmental revenues	10,484,115	165,226	24,834,717	8,347,925
Charges for services	33,606,157	14,278,844	440,467	341,624
Fines and forfeitures	2,831,264	132,849	-	-
Interest revenues	1,164,064	128,493	6,518	249,453
Special assessments/impact fees	-	346,579	-	-
Miscellaneous revenues	2,274,006	143,387	37,229	403,169
Total revenues	<u>216,947,395</u>	<u>41,042,048</u>	<u>25,318,931</u>	<u>25,901,690</u>
EXPENDITURES				
Current:				
General government	52,800,221	2,862,304	30,627	-
Public safety	111,344,346	33,334,626	1,005,737	-
Physical environment	5,809,321	431,242	458,768	-
Transportation	-	329,925	21,904,322	21,367,737
Economic environment	17,779,476	-	5,158,738	-
Human services	12,542,845	1,572,117	2,716,086	-
Culture/recreation	17,445,596	1,457,533	1,063,190	-
Total current	<u>217,721,805</u>	<u>39,987,747</u>	<u>32,337,468</u>	<u>21,367,737</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	31,581
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,581</u>
Capital outlay	-	-	-	-
Total expenditures	<u>217,721,805</u>	<u>39,987,747</u>	<u>32,337,468</u>	<u>21,399,318</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(774,410)</u>	<u>1,054,301</u>	<u>(7,018,537)</u>	<u>4,502,372</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,696,817	5,686,345	11,033,993	5,707,125
Transfers out	(11,720,138)	(6,750,866)	(1,858,039)	(19,450,062)
Issuance of notes/bonds payable	7,000,000	-	-	-
Total other financing sources (uses)	<u>2,976,679</u>	<u>(1,064,521)</u>	<u>9,175,954</u>	<u>(13,742,937)</u>
Net change in fund balances	<u>2,202,269</u>	<u>(10,220)</u>	<u>2,157,417</u>	<u>(9,240,565)</u>
FUND BALANCES				
Beginning	80,608,105	11,296,295	7,748,928	49,107,726
Ending	<u>\$ 82,810,374</u>	<u>\$ 11,286,075</u>	<u>\$ 9,906,345</u>	<u>\$ 39,867,161</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Governmental Funds

For the Fiscal Year Ended September 30, 2016

	<u>Volusia Forever</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 1,939,261	\$ 73,538,037	\$ 282,165,653
Licenses and permits	-	215,242	2,520,865
Intergovernmental revenues	400	24,352,460	68,184,843
Charges for services	239,818	4,733,356	53,640,266
Fines and forfeitures	-	1,158,750	4,122,863
Interest revenues	64,811	1,186,750	2,800,089
Special assessments/impact fees	-	8,660,199	9,006,778
Miscellaneous revenues	63,590	2,795,463	5,716,844
Total revenues	<u>2,307,880</u>	<u>116,640,257</u>	<u>428,158,201</u>
EXPENDITURES			
Current:			
General government	-	-	55,693,152
Public safety	-	28,628,251	174,312,960
Physical environment	830,815	-	7,530,146
Transportation	-	5,177,162	48,779,146
Economic environment	-	12,183,402	35,121,616
Human services	-	3,708,230	20,539,278
Culture/recreation	-	26,758,689	46,725,008
Total current	<u>830,815</u>	<u>76,455,734</u>	<u>388,701,306</u>
Debt service:			
Principal retirement	-	17,768,980	17,768,980
Interest and fiscal charges	-	5,405,940	5,405,940
Debt issuance costs	-	39,038	70,619
Total debt service	<u>-</u>	<u>23,213,958</u>	<u>23,245,539</u>
Capital outlay	-	5,127,212	5,127,212
Total expenditures	<u>830,815</u>	<u>104,796,904</u>	<u>417,074,057</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,477,065</u>	<u>11,843,353</u>	<u>11,084,144</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	63,399,920	93,524,200
Transfers out	-	(60,855,748)	(100,634,853)
Issuance of notes/bonds payable	-	9,000,000	16,000,000
Total other financing sources (uses)	<u>-</u>	<u>11,544,172</u>	<u>8,889,347</u>
Net change in fund balances	<u>1,477,065</u>	<u>23,387,525</u>	<u>19,973,491</u>
FUND BALANCES			
Beginning	(2,317,832)	110,689,457	257,132,679
Ending	<u>\$ (840,767)</u>	<u>\$ 134,076,982</u>	<u>\$ 277,106,170</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenue, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2016

Net change in fund balances of governmental funds \$ 19,973,491

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital purchases as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	\$ 44,861,474	
Less: Current year depreciation	<u>(28,198,465)</u>	16,663,009

In the Statement of Activities, only the gain/loss on the disposition of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets disposed. (1,264,175)

Donations/contributions of capital assets increase net position on the Statement of Activities but do not appear in the governmental funds because they are not financial resources. 1,021,187

Because some revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenue in the governmental funds. In the Statement of Activities, presented on the accrual basis, these revenues are recognized without consideration for when the revenues are available.

Property taxes	55,911	
Special assessment	(123,385)	
Other	<u>201,430</u>	133,956

Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, these amounts are not reported as expenses. Instead, contributions reduce net pension liability for amounts contributed before the plan measurement date and contributions after the plan measurement date are reported as deferred outflows. 18,902,091

In the Statement of Activities, pension expense is reported relating to the Volunteer Firefighters Pension Plan as well as the County's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the County participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68. However, pension expense is not reported in governmental funds. (28,511,263)

(continued)

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenue, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities (continued)
For the Fiscal Year Ended September 30, 2016

The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Debt issued or incurred:		
Notes payable	(16,000,000)	
Principal repayments:		
Bonds payable	15,898,980	
Notes payable	<u>1,870,000</u>	1,768,980

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Change in compensated absences payable	859,834	
Change in accrued interest payable	(180,608)	
Change in pollution remediation payable	63,785	
Amortization of bonds payable premiums	164,163	
Amortization of deferred charges on refunding	<u>(636,318)</u>	270,856

Internal service funds are used by management to charge the costs of computer replacement, vehicle maintenance, risk management, and health insurance services to individual funds. The change in net position of the internal service funds are reported with governmental activities.
Position.

Change in net position	727,296	
Less: Amount attributable to business-type activities	<u>(252,603)</u>	474,693

Change in net position of governmental activities		\$	<u>29,432,825</u>
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Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund

For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 165,246,512	\$ 165,246,512	\$ 165,891,850	\$ 645,338
Licenses and permits	554,503	554,503	695,939	141,436
Intergovernmental revenues	10,373,377	10,373,377	10,484,115	110,738
Charges for services	32,556,878	32,556,878	33,606,157	1,049,279
Fines and forfeitures	2,747,762	2,747,762	2,831,264	83,502
Interest revenues	773,481	773,481	1,164,064	390,583
Miscellaneous revenues	1,030,924	1,140,924	2,274,006	1,133,082
Total revenues	213,283,437	213,393,437	216,947,395	3,553,958
EXPENDITURES				
Current:				
General government				
County council	683,701	563,449	431,949	131,500
County manager	1,576,390	1,705,242	1,692,608	12,634
County attorney	2,417,668	2,377,673	2,141,697	235,976
Elections	4,936,813	4,936,813	3,968,268	968,545
Property appraiser	9,641,961	9,641,961	7,549,143	2,092,818
Growth management commission	288,225	288,225	225,987	62,238
Judicial	12,700,431	12,435,431	10,630,107	1,805,324
Financial services	9,025,889	8,857,632	8,372,405	485,227
Central services	7,586,918	7,492,888	6,067,679	1,425,209
Planning and development	133,494	131,494	127,129	4,365
Construction engineering	563,635	563,635	554,789	8,846
Information technology	7,490,671	7,325,341	6,673,256	652,085
Nondepartmental	4,468,751	4,468,751	4,365,204	103,547
Total general government	61,514,547	60,788,535	52,800,221	7,988,314
Public safety				
Sheriff	43,215,596	45,215,596	43,384,422	1,831,174
Corrections	43,133,823	45,432,594	42,214,520	3,218,074
Ambulance services	21,988,663	22,004,663	20,609,674	1,394,989
Emergency management	789,020	782,755	723,385	59,370
Fire services	1,415,934	1,415,934	1,275,294	140,640
Medical examiner	2,183,041	2,049,517	1,969,577	79,940
Emergency medical administration	292,919	271,988	256,596	15,392
Public protection administration	660,870	616,870	589,904	26,966
Building, zoning, and code administration	333,873	381,099	320,974	60,125
Total public safety	114,013,739	118,171,016	111,344,346	6,826,670
Physical environment				
Environmental management	3,988,997	4,122,330	3,540,557	581,773
Parks and recreation land management	551,902	539,836	523,803	16,033
Growth and resource management	319,883	325,057	312,879	12,178
Agriculture	897,685	940,608	880,250	60,358
Conservation and resource management	537,093	602,093	551,832	50,261
Total physical environment	6,295,560	6,529,924	5,809,321	720,603
Economic environment				
Economic development	11,952,135	27,252,135	16,145,605	11,106,530
Veterans services	666,430	684,843	633,871	50,972
Housing and urban development	-	3,500,000	1,000,000	2,500,000
Total economic environment	12,618,565	31,436,978	17,779,476	13,657,502

(continued)

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (continued)

General Fund

For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Current (continued):				
Human services				
Public health	\$ 2,487,910	\$ 2,487,910	\$ 2,457,274	\$ 30,636
Mental health and substance abuse	3,686,061	3,686,061	3,671,155	14,906
Children's services	2,354,744	2,357,521	2,246,518	111,003
Community assistance	4,681,259	5,793,554	4,167,898	1,625,656
Total human services	<u>13,209,974</u>	<u>14,325,046</u>	<u>12,542,845</u>	<u>1,782,201</u>
Culture/recreation				
Parks and recreation	7,251,116	7,338,182	6,576,823	761,359
Coastal	3,488,463	3,493,463	3,467,059	26,404
Beach management	7,695,130	7,627,635	7,401,714	225,921
Total culture/recreation	<u>18,434,709</u>	<u>18,459,280</u>	<u>17,445,596</u>	<u>1,013,684</u>
Reserves	20,768,417	20,207,698	-	20,207,698
Total expenditures	<u>246,855,511</u>	<u>269,918,477</u>	<u>217,721,805</u>	<u>52,196,672</u>
Deficiency of revenues under expenditures	<u>(33,572,074)</u>	<u>(56,525,040)</u>	<u>(774,410)</u>	<u>55,750,630</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,606,370	8,913,636	7,696,817	(1,216,819)
Transfers out	(11,405,662)	(11,785,662)	(11,720,138)	65,524
Issuance of notes/bonds payable	-	-	7,000,000	7,000,000
Total other financing sources (uses)	<u>(3,799,292)</u>	<u>(2,872,026)</u>	<u>2,976,679</u>	<u>5,848,705</u>
Net change in fund balances	<u>(37,371,366)</u>	<u>(59,397,066)</u>	<u>2,202,269</u>	<u>61,599,335</u>
FUND BALANCES				
Beginning	57,032,420	79,058,120	80,608,105	1,549,985
Ending	<u>\$ 19,661,054</u>	<u>\$ 19,661,054</u>	<u>\$ 82,810,374</u>	<u>\$ 63,149,320</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Municipal Service District
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 24,439,922	\$ 24,439,922	\$ 24,236,986	\$ (202,936)
Licenses and permits	1,354,981	1,354,981	1,609,684	254,703
Intergovernmental revenues	158,260	158,260	165,226	6,966
Charges for services	14,251,457	14,251,457	14,278,844	27,387
Fines and forfeitures	119,500	119,500	132,849	13,349
Interest revenues	99,715	99,715	128,493	28,778
Special assessments/impact fees	439,181	439,181	346,579	(92,602)
Miscellaneous revenues	63,200	86,200	143,387	57,187
Total revenues	<u>40,926,216</u>	<u>40,949,216</u>	<u>41,042,048</u>	<u>92,832</u>
EXPENDITURES				
Current:				
General government				
Growth and resource management	477,041	477,041	411,874	65,167
Financial services	40,695	40,695	40,695	-
Planning and development	1,723,831	1,723,831	1,548,053	175,778
Construction engineering	493,532	493,532	388,805	104,727
Nondepartmental	732,947	732,947	472,877	260,070
Total general government	<u>3,468,046</u>	<u>3,468,046</u>	<u>2,862,304</u>	<u>605,742</u>
Public safety				
Sheriff	30,915,422	30,915,422	30,125,409	790,013
Building, zoning, and code administration	3,445,324	3,468,324	3,209,217	259,107
Total public safety	<u>34,360,746</u>	<u>34,383,746</u>	<u>33,334,626</u>	<u>1,049,120</u>
Physical environment				
Environmental management	947,546	947,546	431,242	516,304
Total physical environment	<u>947,546</u>	<u>947,546</u>	<u>431,242</u>	<u>516,304</u>
Transportation				
Road and bridge maintenance	179,850	358,890	329,925	28,965
Total transportation	<u>179,850</u>	<u>358,890</u>	<u>329,925</u>	<u>28,965</u>
Human services				
Animal control	1,596,049	1,701,379	1,572,117	129,262
Total human services	<u>1,596,049</u>	<u>1,701,379</u>	<u>1,572,117</u>	<u>129,262</u>
Culture/recreation				
Parks and recreation	1,457,533	1,457,533	1,457,533	-
Total culture/recreation	<u>1,457,533</u>	<u>1,457,533</u>	<u>1,457,533</u>	<u>-</u>
Reserves	5,500,221	5,214,851	-	5,214,851
Total expenditures	<u>47,509,991</u>	<u>47,531,991</u>	<u>39,987,747</u>	<u>7,544,244</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,583,775)</u>	<u>(6,582,775)</u>	<u>1,054,301</u>	<u>7,637,076</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,686,345	5,686,345	5,686,345	-
Transfers out	(6,749,867)	(6,750,867)	(6,750,866)	1
Total other financing uses	<u>(1,063,522)</u>	<u>(1,064,522)</u>	<u>(1,064,521)</u>	<u>1</u>
Net change in fund balances	<u>(7,647,297)</u>	<u>(7,647,297)</u>	<u>(10,220)</u>	<u>7,637,077</u>
FUND BALANCES				
Beginning	9,711,071	9,711,071	11,296,295	1,585,224
Ending	<u>\$ 2,063,774</u>	<u>\$ 2,063,774</u>	<u>\$ 11,286,075</u>	<u>\$ 9,222,301</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal and State Grants
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 88,580,744	\$ 102,348,870	\$ 24,834,717	\$ (77,514,153)
Charges for services	1,860,967	554,317	440,467	(113,850)
Interest revenues	-	4,000	6,518	2,518
Miscellaneous revenues	6,000	6,000	37,229	31,229
Total revenues	<u>90,447,711</u>	<u>102,913,187</u>	<u>25,318,931</u>	<u>(77,594,256)</u>
EXPENDITURES				
Current:				
General government	283,123	251,806	30,627	221,179
Public safety	620,081	1,495,713	1,005,737	489,976
Physical environment	438,872	864,585	458,768	405,817
Transportation	58,352,917	80,633,282	21,904,322	58,728,960
Economic environment	8,784,558	8,915,747	5,158,738	3,757,009
Human services	1,382,819	3,723,955	2,716,086	1,007,869
Culture/recreation	23,107,879	20,834,228	1,063,190	19,771,038
Reserves	1,647,901	905,393	-	905,393
Total expenditures	<u>94,618,150</u>	<u>117,624,709</u>	<u>32,337,468</u>	<u>85,287,241</u>
Deficiency of revenues under expenditures	<u>(4,170,439)</u>	<u>(14,711,522)</u>	<u>(7,018,537)</u>	<u>7,692,985</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	51,086	11,373,439	11,033,993	(339,446)
Transfers out	(330,000)	(2,046,434)	(1,858,039)	188,395
Total other financing sources (uses)	<u>(278,914)</u>	<u>9,327,005</u>	<u>9,175,954</u>	<u>(151,051)</u>
Net change in fund balances	<u>(4,449,353)</u>	<u>(5,384,517)</u>	<u>2,157,417</u>	<u>7,541,934</u>
FUND BALANCES				
Beginning	4,449,353	5,384,517	7,748,928	2,364,411
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,906,345</u>	<u>\$ 9,906,345</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
County Transportation Trust
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 15,160,252	\$ 15,160,252	\$ 16,559,519	\$ 1,399,267
Intergovernmental revenues	7,410,400	7,410,400	8,347,925	937,525
Charges for services	470,887	470,887	341,624	(129,263)
Interest revenues	250,000	250,000	249,453	(547)
Miscellaneous revenues	160,000	160,000	403,169	243,169
Total revenues	<u>23,451,539</u>	<u>23,451,539</u>	<u>25,901,690</u>	<u>2,450,151</u>
EXPENDITURES				
Current:				
Transportation				
Road and bridge maintenance	31,267,166	32,670,241	21,367,737	11,302,504
Total transportation	<u>31,267,166</u>	<u>32,670,241</u>	<u>21,367,737</u>	<u>11,302,504</u>
Reserves				
Total current	<u>27,238,454</u>	<u>24,707,138</u>	<u>-</u>	<u>24,707,138</u>
Debt service:				
Debt issuance costs	-	50,000	31,581	18,419
Total debt service	<u>-</u>	<u>50,000</u>	<u>31,581</u>	<u>18,419</u>
Total expenditures	<u>58,505,620</u>	<u>57,427,379</u>	<u>21,399,318</u>	<u>36,028,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,054,081)</u>	<u>(33,975,840)</u>	<u>4,502,372</u>	<u>38,478,212</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,700,000	5,707,125	5,707,125	-
Transfers out	(17,401,873)	(19,487,239)	(19,450,062)	37,177
Total other financing uses	<u>(12,701,873)</u>	<u>(13,780,114)</u>	<u>(13,742,937)</u>	<u>37,177</u>
Net change in fund balances	<u>(47,755,954)</u>	<u>(47,755,954)</u>	<u>(9,240,565)</u>	<u>38,515,389</u>
FUND BALANCES				
Beginning	47,755,954	47,755,954	49,107,726	1,351,772
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,867,161</u>	<u>\$ 39,867,161</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Volusia Forever
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,922,496	\$ 1,922,496	\$ 1,939,261	\$ 16,765
Intergovernmental revenues	-	-	400	400
Charges for services	275,000	275,000	239,818	(35,182)
Interest revenues	50,000	50,000	64,811	14,811
Miscellaneous revenues	87,000	87,000	63,590	(23,410)
Total revenues	<u>2,334,496</u>	<u>2,334,496</u>	<u>2,307,880</u>	<u>(26,616)</u>
EXPENDITURES				
Current:				
Physical environment				
Environmental management	2,158,944	2,158,944	830,815	1,328,129
Total physical environment	<u>2,158,944</u>	<u>2,158,944</u>	<u>830,815</u>	<u>1,328,129</u>
Reserves	5,607,767	5,607,767	-	5,607,767
Total expenditures	<u>7,766,711</u>	<u>7,766,711</u>	<u>830,815</u>	<u>6,935,896</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,432,215)</u>	<u>(5,432,215)</u>	<u>1,477,065</u>	<u>6,909,280</u>
OTHER FINANCING USES				
Transfers out	(959,724)	(959,724)	-	959,724
Total other financing sources (uses)	<u>(959,724)</u>	<u>(959,724)</u>	<u>-</u>	<u>959,724</u>
Net change in fund balances	<u>(6,391,939)</u>	<u>(6,391,939)</u>	<u>1,477,065</u>	<u>7,869,004</u>
FUND BALANCES				
Beginning	6,391,939	6,391,939	(2,317,832)	(8,709,771)
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (840,767)</u>	<u>\$ (840,767)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2016

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority	Water and Sewer Utilities
ASSETS				
Current assets:				
Equity in pooled cash and investments	\$ 17,184,520	\$ 14,335,357	\$ 280,796	\$ 7,970,590
Restricted cash and cash equivalents	-	-	-	417,992
Accounts receivable, net	955,801	1,399,832	36,474	1,915,713
Due from other governments	846,524	3,483,343	1,969,036	2,680,490
Inventories	-	2,497	975,407	-
Prepaid items	372,690	33,670	208,000	-
Total current assets	19,359,535	19,254,699	3,469,713	12,984,785
Noncurrent assets:				
Restricted:				
Cash and cash equivalents	11,644,540	3,503,798	-	1,085,984
Receivable	-	239,065	-	-
Prepaid items	-	-	2,754,000	-
Capital assets:				
Land	10,048,417	34,818,862	1,047,524	7,305,696
Buildings	7,530,060	7,561,922	9,961,446	687,887
Improvements other than buildings	36,475,302	163,054,777	1,809,819	92,572,110
Equipment	13,738,140	5,760,593	43,673,042	2,290,226
Leasehold improvements	-	-	535,000	-
Intangibles	-	-	2,839,417	218,629
Construction in progress	302,280	4,572,006	441,386	7,115,777
Less: accumulated depreciation	(38,768,211)	(109,604,277)	(35,489,241)	(45,781,925)
Total capital assets, net of accumulated depreciation	29,325,988	106,163,883	24,818,393	64,408,400
Total noncurrent assets	40,970,528	109,906,746	27,572,393	65,494,384
Total assets	60,330,063	129,161,445	31,042,106	78,479,169
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	776,926	1,107,294	-	697,847
Deferred charges on debt refundings	-	242,981	-	72,152
Total deferred outflows of resources	776,926	1,350,275	-	769,999

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position (continued)
Proprietary Funds
September 30, 2016

	Business-type Activities - Enterprise Funds			Governmental
	Nonmajor			Activities
	Parking Garage	Garbage Collection	Total	Internal Service Funds
ASSETS				
Current assets:				
Equity in pooled cash and investments	\$ 1,266,878	\$ 3,310,940	\$ 44,349,081	\$ 59,592,639
Restricted cash and cash equivalents	-	-	417,992	-
Accounts receivable, net	16,324	4,358	4,328,502	699,314
Due from other governments	-	-	8,979,393	66,340
Inventories	-	-	977,904	452,547
Prepaid items	-	-	614,360	1,413,662
Total current assets	1,283,202	3,315,298	59,667,232	62,224,502
Noncurrent assets:				
Restricted:				
Cash and cash equivalents	-	-	16,234,322	-
Receivable	-	-	239,065	-
Prepaid items	-	-	2,754,000	-
Capital assets:				
Land	-	-	53,220,499	-
Buildings	10,480,383	-	36,221,698	1,967,557
Improvements other than buildings	-	-	293,912,008	458,733
Equipment	488,049	-	65,950,050	37,265,621
Leasehold improvements	-	-	535,000	-
Intangibles	-	-	3,058,046	372,798
Construction in progress	-	-	12,431,449	-
Less: accumulated depreciation	(3,600,175)	-	(233,243,829)	(22,533,611)
Total capital assets, net of accumulated depreciation	7,368,257	-	232,084,921	17,531,098
Total noncurrent assets	7,368,257	-	251,312,308	17,531,098
Total assets	8,651,459	3,315,298	310,979,540	79,755,600
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	36,348	28,361	2,646,776	896,827
Deferred charges on debt refundings	-	-	315,133	-
Total deferred outflows of resources	36,348	28,361	2,961,909	896,827

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position (continued)
Proprietary Funds
September 30, 2016

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority	Water and Sewer Utilities
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 373,827	\$ 813,936	\$ 600,266	\$ 1,852,552
Accrued liabilities	-	-	362,389	-
Due to other funds	-	-	2,400,000	-
Due to other governments	7,369	48,848	4,401	104,274
Advance rents	-	79,045	-	-
Accrued interest payable	-	2,466	-	-
Notes payable	-	245,000	-	863,070
Compensated absences payable	116,028	130,507	146,328	170,540
Estimated claims payable	-	-	-	-
Deposits	2,290	-	-	-
Unearned revenue	-	-	150,000	-
Pollution remediation payable	20,601	18,734	-	-
Net pension liability	23,900	25,209	-	24,566
Payable from restricted assets:				
Accrued interest payable	-	-	-	77,599
Notes payable	-	-	-	340,393
Total current liabilities	544,015	1,363,745	3,663,384	3,432,994
Noncurrent liabilities:				
Deposits	-	1,470	-	547,345
Advances from other funds	-	-	-	-
Advance rents	-	2,213,260	-	-
Notes payable	-	-	-	8,370,423
Compensated absences payable	316,913	356,460	399,671	465,802
Estimated claims payable	-	-	-	-
Bonds payable	-	15,280,000	-	2,415,000
Pollution remediation payable	206,010	-	-	-
Landfill closure costs payable	22,555,167	-	-	-
Net OPEB obligation	-	-	-	-
Net pension liability	2,164,250	2,845,011	-	2,008,648
Total noncurrent liabilities	25,242,340	20,696,201	399,671	13,807,218
Total liabilities	25,786,355	22,059,946	4,063,055	17,240,212
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	272,927	204,024	-	250,486
Total deferred inflows of resources	272,927	204,024	-	250,486
NET POSITION				
Net investment in capital assets	29,325,988	90,855,282	24,787,749	52,220,682
Restricted:				
Debt service	-	-	-	779,032
Passenger facility charges program	-	1,639,065	-	-
Equipment replacement	-	250,000	-	100,000
Maintenance and operations	-	1,853,798	2,754,000	-
Unrestricted	5,721,719	13,649,605	(562,698)	8,658,756
Total net position	\$ 35,047,707	\$ 108,247,750	\$ 26,979,051	\$ 61,758,470

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position (continued)
Proprietary Funds
September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Nonmajor</u>			<u>Activities</u>
	<u>Parking Garage</u>	<u>Garbage Collection</u>	<u>Total</u>	<u>Internal Service Funds</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 101,339	\$ 1,305,378	\$ 5,047,298	\$ 1,098,753
Accrued liabilities	-	-	362,389	-
Due to other funds	29,866	-	2,429,866	-
Due to other governments	13,466	-	178,358	28,121
Advance rents	-	-	79,045	-
Accrued interest payable	-	-	2,466	-
Notes payable	710,000	-	1,818,070	-
Compensated absences payable	5,617	2,100	571,120	172,791
Estimated claims payable	-	-	-	8,480,676
Deposits	-	-	2,290	-
Unearned revenue	-	-	150,000	203,760
Pollution remediation payable	-	-	39,335	-
Net pension liability	822	873	75,370	29,262
Payable from restricted assets:				
Accrued interest payable	-	-	77,599	-
Notes payable	-	-	340,393	-
Total current liabilities	<u>861,110</u>	<u>1,308,351</u>	<u>11,173,599</u>	<u>10,013,363</u>
Noncurrent liabilities:				
Deposits	-	-	548,815	-
Advances from other funds	179,196	-	179,196	-
Advance rents	-	-	2,213,260	-
Notes payable	5,620,000	-	13,990,423	-
Compensated absences payable	15,341	5,736	1,559,923	471,950
Estimated claims payable	-	-	-	8,608,551
Bonds payable	-	-	17,695,000	-
Pollution remediation payable	-	-	206,010	-
Landfill closure costs payable	-	-	22,555,167	-
Net OPEB obligation	-	-	-	23,586,557
Net pension liability	69,585	75,504	7,162,998	2,528,158
Total noncurrent liabilities	<u>5,884,122</u>	<u>81,240</u>	<u>66,110,792</u>	<u>35,195,216</u>
Total liabilities	<u>6,745,232</u>	<u>1,389,591</u>	<u>77,284,391</u>	<u>45,208,579</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	20,010	8,925	756,372	349,831
Total deferred inflows of resources	<u>20,010</u>	<u>8,925</u>	<u>756,372</u>	<u>349,831</u>
NET POSITION				
Net investment in capital assets	1,038,257	-	198,227,958	17,531,098
Restricted:				
Debt service	-	-	779,032	-
Passenger facility charges program	-	-	1,639,065	-
Equipment replacement	-	-	350,000	-
Maintenance and operations	-	-	4,607,798	-
Unrestricted	884,308	1,945,143	30,296,833	17,562,919
Total net position	<u>\$ 1,922,565</u>	<u>\$ 1,945,143</u>	<u>235,900,686</u>	<u>\$ 35,094,017</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			4,040,266	
Net position of business-type activities			<u>\$ 239,940,952</u>	

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2016

Business-type Activities - Enterprise Funds				
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority	Water and Sewer Utilities
OPERATING REVENUES				
Charges for services	\$ 14,647,108	\$ 11,722,333	\$ 3,703,717	\$ 16,055,066
Miscellaneous revenues	540,468	81,502	43,913	303,822
Total operating revenues	15,187,576	11,803,835	3,747,630	16,358,888
OPERATING EXPENSES				
Personnel services	3,649,071	3,451,153	13,515,583	3,388,069
Contracted services	1,713,284	3,523,737	2,636,495	1,496,296
Supplies and materials	1,016,980	165,614	2,042,567	628,097
Repairs and maintenance	1,605,773	1,143,521	2,682,640	1,402,176
Utilities	148,617	873,160	222,921	1,769,773
Other services and charges	2,188,653	1,344,366	660,897	363,192
Depreciation	2,901,197	5,218,467	4,385,136	3,241,190
Claims and other accrued expenses	-	-	-	-
Total operating expenses	13,223,575	15,720,018	26,146,239	12,288,793
Operating income (loss)	1,964,001	(3,916,183)	(22,398,609)	4,070,095
NON OPERATING REVENUES (EXPENSES)				
Operating grants	15,000	5,262,809	9,933,786	-
Passenger facility charges	-	1,395,653	-	-
Interest revenues	180,881	204,034	(41,298)	61,800
Interest expense	-	(1,121,706)	-	(408,157)
Net gain (loss) on disposal of capital assets	211,832	(8,577)	-	(2,261)
Miscellaneous revenues	-	1,372	3,796	-
Total non operating revenues (expenses)	407,713	5,733,585	9,896,284	(348,618)
Income (loss) before contributions and transfers	2,371,714	1,817,402	(12,502,325)	3,721,477
Capital contributions and grants	1,000	998,023	1,442,278	2,970,778
Transfers in	-	-	7,035,653	-
Transfers out	-	-	-	(25,000)
Change in net position	2,372,714	2,815,425	(4,024,394)	6,667,255
NET POSITION				
Beginning	32,674,993	105,432,325	31,003,445	55,091,215
Ending	<u>\$ 35,047,707</u>	<u>\$ 108,247,750</u>	<u>\$ 26,979,051</u>	<u>\$ 61,758,470</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position (continued)
Proprietary Funds

For the Fiscal Year Ended September 30, 2016

	Business-type Activities - Enterprise Funds			Governmental
	Nonmajor			Activities
	Parking Garage	Garbage Collection	Total	Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 2,490,748	\$ 8,390,861	\$ 57,009,833	\$ 67,971,371
Miscellaneous revenues	161	24,082	993,948	176,704
Total operating revenues	<u>2,490,909</u>	<u>8,414,943</u>	<u>58,003,781</u>	<u>68,148,075</u>
OPERATING EXPENSES				
Personnel services	150,171	131,842	24,285,889	3,939,771
Contracted services	938,080	8,242,822	18,550,714	2,362,406
Supplies and materials	32,721	5,757	3,891,736	3,710,239
Repairs and maintenance	125,353	19,202	6,978,665	3,549,574
Utilities	77,127	-	3,091,598	38,623
Other services and charges	10,506	5,207	4,572,821	4,231,454
Depreciation	360,031	-	16,106,021	3,946,571
Claims and other accrued expenses	-	-	-	46,591,087
Total operating expenses	<u>1,693,989</u>	<u>8,404,830</u>	<u>77,477,444</u>	<u>68,369,725</u>
Operating income (loss)	<u>796,920</u>	<u>10,113</u>	<u>(19,473,663)</u>	<u>(221,650)</u>
NON OPERATING REVENUES (EXPENSES)				
Operating grants	-	-	15,211,595	-
Passenger facility charges	-	-	1,395,653	-
Interest revenues	10,660	47,465	463,542	539,995
Interest expense	(155,469)	-	(1,685,332)	-
Net gain (loss) on disposal of capital assets	-	-	200,994	222,096
Miscellaneous revenues	-	-	5,168	-
Total non operating revenues (expenses)	<u>(144,809)</u>	<u>47,465</u>	<u>15,591,620</u>	<u>762,091</u>
Income (loss) before contributions and transfers	<u>652,111</u>	<u>57,578</u>	<u>(3,882,043)</u>	<u>540,441</u>
Capital contributions and grants	-	-	5,412,079	86,855
Transfers in	-	-	7,035,653	100,000
Transfers out	-	-	(25,000)	-
Change in net position	<u>652,111</u>	<u>57,578</u>	<u>8,540,689</u>	<u>727,296</u>
NET POSITION				
Beginning	1,270,454	1,887,565	227,359,997	34,366,721
Ending	<u>\$ 1,922,565</u>	<u>\$ 1,945,143</u>	<u>\$ 235,900,686</u>	<u>\$ 35,094,017</u>
Change in enterprise funds net position			\$ 8,540,689	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			252,603	
Change in net position of business-type activities			<u>\$ 8,793,292</u>	

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended September 30, 2016

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority	Water and Sewer Utilities
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 14,369,491	\$ 11,001,763	\$ 3,714,512	\$ 15,972,627
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(5,807,928)	(7,187,623)	(7,907,785)	(5,787,318)
Payments to employees	(3,628,269)	(3,357,471)	(13,517,284)	(3,290,864)
Payments of insurance claims	-	-	-	-
Other operating receipts	540,468	81,502	43,913	303,822
Net cash provided by (used for) operating activities	5,473,762	538,171	(17,666,644)	7,198,267
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subsidy from federal/state grants	15,000	4,745,284	11,813,894	-
Proceeds of loans from other funds	-	-	2,400,000	-
Repayment of interfund loans received	-	-	(3,400,000)	-
Transfers from other funds	-	-	7,035,653	-
Transfers to other funds	-	-	-	(25,000)
Net cash provided by (used for) noncapital financing activities	15,000	4,745,284	17,849,547	(25,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(3,063,206)	(1,060,045)	(1,358,621)	(6,247,933)
Proceeds from the sale of capital assets	393,406	95	-	2,226
Proceeds from insurance	-	1,372	3,796	-
Receipts of capital grants	-	7,847,375	1,256,297	380,247
Principal paid on capital debt	-	(5,262,000)	-	(2,712,623)
Interest and other costs paid on capital debt	-	(1,613,741)	-	(402,114)
Receipts of special assessments	-	-	-	2,424
Net cash provided by (used for) and related financing activities	(2,669,800)	(86,944)	(98,528)	(8,977,773)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest receipts	180,881	204,034	(41,298)	61,800
Net cash provided by (used for) investing activities	180,881	204,034	(41,298)	61,800
Net increase (decrease) in cash and cash equivalents	2,999,843	5,400,545	43,077	(1,742,706)
Cash and cash equivalents, beginning	25,829,217	12,438,610	237,719	11,217,272
Cash and cash equivalents, ending	<u>\$ 28,829,060</u>	<u>\$ 17,839,155</u>	<u>\$ 280,796</u>	<u>\$ 9,474,566</u>
CASH AND CASH EQUIVALENTS CLASSIFIED ON STATEMENT OF NET POSITION AS:				
Current assets	\$ 17,184,520	\$ 14,335,357	\$ 280,796	\$ 7,970,590
Current restricted assets	-	-	-	417,992
Noncurrent restricted assets	11,644,540	3,503,798	-	1,085,984
Total cash and cash equivalents	<u>\$ 28,829,060</u>	<u>\$ 17,839,155</u>	<u>\$ 280,796</u>	<u>\$ 9,474,566</u>

(continued)

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows (continued)
Proprietary Funds

For the Fiscal Year Ended September 30, 2016

	Business-type Activities - Enterprise Funds			Governmental
	Nonmajor			Activities
	Parking Garage	Garbage Collection	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 2,514,335	\$ 8,386,503	\$ 55,959,231	\$ -
Receipts from interfund services provided	-	-	-	68,292,087
Payments to suppliers	(1,154,800)	(7,579,046)	(35,424,500)	(13,918,448)
Payments to employees	(133,730)	(128,588)	(24,056,206)	(3,880,527)
Payments of insurance claims	-	-	-	(45,196,423)
Other operating receipts	161	24,082	993,948	176,704
Net cash provided by (used for) operating activities	1,225,966	702,951	(2,527,527)	5,473,393
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subsidy from federal/state grants	-	-	16,574,178	-
Proceeds of loans from other funds	-	-	2,400,000	-
Repayment of interfund loans received	(29,866)	-	(3,429,866)	-
Transfers from other funds	-	-	7,035,653	100,000
Transfers to other funds	-	-	(25,000)	-
Net cash provided by (used for) noncapital financing activities	(29,866)	-	22,554,965	100,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(11,024)	-	(11,740,829)	(4,828,832)
Proceeds from the sale of capital assets	-	-	395,727	236,462
Proceeds from insurance	-	-	5,168	-
Receipts of capital grants	-	-	9,483,919	-
Principal paid on capital debt	(685,000)	-	(8,659,623)	-
Interest and other costs paid on capital debt	(237,193)	-	(2,253,048)	-
Receipts of special assessments	-	-	2,424	-
Net cash provided by (used for) and related financing activities	(933,217)	-	(12,766,262)	(4,592,370)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest receipts	10,660	47,465	463,542	539,995
Net cash provided by (used for) investing activities	10,660	47,465	463,542	539,995
Net increase (decrease) in cash and cash equivalents	273,543	750,416	7,724,718	1,521,018
Cash and cash equivalents, beginning	993,335	2,560,524	53,276,677	58,071,621
Cash and cash equivalents, ending	<u>\$ 1,266,878</u>	<u>\$ 3,310,940</u>	<u>\$ 61,001,395</u>	<u>\$ 59,592,639</u>
CASH AND CASH EQUIVALENTS CLASSIFIED ON STATEMENT OF NET POSITION AS:				
Current assets	\$ 1,266,878	\$ 3,310,940	\$ 44,349,081	\$ 59,592,639
Current restricted assets	-	-	417,992	-
Noncurrent restricted assets	-	-	16,234,322	-
Total cash and cash equivalents	<u>\$ 1,266,878</u>	<u>\$ 3,310,940</u>	<u>\$ 61,001,395</u>	<u>\$ 59,592,639</u>

(continued)

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows (continued)
Proprietary Funds

For the Fiscal Year Ended September 30, 2016

Business-type Activities - Enterprise Funds				
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority	Water and Sewer Utilities
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,964,001	\$ (3,916,183)	\$ (22,398,609)	\$ 4,070,095
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	2,901,197	5,218,467	4,385,136	3,241,190
Change in assets, deferred outflows, liabilities and deferred inflows:				
Accounts receivable	(367,794)	(654,603)	10,795	(134,502)
Due from other governments	87,887	13,078	-	(3,048)
Inventories	-	(385)	(91,974)	-
Prepaid items	20,196	6,733	306,000	-
Deferred outflows related to pensions	(553,102)	(789,152)	-	(469,201)
Accounts and contracts payable	199,628	(66,255)	120,538	33,767
Accrued liabilities	-	-	78,666	-
Due to other governments	7,110	(79,743)	3,171	(161,551)
Advance rents	-	(79,045)	-	-
Compensated absences payable	(32,753)	(19,534)	(80,367)	43,730
Estimated claims payable	-	-	-	-
Deposit liabilities	2,290	-	-	55,111
Unearned revenue	-	-	-	-
Pollution remediation payable	(253,613)	2,425	-	-
Landfill closure costs payable	892,058	-	-	-
Net OPEB obligation	-	-	-	-
Net pension liability	775,787	1,108,003	-	568,327
Deferred inflows related to pensions	(169,130)	(205,635)	-	(45,651)
Total adjustments	3,509,761	4,454,354	4,731,965	3,128,172
Net cash provided by (used for) operating activities	\$ 5,473,762	\$ 538,171	\$ (17,666,644)	\$ 7,198,267
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets	\$ 1,000	\$ 1,724	\$ -	\$ -
Capital asset purchases on account, beginning	644,976	159,115	-	1,285,897
Capital asset purchases on account, ending	9,256	566,195	53,011	1,273,384
Grant receipts on account, beginning	-	8,451,503	3,663,163	-
Grant receipts on account, ending	-	3,467,353	1,969,036	2,590,531

(continued)

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows (continued)
Proprietary Funds

For the Fiscal Year Ended September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Nonmajor</u>			<u>Activities</u>
	<u>Parking Garage</u>	<u>Garbage Collection</u>	<u>Total</u>	<u>Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ 796,920	\$ 10,113	\$ (19,473,663)	\$ (221,650)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	360,031	-	16,106,021	3,946,571
Change in assets, deferred outflows, liabilities and deferred inflows:				
Accounts receivable	23,587	(4,358)	(1,126,875)	145,457
Due from other governments	-	-	97,917	(28,501)
Inventories	-	-	(92,359)	(65,531)
Prepaid items	-	-	332,929	22,721
Deferred outflows related to pensions	(31,534)	(17,793)	(1,860,782)	(617,912)
Accounts and contracts payable	35,915	693,942	1,017,535	13,868
Accrued liabilities	-	-	78,666	-
Due to other governments	(6,928)	-	(237,941)	2,790
Advance rents	-	-	(79,045)	-
Compensated absences payable	15,160	743	(73,021)	(291)
Estimated claims payable	-	-	-	(1,049,495)
Deposit liabilities	-	-	57,401	-
Unearned revenue	-	-	-	203,760
Pollution remediation payable	-	-	(251,188)	-
Landfill closure costs payable	-	-	892,058	-
Net OPEB obligation	-	-	-	2,444,159
Net pension liability	39,858	22,139	2,514,114	784,084
Deferred inflows related to pensions	(7,043)	(1,835)	(429,294)	(106,637)
Total adjustments	<u>429,046</u>	<u>692,838</u>	<u>16,946,136</u>	<u>5,695,043</u>
Net cash provided by (used for) operating activities	<u>\$ 1,225,966</u>	<u>\$ 702,951</u>	<u>\$ (2,527,527)</u>	<u>\$ 5,473,393</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets	\$ -	\$ -	\$ 2,724	\$ 86,855
Capital asset purchases on account, beginning	-	-	2,089,988	960,105
Capital asset purchases on account, ending	-	-	1,901,846	594,791
Grant receipts on account, beginning	-	-	12,114,666	-
Grant receipts on account, ending	-	-	8,026,920	-

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2016

	Pension Trust Fund	
	Volunteer Firefighters	Agency Funds
ASSETS		
Equity in pooled cash and investments	\$ 2,815,698	\$ 8,595,426
Accounts receivable, net	-	382,789
Special assessments receivable	-	27,599
Special assessments receivable - interest	-	24,422
Due from other governments	-	125,600
Investments - domestic equities	1,564,311	-
Total assets	<u>4,380,009</u>	<u>9,155,836</u>
LIABILITIES		
Accounts and contracts payable	-	15,185
Due to other governments	-	8,783,339
Deposits	-	357,312
Total liabilities	<u>-</u>	<u>9,155,836</u>
NET POSITION		
Restricted:		
Pension benefits and administration	4,380,009	-
Total net position	<u>\$ 4,380,009</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended September 30, 2016

	Pension Trust Fund
	Volunteer Firefighters
ADDITIONS	
Investment income:	
Net increase in fair value of investments	\$ 253,750
Interest	47,651
Net investment income	301,401
Total additions	301,401
DEDUCTIONS	
Pension benefit payments	99,227
Administrative expenses	9,346
Total deductions	108,573
Net increase in net position	192,828
NET POSITION RESTRICTED FOR PENSIONS	
Beginning	4,187,181
Ending	\$ 4,380,009

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Position
Component Units
September 30, 2016

	Clerk of the Circuit Court	Volusia County Law Library	Total
ASSETS			
Equity in pooled cash and investments	\$ 6,548,106	\$ 550,123	\$ 7,098,229
Accounts receivable, net	1,474	-	1,474
Due from primary government	2,022	-	2,022
Due from other governments	142,762	-	142,762
Prepaid items	149,075	-	149,075
Capital assets:			
Depreciable:			
Equipment	6,875,560	87,678	6,963,238
Leasehold improvements	-	39,436	39,436
Less: accumulated depreciation	(5,501,108)	(95,287)	(5,596,395)
Total assets	<u>8,217,891</u>	<u>581,950</u>	<u>8,799,841</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	4,052,705	94,557	4,147,262
Total deferred outflows of resources	<u>4,052,705</u>	<u>94,557</u>	<u>4,147,262</u>
LIABILITIES			
Accounts and contracts payable	106,235	521	106,756
Accrued liabilities	427,202	-	427,202
Due to primary government	237,257	-	237,257
Due to other governments	986,153	-	986,153
Deposits	948,391	-	948,391
Non-current liabilities:			
Due within one year:			
Compensated absences payable	646,249	-	646,249
Due in more than one year:			
Compensated absences payable	922,276	-	922,276
Net OPEB obligation	551,376	-	551,376
Net pension liability	10,841,377	258,122	11,099,499
Total liabilities	<u>15,666,516</u>	<u>258,643</u>	<u>15,925,159</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	279,268	13,323	292,591
Total deferred inflows of resources	<u>279,268</u>	<u>13,323</u>	<u>292,591</u>
NET POSITION			
Net investment in capital assets	1,374,452	31,827	1,406,279
Restricted:			
Public record modernization	3,375,743	-	3,375,743
Unrestricted	(8,425,383)	372,714	(8,052,669)
Total net position	<u>\$ (3,675,188)</u>	<u>\$ 404,541</u>	<u>\$ (3,270,647)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
Component Units
September 30, 2016

	<u>Clerk of the Circuit Court</u>	<u>Volusia County Law Library</u>	<u>Total</u>
EXPENSES			
General government	\$ 6,978,421	\$ -	\$ 6,978,421
Court operations	10,955,542	-	10,955,542
Law library operations	-	677,115	677,115
Total expenses	<u>17,933,963</u>	<u>677,115</u>	<u>18,611,078</u>
PROGRAM REVENUES			
Charges for services	12,740,186	29,599	12,769,785
Operating grants and contributions	4,054,461	-	4,054,461
Total program revenues	<u>16,794,647</u>	<u>29,599</u>	<u>16,824,246</u>
Net program expense	<u>1,139,316</u>	<u>647,516</u>	<u>1,786,832</u>
GENERAL REVENUES			
Intergovernmental revenues not restricted to specific programs	-	660,537	660,537
Interest revenue	7,279	319	7,598
Miscellaneous	25,199	4,293	29,492
Total general revenues	<u>32,478</u>	<u>665,149</u>	<u>697,627</u>
Change in net position	<u>(1,106,838)</u>	<u>17,633</u>	<u>(1,089,205)</u>
NET POSITION			
Beginning	<u>(2,568,350)</u>	<u>386,908</u>	<u>(2,181,442)</u>
Ending	<u>\$ (3,675,188)</u>	<u>\$ 404,541</u>	<u>\$ (3,270,647)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
Component Units
Clerk of the Circuit Court
For the Fiscal Year Ended September 30, 2016

<u>FUNCTIONS / PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Clerk of the Circuit Court:					
General government	\$ 6,978,421	\$ 3,200,524	\$ 2,256,039	\$ -	\$ (1,521,858)
Court operations	10,955,542	9,539,662	1,798,422	-	382,542
Total Clerk of the Circuit Court	<u>\$ 17,933,963</u>	<u>\$ 12,740,186</u>	<u>\$ 4,054,461</u>	<u>\$ -</u>	<u>(1,139,316)</u>
		General revenues:			
					7,279
					25,199
					<u>32,478</u>
					<u>(1,106,838)</u>
					(2,568,350)
					<u>\$ (3,675,188)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
Component Units
Volusia County Law Library
For the Fiscal Year Ended September 30, 2016

<u>FUNCTIONS / PROGRAMS</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Volusia County Law Library:					
Law library operations	\$ 677,115	\$ 29,599	\$ -	\$ -	\$ (647,516)
Total Volusia County Law Library	<u>\$ 677,115</u>	<u>\$ 29,599</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(647,516)</u>
General revenues:					
					660,537
					319
					4,293
					<u>665,149</u>
					<u>17,633</u>
					386,908
					<u>\$ 404,541</u>

The notes to the financial statements are an integral part of this statement.



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COUNTY OF VOLUSIA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 1.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Volusia, Florida have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. Significant County accounting policies are described below.

A. REPORTING ENTITY

The County of Volusia, Florida, is a Home Rule Charter County as provided for by Section 125.60 of the Florida Statutes. The County operates under a Council/Manager form of government and provides various services to its over 500,000 residents including public safety, transportation, health and social services, culture/recreation, planning, zoning, and other community enrichment and development services.

The legislative branch of the Charter government is composed of a seven-member, elected Council. The establishment and adoption of policy is the responsibility of the County Council, and the execution of such policy is the responsibility of the Council-appointed County Manager.

In addition to the elected County Council, the Charter provides for an elected Sheriff, Property Appraiser, and Supervisor of Elections to serve as department directors. The duties of the Tax Collector are included in the responsibilities of the Business Services Department, Revenue Division. The elected Clerk of the Circuit Court is excluded from the activities of the County and maintains separate accounting records and budgets.

The accompanying financial statements present the primary government, and its component units, for which the primary government is considered to be financially accountable. Also included are other entities for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete.

1. Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the County's component units. They are included because, if excluded, the County's financial statements would be misleading. They are reported in a separate column in the government-wide financial statements to emphasize their legal separation from the County. The following component units are included in the statements:

- **Clerk of the Circuit Court** – The Volusia County Clerk of the Circuit Court is responsible for the operations of the Clerk's Office, which provides support to the justice system within the County. The Clerk of the Circuit Court is elected by the voters and is a separate legal entity under the Volusia County Home Rule Charter. Office space is furnished by the County and all title to real property is in the County's name. Though the Clerk's office prepares and approves its own budget, it must remit to the County the excess revenues over expenditures for its general government operations after the close of the fiscal year, in accordance with Section 218.36 of the Florida Statutes. While the Clerk of the Circuit Court does not meet fiscal dependency or financial accountability criteria, it is included as a component unit because its exclusion from the financial reporting entity would render the County's financial statements misleading. (*Constitution of the State of Florida, Article VIII, Section 1(d).*; *Volusia County Home Rule Charter, Article V.*)
- **Volusia County Law Library** – The Volusia County Law Library is a public corporation responsible for providing two centralized and consolidated law libraries for the benefit of the general public of the County. A Board of Trustees manages the Law Library. Funding for the Law Library shall be taxed and collected by the Clerk of the Circuit Court as authorized by Florida Statutes or other laws. However, the Board of Trustees may petition the County Council for supplemental funding, and the Council may, at its discretion, appropriate such additional support. As a result, the Law Library is included as a component unit because its exclusion would render the County's financial statements misleading. (*Special Acts, Chapter 69-1706*; *Volusia County Code of Ordinances, Section 214-61.*)

Each discretely presented component unit issues separate financial statements and has a September 30 fiscal year end. Complete financial statements of the individual component units can be obtained from their respective administrative offices:

Volusia County Clerk of the Circuit Court
101 North Alabama Avenue
DeLand, FL 32724

Volusia County Law Library
125 East Orange Avenue
Daytona Beach, FL 32114

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

2. Related Organizations

The County is responsible for appointing members of boards to other organizations, but is not accountable for these organizations. The related organizations that are not included in the reporting entity are the Housing Finance Authority of Volusia County, Volusia County Industrial Development Authority and Volusia County Educational Facilities Authority.

3. Dependent Special Districts

Included within the financial report are the East Volusia Transportation District, Ponce Inlet and Port Authority, Growth Management Commission, West Volusia Library District, and Volusia County Fire District. These dependent special districts are special-purpose-taxing units within a limited boundary, created and governed by the County Council, and thus, legally part of the County.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

The basic financial statements include both the government-wide and fund financial statements. These basic statements categorize activities as either governmental or business type.

1. Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e. the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. However, for government-wide reporting, transfers between the funds included in governmental and business-type activities are eliminated so that only the net amount is included as transfers in the governmental and business-type activities column, respectively. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type column.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or activity is offset by program revenues. Program revenues must be directly associated with the function (general government, public safety, physical environment, etc.). *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Special assessments are included as a capital contribution. Taxes, except county imposed gas taxes which are reported as program revenue, and other items not properly included among program revenues are reported instead as *general revenues*. *Direct expenses* are those that are clearly identifiable with a specific function. However, the direct expenses may also include elements of allocated, incidental indirect costs.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

2. Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds which are reported as separate columns in the fund financial statements. The remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Municipal Service District Fund*, a special revenue fund, accounts for the fiscal activity relating to the municipal type services of zoning, development engineering, planning, sheriff's services, parks and recreation, and animal control for the unincorporated areas of the County. These activities are primarily funded by ad valorem, utility, and communication service taxes, permit and use fees, and service charges.
- The *Federal and State Grants Fund*, a special revenue fund, accounts for the fiscal activity relating to funds received from various federal and state grant programs.
- The *County Transportation Trust Fund*, a special revenue fund, accounts for the fiscal activity relating to County road and bridge maintenance and construction. This fund's primary source of funding is state and local gas taxes.
- The *Volusia Forever Fund*, a special revenue fund, accounts for the fiscal activities primarily relating to the management and improvement of environmentally sensitive lands acquired through the Volusia Forever program. Programs are funded by a voter approved ad valorem tax.

The County reports the following major proprietary funds:

- The *Refuse Disposal Fund* accounts for the fiscal activity of all solid waste disposal within the County.
- The *Daytona Beach International Airport Fund* accounts for the fiscal activity of the Daytona Beach International Airport.
- The *Volusia Transportation Authority Fund* accounts for the fiscal activity of the Votran bus system.
- The *Water and Sewer Utilities Fund* accounts for the fiscal activities of County-owned water and sewer plants and distribution and collection systems located primarily in unincorporated areas.
- The *Parking Garage Fund* accounts for the fiscal activities of the County-owned parking facility located adjacent to the Ocean Center.

The County reports the following non-major proprietary fund:

- The *Garbage Collection Fund* accounts for the fiscal activities of garbage collection within the unincorporated areas of the County.

Additionally, the County reports the following fund types:

- *Special Revenue Funds* account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted for specified purposes.
- *Debt Service Funds* account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- *Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
- *Internal Service Funds* account for computer replacement, vehicle maintenance, insurance, and employee group insurance services provided primarily to the departments or agencies of the County, or in some cases, to other governments, on a cost reimbursement basis.
- The *Pension Trust Fund* accounts for funds received from Fire Services to provide retirement benefits for volunteer firefighters.
- *Agency Funds* account for resources held by the County in a custodial capacity for other individuals, private organizations, or other governments. This includes ad valorem taxes collected and distributed to cities and other taxing agencies, funds held for inmates pending their release, impact fees collected and distributed to the local school board, as well as state sales tax and motor vehicle fees collected on behalf of and distributed to the state.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

The governmental funds' major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

Internal service funds (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County's governmental activities, the financial position of internal service funds are consolidated into the governmental activities column on the Statement of Net Position when presented at the government-wide level. Surpluses or deficits in the internal service funds resulting from their fiscal operations are allocated back to each governmental functional and business-type activity at the government-wide level and are included in the Statement of Activities. This creates a reconciling item between the business-type activities column at the government-wide level and the proprietary fund statements at the fund level as reflected on the bottom of each statement.

The County's fiduciary funds are presented in the fund financial statements by type (pension and agency). Since, by definition, these assets are being held for the benefit of a third party (pension participants and other local governments) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1. Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, in much the same manner as the proprietary fund and pension trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

2. Fund Financial Statements

- Governmental funds:

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other governmental fund revenues, except grant resources, are considered to be available if they are collected within 90 days of the end of the current fiscal period. When grant terms provide that an expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made.

Taxes, licenses and permits, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, pollution remediation, pension liabilities, and claims and judgments, are recorded only when payment is due. As a general rule, expenditures related to debt service principal and interest payments are recognized in the period they come due. Because the County must fund those expenditures in the current period, large surpluses result even though the payments are due the first day of the new fiscal year. To avoid possible misinterpretation of the financial statements, the County has elected to recognize the expenditure and related fund liabilities in the current period for bonds for which the principal and interest payments are due October 1.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

- Proprietary and fiduciary funds:

The proprietary funds, including enterprise and internal service funds, and pension trust funds, are reported using the *economic resources measurements focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities. County contributions to the pension trust fund is recognized when due and the employer has made a formal commitment to provide them. Benefits and refunds are recognized when due and payable in accordance with terms of the plan.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and of the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources.

D. BUDGETARY BASIS OF ACCOUNTING

Annual budgets are legally adopted by the County Council, on a basis consistent with generally accepted principles for the general, special revenue, and debt service funds. Capital project funds are appropriated on a project length basis, and unspent amounts are reappropriated annually. Formal budgetary integration is employed as a management control device during the year for all governmental funds. Formal budgetary integration is not employed for the enterprise or internal service funds.

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the budget director, who under the direction of the Chief Financial Officer (CFO), compiles the requests and submits to the County Manager. The County Manager submits his recommended budget to the County Council. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by County Council. During the year, should they be needed, transfers of appropriations between departments and divisions may occur without County Council approval if the transfers do not occur between funds. However, transfers between funds require County Council approval. If during the fiscal year, the County Manager certifies that there are additional available revenues for appropriation in excess of those estimated in the budget, the Council may make supplemental appropriations for the year, up to the amount of such excess revenues.

Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. An appropriation for a capital program within the general or special revenue funds shall be re-budgeted on an annual basis until the purpose for which it was made has been accomplished or abandoned. The purpose of any appropriation shall be deemed abandoned if, after three years, no disbursement or encumbrance has been made.

E. PROPERTY TAXES

On November 1, the levy date, the property assessment roll is certified, based upon values as of January 1 (valuation date), and all real and tangible personal property taxes are due and payable. Taxes are collected and considered current from November 1 to March 31. On April 1, all unpaid real and tangible personal property taxes are considered delinquent. On May 31, the lien date, tax certificates are sold on all real estate parcels with unpaid real property taxes. By no later than August 31, the County is given authorization through court order to seize, for eventual sale, personal property if the taxpayer fails to pay the delinquent personal property tax.

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are reported as Equity in Pooled Cash and Investments and include all highly liquid investments, including restricted assets. In addition, investments in money market funds are sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, thus equity in these funds is also deemed to be a cash equivalent.

G. INVESTMENTS

Investments for the County are reported at fair value. The County invests in two government money market mutual funds which are regulated by Rule 2a-7 of the Investment Company Act of 1940 and are registered with the Securities and Exchange Commission. Each fund seeks to maintain a stable net asset value (NAV) of \$1.00 per share. See Note 2 for further details on the County's investments.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

H. RECEIVABLES AND PAYABLES

1. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a fund balance classification indicating that they are not available for appropriation and are not expendable available financial resources in the governmental type funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

2. Unbilled Service Receivables

Estimated unbilled revenues of the County's water and sewer system are recorded for services rendered, but not yet billed as of the end of the fiscal year. The receivable is estimated by prorating the number of days applicable to the cycle billing.

3. Employee Receivables

Employee receivables primarily include amounts owed to the County by its employees for: (1) repayment of pay resulting from a change in bi-weekly pay period ending dates that occurred in fiscal years 1977 and 1986; (2) repayment of amounts loaned to employees to purchase a computer offered through the County's computer purchase program. The financing period for these loans is two years and repayment is received through payroll deduction.

4. Unearned Revenue

Unearned revenues recorded on the governmental fund balance sheet represents amounts received before eligibility requirements are met.

5. Advance Rents

The County entered into a long-term lease agreement with the Volusia County School Board for property at the Daytona Beach International Airport. As a result of this agreement, advance rents are recorded on the proprietary funds statement of net position.

6. Allowance for Doubtful Accounts

Accounts receivable and notes receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 120 to 180 days are subject to being considered as uncollectible. Notes receivable are considered to be fifty percent uncollectible if no payments have been received during the fiscal year.

I. INVENTORIES AND PREPAID ITEMS

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded using the consumption method, that is, as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

J. CAPITAL ASSETS

Capital assets, which include: land, buildings, improvements, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Buildings, improvements, and equipment with initial, individual costs that equal or exceed \$1,000 and estimated useful lives of over one year are recorded as capital assets. Software, which is reported as an intangible asset, is capitalized when its initial cost equals or exceeds \$100,000 and possesses an estimated useful life of more than one year. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed \$125,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Intangible assets consist of software licenses, which usually have an indefinite life, unless the County discontinues use of the software, in which case the license is amortized over its remaining useful life (usually less than 5 years at such point). Buildings, improvements, leasehold improvements, equipment, and infrastructure assets of the government are depreciated using the straight line method based upon the following estimated useful lives:

<u>Assets</u>	<u>Estimated Use Lives</u>	<u>Years</u>
Buildings		15 - 40
Improvements other than buildings		10 - 30
Leasehold improvements		20
Equipment		5 - 20
Infrastructure		35

K. COMPENSATED ABSENCES

County policy permits employees to accumulate a limited amount of earned, but unused personal, vacation, and sick leave. These benefits are payable to employees upon separation from service. All leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported.

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bond insurance costs are amortized over the life of bonds using the straight line method. Bonds payable are reported net of the applicable unamortized bond premium or discount and insurance cost. Bond issuance costs are reported as an expense in the period incurred.

For refundings of debt reported in the government-wide and proprietary type funds financial statements, the difference between the reacquisition price and the net carrying amount of the old debt will be deferred and amortized in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. On the statement of net position, the deferred amount is reported as deferred outflows/inflows of resources. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will report, when applicable, a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, is a consumption of net position by the government that applies to a future reporting period and so, will not be recognized as an expense/expenditure until then.

The County has two items that qualify for reporting as deferred outflows of resources reported in the government-wide and proprietary funds; deferred charges on refunding and deferred outflows related to pensions. A deferred charge on refunding results from debt refinancing, whereby the reacquisition price of the refunding debt instruments exceed their net carrying amount and is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows related to pensions are discussed further in Note 9 to the financial statements.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

In addition to liabilities, the statement of financial position will report, when applicable, a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The County has four items that qualify for reporting as deferred inflows of resources.

The first deferred inflows of resources are reported in the government-wide and proprietary funds, deferred inflows related to pensions. Deferred inflows related to pensions are an aggregate of items related to pensions calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years. Details on the composition of the deferred inflows related to pensions are discussed further in Note 9 to the financial statements.

The final three deferred inflows of resources arise only under the modified accrual basis of accounting. The items, unavailable revenues – property taxes, unavailable revenues – special assessments, and unavailable revenues – other, are reported only in the governmental funds balance sheet and represent amount receivable but not available. The unavailable revenue amounts are deferred as of the balance sheet date because they were not collected within County's period of availability (see Note 1.C.2 for the County's availability period). The deferred amounts will be recognized as an inflow of resources in the period that the amounts become available.

N. PENSIONS, NET PENSION ASSET AND NET PENSION LIABILITY

The County is the administrator of a single-employer defined benefit pension plan for the benefit of Volunteer Firefighters. In the government-wide statement of net position, net pension asset represents an accumulation of fiduciary net position greater than the present value of projected benefits payments to be provided through the pension plan to current active and inactive volunteers that is attributed to those volunteers' past periods of service (total pension liability).

The County participates in two cost-sharing pension plans, the Florida Retirement System (FRS) and the Health Insurance Subsidy Program provided in conjunction with the FRS. In the government-wide and proprietary fund statements of net position, net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing pension plan's fiduciary net position.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the each plan and additions to/deductions from each plans fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. FUND BALANCE

Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. As a result, the fund balance classifications make more transparent these constraints.

Fund balance is divided into two major types: nonspendable and spendable. Nonspendable fund balances include amounts that cannot be converted to cash or are legally or contractually required to be maintained intact. The County considers inventory, prepayments, advances, deposits, and long-term receivables as nonspendable items. Spendable fund balances of governmental funds are classified based upon a hierarchy that identifies the constraints or specific purposes for which amounts in those funds can be spent. The classifications of spendable fund balances include:

- **Restricted:** includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers. Restricted amounts are presented in the general, special revenue, debt service, and capital project funds.
- **Committed:** includes amounts that can be used only for the specific purposes determined by formal action of the highest level of decision making authority. The County Council is considered the highest level of decision making authority and formalizes this type of action by resolution in a public meeting. A commitment can only be modified or removed by the same formal action.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

- Assigned: includes amounts that either the County Council, by approval of the County's annual budget or other resolution, or through delegation to the County Manager, intends to be used for specific purposes and do not constitute either restricted or committed funds. Assigned amounts include carry forward of prior year's allocations relating to unspent capital funding and future capital outlay/improvements, all of which are reappropriated in the following year's budget.
- Unassigned: includes residual positive fund balance within the general fund or the fund balance for any special revenue, debt service, or capital projects fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County spends restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit this action, such as in grant agreements requiring dollar for dollar spending. Additionally, when spending unrestricted funds, the County would use its committed fund balance first, assigned fund balance second, and unassigned fund balance last, with the exception of the emergency reserve which can only be spent by approval of County Council. While the County has not adopted a formal fund balance policy that would allow the emergency reserve to be reported as a committed fund balance, specific procedures included in the County's adopted annual budget require that these funds are to be used only to the extent that other revenues or funds are not available.

P. RESTRICTED NET POSITION

Certain amounts are classified as restricted net position on the government-wide and business-type funds' statement of net position. Their use is limited by applicable bond covenants or laws/regulations imposed by other governmental agencies. The restricted net position is used to report resources set aside for the following purposes:

- Funding for general government; law enforcement and fire safety; conservation and environmental programs; transportation construction and operation; tourism development and housing programs; social services and community development programs; and library, parks, and cultural programs; based upon specific federal, state, and local legislative requirements.
- To accumulate funds necessary to meet debt service obligations.
- To fund allowable expenditures from passenger facility charges.
- To accumulate the necessary funds, as required by bond covenants, to cover the cost of replacement of capital assets (land and equipment).
- To accumulate the necessary funds, as required by bond covenants, to cover the cost of future maintenance and operating expenses.
- Payment of future pension benefits for volunteer firefighters.

Q. INTERFUND TRANSACTIONS

Interfund services provided and used are recorded as revenues in the seller funds and expenditures or expenses in purchaser funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it, which are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund, and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except reimbursements, are reported as transfers.

R. RECLASSIFICATIONS

Certain September 30, 2015 account balances have been reclassified in this report to conform with the financial statement presentation used in 2016.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 2.
CASH AND INVESTMENTS

The County uses a pool fund to accumulate and account for its cash and investment activity. All funds are participants in the pool. As such, each participating funds' portion of the pool is reported as "Equity in Pooled Cash and Investments" in the governmental and proprietary funds' balance sheets. In addition, certain investments of the Refuse Disposal and Volunteer Firefighters Pension Trust funds are held separately from those of other County funds and are not included in the pool. Investments are reported at fair value.

A. DEPOSITS

All bank balance deposit amounts are covered by federal depository insurance or collateral with the State of Florida under the Florida Security for Public Deposits Act. The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under the Act, County deposits in qualified public depositories are totally insured. The qualified public depository must pledge at least 50 percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, or with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer.

B. 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.

Authorized investment instruments include: negotiable direct obligations which are unconditionally guaranteed by the United States Government; bonds, debentures, notes, or other indebtedness guaranteed by United States Government agencies; corporate obligations that are fully insured by the Federal Deposit Insurance Corporation (FDIC); money market mutual funds regulated by the Securities and Exchange Commission (SEC); bankers acceptances; commercial paper; non-negotiable interest-bearing time certificates of deposit or saving accounts; repurchase agreements; state and/or local government taxable and tax-exempt debt, and intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperative Act, with the exception of the State Board of Administration's Local Government Surplus Fund, in which no investments were to be made after December, 2007. Additionally, the County may invest Volunteer Firefighters Pension funds in bonds, stocks or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States. The County may also invest pension funds in mutual funds regulated by the SEC, index mutual funds of a broad-based index, and the County's investment pool. Pension fund investments will be diversified with no more than 30 percent of the fund's value invested in the securities of any single issuer or instrument. This limitation shall not apply to U.S. Government securities and its agencies or the County's investment pool account. County investment policies permit the County to enter into reverse repurchase agreements; however, there were no such investments in fiscal year 2016.

The County measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines established by GASB Statement No. 72, *Fair Value Measurement and Application*. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- **Level 1:** Quoted prices for identical investments in active markets;
- **Level 2:** Observable inputs other than quoted market prices; and,
- **Level 3:** Unobservable inputs.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
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As of September 30, 2016, the County's cash and investments were composed of the following:

<u>Investments Type</u>	<u>Maturities</u>	<u>Credit Quality</u>	<u>Total Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Treasury notes	Feb 2017 - Sep 2019	AAA/Aaa	\$ 12,029,942	\$ -	\$ 12,029,942	\$ -
Federal instrumentalities	Jan 2017 - Dec 2022	AAA/Aaa	306,613,002	-	306,613,002	-
Stocks	N/A	N/A	1,564,311	1,564,311	-	-
Subtotal			320,207,255	1,564,311	318,642,944	-
Money market funds	N/A	AAAm/Aaa	61,644,540	n/a	n/a	n/a
Carrying value of cash	N/A	N/A	21,696,996	n/a	n/a	n/a
Total			\$ 403,548,791	\$ 1,564,311	\$ 318,642,944	\$ -

Interest Rate Risk: The risk that the fair value of securities in the portfolio will fall due to changes in general interest rates. In accordance with the County's investment policy, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity; and by investing operating funds primarily in shorter-term securities. As of September 30, 2016, the County's investments in money market mutual funds and debt securities (U.S. Treasury notes and federal instrumentalities) were structured to mature within the following time frames:

<u>Investment Type</u>	<u>Fair Value</u>
Money Market Mutual Funds:	
29 to 34 days	\$ 61,644,540
Debt Securities:	
3 months to 1 year	\$ 53,103,269
1 to 2 years	89,003,652
2 to 3 years	57,240,511
3 to 4 years	65,363,115
4 to 5 years	34,984,740
5 to 6 years	18,947,657
Total Debt Securities	\$ 318,642,944

Credit Risk: The risk of losses due to the failure of the security issuer or backer. In accordance with the County's investment policy, credit risk is mitigated by limiting investments to the safest types of securities; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the County will do business; and by diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Custodial Credit Risk: The County's investment policy requires that all securities purchased and/or collateral obtained by the Chief Financial Officer shall be properly designated as an asset of the County and held in safekeeping by the trust department and no withdrawal of such securities, in whole or in part, shall be made from safekeeping except by an authorized County employee. Treasury and federal agency assets held by the County are held by the Federal Reserve in an account for our bank/custodian. Other securities not held at the Federal Reserve, such as Commercial Paper, are held by the bank/custodian segregated from all assets/investments of other bank/custodian clients as well as their own.

Concentration of Credit Risk: To the extent possible, the County shall attempt to match its investment maturities with anticipated cash flow requirements; and the County will not invest in securities maturing more than ten years from the date of purchase unless it is for a specific reserve or other identified special fund. The County's written investment policy places limits on the percentage of the portfolio that may be invested in each type of investment. The County is permitted to invest:

- 100 percent of its cash in the United States government securities.
- 75 percent of its cash in United States government agencies and instrumentalities, repurchase agreements, and money market mutual funds.
- 50 percent of its cash in interest-bearing time certificates of deposit, and intergovernmental investment pools with the exception of the State Board of Administration's Local Government Surplus Fund, which is specifically disallowed.
- 30 percent of its cash in state and local government debt, and banker's acceptances.
- 25 percent in commercial paper.

The County's investment policy also states that investments will be diversified to the extent possible, to control the risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 3.
RECEIVABLES

1. Accounts/employee receivables

Amounts are aggregated into a single accounts or employee receivables line (net of allowance for uncollectible amounts) for certain funds and aggregated columns. Below is the detail of these receivables, as of September 30, 2016, including the applicable allowances for doubtful accounts:

	<u>Accounts/ Employee Receivables</u>	<u>Allowance for Doubtful Accounts</u>	<u>Accounts/ Employee Receivables, Net</u>
Governmental funds:			
Major funds:			
General fund	\$ 10,413,884	\$ 6,126,104	\$ 4,287,780
Municipal service district	877,410	-	877,410
Federal and state grants	812	-	812
Nonmajor funds:			
Special revenue funds:			
Convention development tax	27,023	-	27,023
Ponce Inlet Port Authority	48,186	-	48,186
Ocean Center	185,681	52,052	133,629
Fire services	397	-	397
Capital projects funds:			
Beach	47,696	-	47,696
Total governmental funds	<u>11,601,089</u>	<u>6,178,156</u>	<u>5,422,933</u>
Proprietary funds:			
Major funds:			
Refuse disposal	1,145,395	189,594	955,801
Daytona Beach International Airport	1,469,046	69,215	1,399,831
Volusia Transportation Authority	36,476	-	36,476
Water and sewer utilities	2,282,448	366,735	1,915,713
Parking garage	38,846	22,522	16,324
Nonmajor funds:			
Enterprise funds:			
Garbage collection	4,358	-	4,358
Internal service funds:			
Insurance	400,029	-	400,029
Employee group insurance	299,284	-	299,284
Total proprietary funds	<u>5,675,882</u>	<u>648,066</u>	<u>5,027,816</u>
Fiduciary funds:			
Agency funds:			
State of Florida agency funds	31,730	-	31,730
Tax collector's transfer	351,059	-	351,059
Total fiduciary funds	<u>382,789</u>	<u>-</u>	<u>382,789</u>
Total	<u>\$ 17,659,760</u>	<u>\$ 6,826,222</u>	<u>\$ 10,833,538</u>

2. Notes receivable

Amounts are aggregated into a single notes receivable line (net of allowance for uncollectible amounts) for certain funds. Below is the detail of these receivables, as of September 30, 2016, including allowances for doubtful accounts:

	<u>Notes Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Notes Receivable, Net</u>
Governmental funds:			
Major funds:			
Federal and state grants	\$ 1,554,353	\$ 93,782	\$ 1,460,571
Nonmajor special revenue funds:			
State Housing Incentive Program (S.H.I.P.)	2,856,566	161,837	2,694,729
Total	<u>\$ 4,410,919</u>	<u>\$ 255,619</u>	<u>\$ 4,155,300</u>

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 4.
INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A. INTERFUND RECEIVABLE AND PAYABLES

Loans between funds are used to cover temporary cash deficits because revenues, while accrued, are not received by fiscal year end. Typically, state and federal grant revenues fall into this category. In addition, interfund loans are used to fund specific projects or other activities.

The composition of interfund balances as of September 30, 2016 is as follows:

	<u>Due From Other Funds</u>	<u>Advances To Other Funds</u>	<u>Due To Other Funds</u>	<u>Advances From Other Funds</u>
Governmental funds:				
Major funds:				
General fund	\$ 12,422,434	\$ 7,023,324	\$ -	\$ -
Municipal service district	-	-	68,015	137,912
Federal and state grants	-	-	5,624,851	-
Volusia Forever	-	-	1,145,780	6,706,216
Nonmajor funds:				
Special revenue funds:				
Sales tax trust	-	-	3,153,922	-
Proprietary funds:				
Major funds:				
Volusia Transportation Authority	-	-	2,400,000	-
Parking garage	-	-	29,866	179,196
Total	<u>\$ 12,422,434</u>	<u>\$ 7,023,324</u>	<u>\$ 12,422,434</u>	<u>\$ 7,023,324</u>

Interfund balances at September 30, 2016 are primarily related to:

- an interfund loan of \$601,205 made in fiscal year 2009 from the general fund to the municipal service district fund to cover a one-time revenue short fall due to adjustments in the communication services tax received from the State of Florida. The remaining amount owed is \$205,927, and the final repayment is scheduled to occur in fiscal year 2019.
- an interfund loan of \$11,587,047 made in fiscal year 2011 from the general fund to the Volusia Forever fund for the purchase of the Deep Creek preserve conservation land that was designated for potential alternative water supply and storage development. The remaining amount owed is \$7,851,996, and the final repayment is scheduled to occur in fiscal year 2021.
- an advance of \$597,311 from the general fund to the parking garage fund to settle disputed costs incurred by a contracted management group operating the parking garage prior to the facility's acquisition by the County. The remaining amount owed is \$209,062, and the final repayment is scheduled to occur in fiscal year 2023.
- interfund loans in the amount of \$8,024,851 to cover cash deficits due to timing of grant reimbursements and other amounts due from other governments. The loan is repaid as grants and other amounts outstanding from other governments are received, with the majority expected to be repaid by the end of the next fiscal year.
- other interfund transactions distributing sales tax collections to the appropriate receiving funds.

COUNTY OF VOLUSIA, FLORIDA
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Due to/from primary government and component units consist of the following:

	<u>Due From Component Units</u>	<u>Due From Primary Government</u>	<u>Due To Component Units</u>	<u>Due To Primary Government</u>
Governmental funds:				
Major funds:				
General fund	\$ 237,257	\$ -	\$ 763	\$ -
Municipal service district	-	-	972	-
Federal and state grants	-	-	30	-
County transportation trust	-	-	181	-
Nonmajor funds:				
Special revenue funds:				
State Housing Incentive Program (S.H.I.P.)	-	-	76	-
Component units:				
Clerk of the Circuit Court	-	2,022	-	237,257
Total	<u>\$ 237,257</u>	<u>\$ 2,022</u>	<u>\$ 2,022</u>	<u>\$ 237,257</u>

B. INTERFUND TRANSFERS

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) provide the local match requirements for individual grants, and 3) move moneys collected by one fund to be expended by another fund to meet legal and budgetary requirements.

Interfund transfers consist of the following:

<u>TRANSFERS IN</u>		<u>TRANSFERS OUT</u>	
Governmental funds:			
Major funds:			
General fund:			
from Sales tax trust	\$ 5,998,107	to Volusia Transportation Authority	\$ 7,035,653
from E-911 emergency telephone system	1,150,909	to Capital projects funds	4,506,465
from Library	311,327	to Internal service funds	100,000
from Federal and state grants	125,625	to Federal and state grants	76,520
from Volusia ECHO	54,018	to Silver Sands/Bethune Beach Municipal Service District	1,500
from Capital projects funds	33,127		
from Municipal service district	20,704		
from Manatee conservation	3,000		
Total general fund	<u>7,696,817</u>		<u>11,720,138</u>
Municipal service district:			
from Sales tax trust	5,661,345	to County transportation trust	4,700,000
from Water and sewer utilities	25,000	to Capital projects funds	1,776,900
		to Debt service funds	253,262
		to General fund	20,704
Total municipal service district	<u>5,686,345</u>		<u>6,750,866</u>
Federal and state grants:			
from Capital projects funds	9,799,418	to County transportation trust	1,007,125
from County transportation trust	797,828	to Capital projects funds	690,667
from Ponce Inlet Port Authority	316,082	to General fund	125,625
from General fund	76,520	to Stormwater utility	34,622
from Law/beach enforcement trust	29,145		
from Library	15,000		
Total federal and state grants	<u>11,033,993</u>		<u>1,858,039</u>

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

TRANSFERS IN	TRANSFERS OUT
Governmental funds - continued:	
Major funds - continued:	
County transportation trust:	
from Municipal service district	4,700,000
from Federal and state grants	1,007,125
Total county transportation trust	<u>5,707,125</u>
Total major governmental funds	<u>30,124,280</u>
Nonmajor funds:	
Special revenue funds:	
Library:	
from Library endowment	50,000
East Volusia mosquito control district:	
Resort tax:	
Sales tax trust:	
Ponce Inlet Port Authority:	
E-911 emergency telephone system:	
Ocean Center:	
from Resort tax	6,048,011
Manatee conservation:	
Road impact fees:	
Fire services:	
Silver Sands/Bethune Beach municipal service district:	
from General fund	1,500
Stormwater utility:	
from Federal and state grants	34,622
Volusia ECHO:	
Law/beach enforcement trust:	
Library endowment:	
Total special revenue funds	<u>6,134,133</u>
to Capital projects funds	16,250,345
to Debt service funds	2,401,889
to Federal and state grants	797,828
	<u>19,450,062</u>
	<u>39,779,105</u>
to General fund	311,327
to Federal and state grants	15,000
to Capital projects funds	2,018,250
to Ocean Center	6,048,011
to Debt service funds	4,259,058
to Debt service funds	8,532,147
to General fund	5,998,107
to Municipal service district	5,661,345
to Capital projects funds	3,200,000
to Federal and state grants	316,082
to General fund	1,150,909
to Capital projects funds	3,047,616
to Debt service funds	659,283
to General fund	3,000
to Debt service funds	3,093,592
to Capital projects funds	208,447
to Capital projects funds	2,000,000
to Capital projects funds	3,862,445
to General fund	54,018
to Federal and state grants	29,145
to Library	50,000
	<u>50,517,782</u>

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

TRANSFERS IN	TRANSFERS OUT
Governmental funds - continued:	
Nonmajor funds - continued:	
Debt service funds:	
Subordinate lien sales tax revenue bonds:	
from Sales tax trust	6,977,853
Sales tax refunding revenue bond:	
from Sales tax trust	586,601
Gas tax refunding revenue bonds:	
from Road impact fees	3,093,592
from County transportation trust	1,392,493
Tourist development tax refunding revenue bonds:	
from Resort tax	4,259,058
Capital improvement revenue notes and refunding revenue bonds:	
from County transportation trust	1,009,396
from Sales tax trust	967,693
Installment purchase agreements:	
from Ocean Center	659,283
from Capital projects funds	505,421
from Municipal service district	253,262
Total debt service funds	19,704,652
Capital projects funds:	
Ocean Center expansion:	
from Ocean Center	3,047,616
Bond funded road program:	
from County transportation trust	964,737
Beach:	
from Ponce Inlet Port Authority	3,200,000
from Volusia ECHO	435,950
from General fund	325,000
from County transportation trust	285,608
to General fund	33,127
Trails:	
from Volusia ECHO	1,926,495
from Federal and state grants	500,000
to Federal and state grants	731,918
to Debt service funds	505,421
Parks:	
from Federal and state grants	190,667
to Federal and state grants	67,500
800 MHz system improvements:	
from General fund	1,381,465
from Municipal service district	276,900
from Fire services	208,447
from East Volusia mosquito control district	18,250
South Williamson Blvd extension:	
to Federal and state grants	9,000,000
Public works service center:	
from County transportation trust	15,000,000
from East Volusia mosquito control district	2,000,000
from Stormwater utility	2,000,000
Elections warehouse:	
from General fund	2,800,000

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
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TRANSFERS IN	TRANSFERS OUT
Governmental funds - continued:	
Nonmajor funds - continued:	
Capital projects funds - continued:	
Sheriff's Office evidence and forensics lab from Municipal service district	1,500,000
Boardwalk development: from Volusia ECHO	<u>1,500,000</u>
Total capital projects funds	<u>37,561,135</u>
Total nonmajor governmental funds	<u>63,399,920</u>
Total governmental funds	<u>93,524,200</u>
 Proprietary funds:	
Major funds:	
Volusia Transportation Authority: from General fund	7,035,653
Water and sewer utilities:	
	to Municipal service district
Total major proprietary funds	<u>7,035,653</u>
	<u>25,000</u>
	<u>25,000</u>
 Nonmajor funds:	
Internal Service Funds:	
Computer replacement: from General fund	100,000
Total nonmajor proprietary funds	<u>100,000</u>
Total proprietary funds	<u>7,135,653</u>
	<u>25,000</u>
	<u>25,000</u>
Total transfers	<u>\$ 100,659,853</u>
	<u>\$ 100,659,853</u>

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 5.
SPECIAL ASSESSMENTS RECEIVABLE

Special assessments receivable at September 30, 2016 consist of the following:

	Interest Rate %	Principal		Interest Receivable
		Current Receivable	Deferred Receivable	
Governmental funds:				
Major funds:				
Municipal service district:				
Corbin Park	10.0	\$ -	\$ 249	\$ 601
Mobile Home Village	10.0	-	19,568	41,866
Corbin Park Unit 3 Napier Hull	8.0	-	24,133	28,133
Pine Island	8.0	-	1,927	1,719
Capri Drive	7.3	-	48,400	1,754
Shell Harbor Road	5.5	-	9,783	270
West Highlands/Highlands Park Subdivision	5.5	108,822	108,820	5,978
Total governmental funds		108,822	212,880	80,321
Fiduciary funds:				
Agency funds:				
General trust:				
Waterway Park	8.0	-	23,582	21,179
Hazelwood River Road	8.0	-	4,017	3,243
Total fiduciary funds		-	27,599	24,422
Total		\$ 108,822	\$ 240,479	\$ 104,743

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 6.
CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2016 is as follows:

Primary Government	Balance 09/30/15	Additions	Transfers	Reductions	Balance 09/30/16
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 223,340,689	\$ 728,952	\$ 1,341,728	\$ (210,659)	\$ 225,200,710
Easements	1,176,233	-	-	-	1,176,233
Intangibles	27,416,916	-	(1,124,313)	-	26,292,603
Construction in progress	22,824,496	30,746,424	(15,983,009)	(158,068)	37,429,843
Total capital assets, not being depreciated	<u>274,758,334</u>	<u>31,475,376</u>	<u>(15,765,594)</u>	<u>(368,727)</u>	<u>290,099,389</u>
Capital assets, being depreciated:					
Buildings	355,271,215	-	(2,897,501)	(665,051)	351,708,663
Improvements other than buildings	44,087,752	-	9,550,821	-	53,638,573
Leasehold improvements	2,131,428	-	1,387,200	-	3,518,628
Equipment	162,491,627	18,871,426	(41,851)	(8,104,668)	173,216,534
Infrastructure	479,981,409	-	6,600,761	-	486,582,170
Intangibles	-	-	1,124,313	-	1,124,313
Total capital assets being depreciated	<u>1,043,963,431</u>	<u>18,871,426</u>	<u>15,723,743</u>	<u>(8,769,719)</u>	<u>1,069,788,881</u>
Less accumulated depreciation for:					
Buildings	(150,199,177)	(8,120,397)	548,573	302,114	(157,468,887)
Improvements other than buildings	(22,769,994)	(2,352,761)	(182,980)	-	(25,305,735)
Leasehold improvements	(591,577)	(81,101)	-	-	(672,678)
Equipment	(108,278,939)	(13,614,278)	40,126	7,645,750	(114,207,341)
Infrastructure	(303,302,307)	(7,601,472)	(365,593)	-	(311,269,372)
Intangibles	-	(375,029)	-	-	(375,029)
Total accumulated depreciation	<u>(585,141,994)</u>	<u>(32,145,038)</u>	<u>40,126</u>	<u>7,947,864</u>	<u>(609,299,042)</u>
Total capital assets, being depreciated, net	<u>458,821,437</u>	<u>(13,273,612)</u>	<u>15,763,869</u>	<u>(821,855)</u>	<u>460,489,839</u>
Governmental activities capital assets, net	<u>\$ 733,579,771</u>	<u>\$ 18,201,764</u>	<u>\$ (1,725)</u>	<u>\$ (1,190,582)</u>	<u>\$ 750,589,228</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 53,206,368	\$ 18,083	\$ -	\$ (3,952)	\$ 53,220,499
Intangibles	3,003,919	-	54,127	-	3,058,046
Construction in progress	13,257,967	9,153,599	(9,980,117)	-	12,431,449
Total capital assets, not being depreciated	<u>69,468,254</u>	<u>9,171,682</u>	<u>(9,925,990)</u>	<u>(3,952)</u>	<u>68,709,994</u>
Capital assets, being depreciated:					
Buildings	35,700,991	-	520,707	-	36,221,698
Improvements other than buildings	284,506,725	-	9,405,283	-	293,912,008
Leasehold improvements	535,000	-	-	-	535,000
Equipment	65,280,830	2,755,011	41,851	(2,127,642)	65,950,050
Total capital assets being depreciated	<u>386,023,546</u>	<u>2,755,011</u>	<u>9,967,841</u>	<u>(2,127,642)</u>	<u>396,618,756</u>
Less accumulated depreciation for:					
Buildings	(21,259,364)	(923,663)	-	-	(22,183,027)
Improvements other than buildings	(159,398,877)	(9,583,844)	-	-	(168,982,721)
Leasehold improvements	(26,750)	(26,768)	-	-	(53,518)
Equipment	(38,349,551)	(5,571,746)	(40,126)	1,936,860	(42,024,563)
Total accumulated depreciation	<u>(219,034,542)</u>	<u>(16,106,021)</u>	<u>(40,126)</u>	<u>1,936,860</u>	<u>(233,243,829)</u>
Total capital assets, being depreciated, net	<u>166,989,004</u>	<u>(13,351,010)</u>	<u>9,927,715</u>	<u>(190,782)</u>	<u>163,374,927</u>
Business-type activities capital assets, net	<u>\$ 236,457,258</u>	<u>\$ (4,179,328)</u>	<u>\$ 1,725</u>	<u>\$ (194,734)</u>	<u>\$ 232,084,921</u>

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

Depreciation expense charged to functions/programs is as follows:

Governmental Activities	Depreciation Expense
General government	\$ 4,482,415
Public safety	7,981,592
Physical environment	138,420
Transportation	8,992,918
Economic environment	193,010
Human services	837,910
Culture/recreation	5,572,200
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	3,946,573
Total	<u>\$ 32,145,038</u>

Business-type Activities	Depreciation Expense
Refuse disposal	\$ 2,901,197
Daytona Beach International Airport	5,218,467
Volusia Transportation Authority	4,385,136
Water and sewer utilities	3,241,190
Parking garage	360,031
Total	<u>\$ 16,106,021</u>

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 7.
LONG-TERM DEBT

A. SUMMARY OF BONDED DEBT

The following is a summary of bonded debt that is reflected on the September 30, 2016 financial statements:

<u>Governmental Activities</u>	<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Revenue Pledged</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Revenue bonds:					
\$55,451,336 Tourist Development Tax Revenue Bonds, Series 2004	Expand and renovate the Ocean Center	3.00 to 5.00	Tourist development tax, operating revenues, and investment earnings thereof	\$ 7,324,689	12/1/2021
\$21,380,000 Tourist Development Tax Refunding Revenue Bond, Series 2014A	Advance refund a portion of the Tourist Development Tax Revenue Bonds, Series 2004	3.51	Tourist development tax, operating revenues, and investment earnings thereof	21,300,000	12/1/2034
\$25,000,000 Tourist Development Tax Refunding Revenue Bond, Series 2014B	Advance refund a portion of the Tourist Development Tax Revenue Bonds, Series 2004	3.51	Tourist development tax, operating revenues, and investment earnings thereof	24,890,000	12/1/2034
\$41,505,000 Gas Tax Refunding Revenue Bond, Series 2013	Refund a portion of the Gas Tax Revenue Bonds, Series 2004	2.04	Six Cent Local Option Fuel Tax and investment earnings thereof	32,980,000	10/1/2024
\$42,605,000 Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008	Advance refund a portion of the Subordinate Lien Sales Tax Revenue Bonds Series 1998	3.00 to 5.25	Local Government Half-cent Sales Tax and investment earnings thereof	14,740,000	10/1/2018
\$5,812,000 Capital Improvement Revenue Bond, Series 2009B	Refund remaining portion of the Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998	2.63	Local Government Half-cent Sales Tax and investment earnings thereof, non-ad valorem revenues budgeted and appropriated	899,000	10/1/2016
\$4,780,000 Capital Improvement Refunding Revenue Bond, Series 2012	Refund the Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003	1.955	Local Government Half-cent Sales Tax and investment earnings thereof	2,775,000	10/1/2021
Total revenue bonds				\$ 104,908,689	

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

<u>Governmental Activities</u>	<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Revenue Pledged</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
General obligation bonds:					
\$18,695,000 Limited Tax General Obligation Refunding Bond, Series 2014	Advance refund a portion of Limited Tax General Obligation Bonds, Series 2005	1.92	Limited property tax assessed and levied, not to exceed 0.20 mil on taxable property and investment earnings thereof	15,510,000	10/1/2021
Total general obligation bonds				<u>15,510,000</u>	
Total governmental activities				<u>\$ 120,418,689</u>	

<u>Business-type Activities</u>	<u>Purpose</u>	<u>Interest Rates</u>	<u>Revenue Pledged</u>	<u>Amount</u>	<u>Final</u>
Revenue bonds:					
\$30,795,000 Airport System Revenue Refunding Bonds, Series 2000	Provide funds to advance refund remaining portion of the Airport System Revenue Bonds, Series 1991	6.35 to 7.00	Net revenues of Daytona Beach International Airport operations and investment earnings thereof	\$ 11,635,000	10/1/2021
\$6,335,000 Airport System Refunding Revenue Bond, Series 2012	Refund remaining portion of the Airport System Refunding Revenue Bonds, Series 2003	1.75	Net revenues of Daytona Beach International Airport operations and investment earnings thereof	3,645,000	10/1/2021
\$5,450,000 Water & Sewer Refunding Revenue Bond, Series 2012	Refund remaining portion of the Water & Sewer Refunding Revenue Bonds, Series 1998 and 2003	1.61	Net revenues from water & sewer system, connection fees and investment earnings thereof	2,415,000	10/1/2019
Total business-type activities				<u>\$ 17,695,000</u>	

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

B. NOTES PAYABLE

Notes payable outstanding as of September 30, 2016 is comprised of the following:

<u>Governmental Activities</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Annual Principal Payment (thousands)</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Capital Improvement Revenue Note, Series 2010	Construct pedestrian and bike trails	3.02	\$364-497	\$ 2,770,000	12/1/2021
Capital Improvement Revenue Note, Series 2010	Construct road and drainage improvements	3.02	\$127-158	461,000	12/1/2018
Capital Improvement Revenue Note, Series 2010	Ocean Center improvements	3.02	\$362-646	7,932,000	12/1/2030
Capital Improvement Revenue Note, Series 2010	Fund road and utility improvements	3.02	\$72-90	262,000	12/1/2018
Capital Improvement Revenue Note, Series 2015	South Williamson Boulevard extension	2.17	\$815-990	8,185,000	10/1/2025
Capital Improvement Revenue Note, Series 2016	One Daytona infrastructure economic development	1.85	\$1,550-1,790	7,000,000	11/1/2026
Total governmental activities				<u>\$ 26,610,000</u>	

<u>Business-type Activities</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Annual Principal Payment (thousands)</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Capital Improvement Revenue Note, Series 2010	Acquire land for the Daytona Beach International Airport	3.02	\$208-245	\$ 245,000	12/1/2016
State of Florida revolving loan	Construct and improve the Deltona North Water Reclamation Facility	2.99	\$88-115	115,293	6/15/2017
State of Florida revolving loan	Construct and improve the Southwest Regional Water Reclamation Facility	3.05	\$135-194	743,718	5/15/2020
State of Florida revolving loan	Expand the Southwest Reclamation Facility	3.05	\$418-657	6,855,089	6/15/2030
State of Florida revolving loan	Construct and improve the Southeast Wastewater Facility	3.24	\$278-543	1,859,786	2/15/2020
Capital Improvement Revenue Note, Series 2013	Refund the Parking Facility Revenue Bonds, Series 2007	2.33	\$350-880	6,330,000	4/1/2024
Total business-type activities				<u>\$ 16,148,886</u>	

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

C. DEBT SERVICE TO MATURITY

The annual requirements to amortize all government-wide debt outstanding as of September 30, 2016, including interest payments of \$42,192,441, are as follows:

Governmental Activities							
Fiscal Year	Revenue Bonds		General Obligation Bonds		Notes Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	\$ 2,503,849	\$ 3,419,910	\$ -	\$ 148,896	\$ 1,088,000	\$ 494,034	\$ 7,654,689
2018	13,083,425	3,984,775	2,985,000	269,136	1,956,000	593,305	22,871,641
2019	13,479,210	3,584,861	3,045,000	211,248	3,554,000	526,333	24,400,652
2020	5,952,279	3,369,134	3,100,000	152,256	3,379,000	447,236	16,399,905
2021	5,987,753	3,337,651	3,160,000	92,160	3,457,000	370,095	16,404,659
2022-2026	30,687,173	9,206,304	3,220,000	30,912	10,131,000	964,492	54,239,881
2027-2031	17,130,000	4,368,897	-	-	3,045,000	235,394	24,779,291
2032-2036	16,085,000	1,154,351	-	-	-	-	17,239,351
Total	104,908,689	32,425,883	15,510,000	904,608	26,610,000	3,630,889	183,990,069
Unamortized issuance premiums	162,896	-	-	-	-	-	162,896
Total	\$ 105,071,585	\$ 32,425,883	\$ 15,510,000	\$ 904,608	\$ 26,610,000	\$ 3,630,889	\$ 184,152,965

Fiscal Year	Business-type Activities					Government-wide
	Revenue Bonds		Notes Payable		Total	Total Principal and Interest
	Principal	Interest	Principal	Interest		
2017	\$ -	\$ 458,560	\$ 2,158,463	\$ 360,399	\$ 2,977,422	\$ 10,632,111
2018	3,515,000	833,760	1,851,642	377,838	6,578,240	29,449,881
2019	3,685,000	661,888	1,906,146	326,324	6,579,358	30,980,010
2020	3,870,000	479,189	1,689,544	273,280	6,312,013	22,711,918
2021	3,215,000	291,899	1,250,601	232,962	4,990,462	21,395,121
2022-2026	3,410,000	99,400	5,029,434	677,518	9,216,352	63,456,233
2027-2031	-	-	2,263,056	158,044	2,421,100	27,200,391
2032-2036	-	-	-	-	-	17,239,351
Total	17,695,000	2,824,696	16,148,886	2,406,365	39,074,947	223,065,016
Unamortized issuance premiums	-	-	-	-	-	162,896
Total	\$ 17,695,000	\$ 2,824,696	\$ 16,148,886	\$ 2,406,365	\$ 39,074,947	\$ 223,227,912

D. ARBITRAGE

Arbitrage refers to the profit earned by investing tax-exempt bond funds in higher yielding investments. Under federal arbitrage regulations, an issuer of tax-exempt bonds is allowed to earn this profit for a certain period of time during the construction period of the related project. Once this time period has expired, the profit realized on any recurring bond proceeds is subject to rebate to the federal government. These federal arbitrage regulations apply to all county issued governmental and business-type tax-exempt bonds and notes. As of fiscal year end 2016, no amounts are subject to rebate.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

E. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2016, is as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 127,899,669	\$ -	\$ (22,990,980)	\$ 104,908,689	\$ 2,503,849
General obligation bonds	21,295,000	-	(5,785,000)	15,510,000	-
Plus: issuance premiums	327,059	-	(164,163)	162,896	-
Total bonds payable	<u>149,521,728</u>	<u>-</u>	<u>(28,940,143)</u>	<u>120,581,585</u>	<u>2,503,849</u>
Notes payable	13,486,711	16,000,000	(2,876,711)	26,610,000	1,088,000
Compensated absences payable	28,176,818	9,273,423	(10,133,548)	27,316,693	7,320,874
Pollution remediation payable	133,333	13,260	(77,045)	69,548	31,250
Estimated claims payable	18,138,722	44,146,928	(45,196,423)	17,089,227	8,480,676
Total	<u>\$ 209,457,312</u>	<u>\$ 69,433,611</u>	<u>\$ (87,223,870)</u>	<u>\$ 191,667,053</u>	<u>\$ 19,424,649</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, these liabilities for the internal service funds include \$17,089,227 in estimated claims payable and \$644,741 in compensated absences payable.

The liability for compensated absences, are primarily liquidated by the resources of the general and municipal service district funds, which account for 76 percent of the amount owed. The pollution remediation liability will be liquidated by federal and state grants. Estimated claims payable is reported in the insurance and employee group insurance internal service funds and will be liquidated by service fees charged by these funds.

Business-type Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable	\$ 24,265,000	\$ -	\$ (6,570,000)	\$ 17,695,000	\$ -
Notes payable	18,238,509	-	(2,089,623)	16,148,886	2,158,463
Compensated absences payable	2,204,064	823,347	(896,368)	2,131,043	571,120
Pollution remediation payable	496,533	241,800	(492,988)	245,345	39,335
Landfill closure costs	21,663,109	892,058	-	22,555,167	-
Total	<u>\$ 66,867,215</u>	<u>\$ 1,957,205</u>	<u>\$ (10,048,979)</u>	<u>\$ 58,775,441</u>	<u>\$ 2,768,918</u>

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 8.
CONDUIT DEBT OBLIGATIONS

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

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

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

A summary of outstanding issues at September 30, 2016 is comprised of the following:

<u>Entity</u>	<u>Number of Series Outstanding</u>	<u>Original Issued</u>	<u>Aggregate Principal Outstanding</u>
Housing Finance Authority of Volusia County	4	\$ 31,465,000	\$ 22,795,000
Volusia County Industrial Development Authority	3	11,810,000	8,502,195
Volusia County Educational Facilities Authority	6	310,565,000	294,249,000

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 9.
PENSION PLANS

A. THE COUNTY'S PENSION PLANS

The County follows GASB Statement No. 67, *Financial Reporting for Pension Plans* and GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for reporting financial statement amounts related to pensions.

The County participates in the following pension plans:

	Defined Benefit Pension Plans	Defined Contribution Pension Plan
Administered by the State of Florida:	<ul style="list-style-type: none"> • Florida Retirement System (FRS) • Retiree Health Insurance Subsidy (HIS) Program 	<ul style="list-style-type: none"> • FRS Investment Plan
Administered by the County:	<ul style="list-style-type: none"> • Volunteer Firefighters Pension Plan 	

The County includes on its financial statements a net pension asset related to the Volunteer Firefighter Pension Plan and the employers' proportionate share of the net pension liabilities for the FRS and HIS defined benefit pension plans.

B. GENERAL INFORMATION ABOUT THE FLORIDA RETIREMENT SYSTEM (FRS)

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the County are eligible to enroll as members of the State administered Florida Retirement System (FRS). Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature.

The FRS is a cost sharing, multiple employer public-employee retirement system with two defined benefit plans and other nonintegrated programs administered by the Department of Management Services, Division of Retirement. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement. The comprehensive annual financial report of the FRS is available by mail at P.O. Box 9000, Tallahassee, Florida 32315-9000; by e-mail at rep@dms.myflorida.com; at the Division's website (http://www.dms.myflorida.com/workforce_operations/retirement/publications); or by telephone at (877) 377-1737 (toll-free) or (850) 488-5706 (local).

The FRS Investment Plan is administered by the Florida State Board of Administration (SBA), and is reported in an SBA annual financial statement and in the State of Florida Comprehensive Annual Financial Report. The State of Florida Comprehensive Annual Financial Report is available from the Florida Department of Financial Services, Bureau of Financial Reporting, Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; at the Department's website (<http://www.myfloridacfo.com/Division/AA/Reports/>) or by telephone at (850) 413-5510 (local).

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

C. DEFINED BENEFIT PENSION PLANS

1. Florida Retirement System (FRS) Defined Benefit Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class – Members in senior management level positions.
- Special Risk Class – Members employed as law enforcement officers, firefighters, or correctional officers.
- Elected Officers' Class – Elected county officials.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. Terms of the benefits provided by the Plan may be amended only by the State Legislature with a change in the Statutes governing the Plan.

Contributions. The State of Florida establishes contribution rates for participating employers and employees. The County's employer and employee contribution rates are established in Section 121.71, Florida Statutes. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the Plan actuary but set by the Legislature. Statutes require any unfunded actuarial liability be amortized over 30 plan years. Contribution rates during the fiscal year were as follows:

Class	Oct 1, 2015 - June 30, 2016		July 1, 2016 - Sept 30, 2016	
	Percent of Gross Salary		Percent of Gross Salary	
	Employee	Employer (A)	Employee	Employer (A)
Florida Retirement System, Regular	3.00	7.26	3.00	7.52
Florida Retirement System, Senior Management Service	3.00	21.43	3.00	21.77
Florida Retirement System, Special Risk	3.00	22.04	3.00	22.57
Florida Retirement System, Elected County Officers	3.00	42.27	3.00	42.47
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	12.88	0.00	12.99
Florida Retirement System, Reemployed Retiree	(B)	(B)	(B)	(B)

(A) Employer rates include a rate for the retiree health insurance subsidy program of 1.66 percent. Also, employer rates, other than for DROP participants, include a rate for administrative costs of the Investment Plan of 0.04 percent for October 1, 2015 - June 30, 2016 and 0.06 percent for July 1, 2016 - September 30, 2016.

(B) Contribution rates are dependent upon the retirement class in which the employee was reemployed.

COUNTY OF VOLUSIA, FLORIDA
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September 30, 2016

The County's contributions to the FRS Pension Plan (not including the 1.66 percent HIS Program Contributions or employee contributions) totaled \$17,276,037 for the fiscal year ended September 30, 2016. Employee contributions totaled \$3,383,670 for the same period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2016, the County reported a liability of \$171,831,787 for its proportionate share of the FRS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on accrued retirement contributions for employers that were members of the FRS Pension Plan during the plan year ended June 30, 2016. At June 30, 2016, the County's proportionate share was 0.6805 percent, which was an increase of 0.0529 percent from its proportionate share of 0.6276 percent measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$25,101,672 for the FRS Pension Plan. At September 30, 2016 the County reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 13,156,763	\$ 1,599,870
Changes in assumptions	10,395,309	-
Net difference between projected and actual earnings on pension plan investments	44,416,423	-
Changes in proportion and differences between County contributions and proportionate share of contributions	6,869,205	8,187,487
County contributions subsequent to the measurement date	<u>4,993,932</u>	<u>-</u>
Total	<u>\$ 79,831,632</u>	<u>\$ 9,787,357</u>

The deferred outflows of resources related to pensions totaling \$4,993,932 resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported for the FRS Pension plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended</u>	<u>Amount Recognized</u>
9/30/2016	\$ 8,042,916
9/30/2017	8,042,916
9/30/2018	25,359,194
9/30/2019	18,497,614
9/30/2020	3,786,745
Thereafter	1,320,958

Actuarial Assumptions. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Valuation date	July 1, 2016
Measurement date	June 30, 2016
Discount rate	7.60%
Long-term expected rate of return, net of investment expense	7.60%
Municipal bond rate	N/A
Inflation	2.60%
Salary increase, including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age Normal

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The actuarial assumptions that determined the total pension liability of the FRS Pension Plan as of June 30, 2016, were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The only change in actuarial assumptions since the previous valuation date was to decrease the discount rate and long-term expected rate of return by 0.05 percent. These decreases corresponded to changes in the same assumptions in the actuarial study for funding purposes. All assumptions for funding purposes are set by the FRS Actuarial Assumptions Conference, in accordance with section 216.136(10), Florida Statutes.

Discount Rate. The discount rate used to measure the total pension liability for the FRS Pension Plan disclosed above is based on a projection of cash flows that assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the FRS Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption for the FRS Pension Plan, in October 2016, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by multiple contracted capital market assumptions teams. The table below shows resulting assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The 2016 FRS Actuarial Assumption Conference selected a return assumption of 7.60 percent, which a *prescribed assumption* as defined by Actuarial Standards of Practice Number 27.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	3.0%	3.0%	1.7%
Fixed income	18%	4.7%	4.6%	4.6%
Global equity	53%	8.1%	6.8%	17.2%
Real estate (property)	10%	6.4%	5.8%	12.0%
Private equity	6%	11.5%	7.8%	30.0%
Strategic investments	12%	6.1%	5.6%	11.1%
Total	100%			
Assumed Inflation - Mean			2.6%	1.9%

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate.

The following presents the County's proportionate share of the net pension liability of the FRS Pension Plan calculated using the discount rate of 7.60 percent. Also presented is what the County's proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
County's proportionate share of the FRS Pension Plan net pension liability	\$316,353,954	\$171,831,787	\$ 51,536,170

Pension Plan Fiduciary Net Position. Detailed information about FRS Pension Plan's fiduciary net position is available in the separately issued FRS Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available by mail at P.O. Box 9000, Tallahassee, Florida 32315-9000; by telephone at (877) 377-1737 (toll-free) or (850) 488-5706 (local); by e-mail at rep@dms.myflorida.com; or at the Division's website (http://www.dms.myflorida.com/workforce_operations/retirement/publications).

COUNTY OF VOLUSIA, FLORIDA
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2. Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Plan Description. The HIS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance. Persons are eligible for health insurance subsidy payments who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system except those individuals who are pension recipients under Section 121.40, 237.08(18)(a) and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the Florida Retirement System and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes.
- For a member of the FRS defined benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

Any person retiring on or after July 1, 2001, as a member of the Florida Retirement System, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes.

Benefits Provided. The benefit of the HIS Pension Plan is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

For the fiscal year ended September 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. Terms of the benefits provided by the Plan may be amended only by the State Legislature with a change in the Statutes governing the Plan.

Contributions. The HIS Pension Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2016, the contribution rate of payroll pursuant to section 112.363, Florida Statutes was 1.66 percent. There are no employee contributions required for the HIS Pension Plan. HIS Pension Plan contributions are deposited in a separate trust fund from which HIS payments are authorized.

The County's contributions to the HIS Pension Plan totaled \$2,407,063 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2016, the County reported a liability of \$54,251,655 for its proportionate share of the HIS Pension Plan net pension liability. The current portion of the net pension liability is the County's proportionate share of benefit payments expected to be paid within 1 year, net of the County's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on accrued retirement contributions for employers that were members of the HIS Pension Plan during the plan year ended June 30, 2016. At June 30, 2016, the County's proportionate share was 0.4655 percent, which was an increase of 0.0067 percent from its proportionate share of 0.4588 measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$4,409,212 for the HIS Pension Plan.

COUNTY OF VOLUSIA, FLORIDA
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At September 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 123,565
Changes in assumptions	8,513,464	-
Net difference between projected and actual earnings on pension plan investments	27,431	-
Changes in proportion and differences between County contributions and proportionate share of contributions	695,723	930,479
County contributions subsequent to the measurement date	644,010	-
Total	\$ 9,880,628	\$ 1,054,044

The deferred outflows of resources related to pensions totaling \$644,010 resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported for the HIS Pension plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	Amount Recognized
9/30/2016	\$ 1,408,862
9/30/2017	1,408,862
9/30/2018	1,403,639
9/30/2019	1,401,132
9/30/2020	1,351,057
Thereafter	1,209,022

Actuarial Assumptions. The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Valuation date	July 1, 2016
Measurement date	June 30, 2016
Discount rate	2.85%
Long-term expected rate of return, net of investment expense	N/A
Municipal bond rate	2.85%
Inflation	2.60%
Salary increase, including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age Normal

The actuarial assumptions that determined the total pension liability of the HIS Pension Plan as of June 30, 2016, were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Pension Plan is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate changes since the previous measurement date are due to changes in the applicable municipal bond rate.

Long-Term Expected Rate of Return. As stated above, the HIS Pension Plan is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the pension plan, or assumed asset allocation.

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Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability of the HIS Pension Plan calculated using the discount rate of 2.85 percent. Also presented is what the County's proportionate share of the HIS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.85 percent) or 1-percentage-point higher (3.85 percent) than the current rate:

	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
County's proportionate share of the HIS Pension Plan net pension liability	\$ 62,238,974	\$ 54,251,655	\$47,622,617

Pension Plan Fiduciary Net Position. Detailed information about HIS Pension Plan's fiduciary net position is available in the separately issued FRS Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available by mail at P.O. Box 9000, Tallahassee, Florida 32315-9000; by telephone toll free at (844) 377-1888 or (850) 907-6500; by e-mail at rep@dms.myflorida.com; or at the Division's Web site (http://www.dms.myflorida.com/workforce_operations/retirement/publications).

3. Volunteer Firefighters Defined Benefit Pension Plan

Plan Description. The Volunteer Firefighters Pension Plan (VFPP) is a single-employer defined benefit pension plan administered by the County of Volusia. The VFPP does not issue a stand-alone financial report.

Volunteer firefighters who meet minimum County-established standards are eligible to participate in the plan. Minimum standards are based on a system that awards points used to certify years of credited service for completing training courses, attending drills, responding to emergency and non-emergency calls, and participating in other fire emergency related activities. The minimum number of years of active service after the October 1, 1989 implementation date for this program is ten years to qualify for retirement. Credit for past service will be given on a year for year basis up to a maximum of ten years. The minimum age for receiving retirement benefits is 55 and after the tenth anniversary of plan participation, but not later than the fifth anniversary of plan participation for volunteers 65 or over on October 1, 1989. Vesting occurs after ten years of continuous credited service (five years if volunteer is age 65 or over on October 1, 1989).

Pension Board. The County Council appoints the Volunteer Firefighters Retirement Advisory Board. Members include the Chief Financial Officer, the Fire Services Director, the Personnel Director, and two volunteers appointed by the County Council to represent the volunteer firefighters. The Board is also the Plan Administrator and has delegated day-to-day duties to County staff.

Benefits Provided. Eligible participants will receive pension benefits equal to \$20 per month multiplied by each year of credited service, not to exceed 35 years. In addition, the participant will receive a benefit equal to his or her accrued benefit payable at the time he or she becomes disabled. Upon death of the participant, his or her beneficiary will receive an equivalent benefit equal to the actuarial value of the participant's accrued benefit. The VFPP provides for no post-retirement pension adjustments or healthcare benefits; any benefit changes such as cost of living adjustments, require a plan amendment and is subject to County Council approval. Since the participants are volunteers and the plan has no provision for cost-of-living adjustments after retirement, there is no assumption regarding cost-of-living adjustments. Authority to establish and amend benefits rests with the County Council, and no changes in benefits provided were made during the fiscal year.

Plan Membership. Membership in the plan consisted of the following at October 1, 2015, the most recent actuarial valuation date:

Retirees and beneficiaries receiving benefits	34
Terminated plan members entitled to, but not yet receiving benefits	7
Active plan members:	
Vested	1
Non-vested	33
Total plan members	75
Number of participating employers	1

COUNTY OF VOLUSIA, FLORIDA
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Contributions. The contribution requirements to the plan are established during the adoption of the County's annual budget. They are predicated on maintaining a level contribution to the plan as long as the annual pension cost obligation is met or exceeded. Authority to establish and amend contribution requirement rests with the County Council. The County did not make any contributions to the VFPP for the fiscal year ended September 30, 2016, nor was it actuarially required to do so. Volunteers do not contribute to the plan.

Plan Investment Policies. The VFPP's investment policy is included in the County's investment policy requiring County Council approval for any amendments. In addition to participating in the County's pool of investments, the VFPP is permitted to invest in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States provided the corporation is listed on any one or more of the recognized national stock exchanges and has an unsecured, uninsured, and unguaranteed obligation rating within the "A" category by a major rating service. In addition, the plan is permitted to invest in mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of domestic securities receiving a minimum rating of three stars by Morningstar, and index mutual funds that have a portfolio matching that of a broad-based index such as Standard and Poor's. No investment policy changes were made during the fiscal year.

In order to provide diversification, the VFPP's investment policy provides that no more than 30 percent of the value of the pension system's assets be invested in the securities of any single issuer or instrument with the exception of U.S. Government securities and agencies or the County's investment pool. No other policies have been established with respect to asset allocation.

Plan investments are reported at fair value. Securities and equities traded on a national exchange are valued at the last reported sales price.

Money-Weighted Rate of Return. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. External cash inflows are netted with external cash outflows, resulting in a net external cash outflow for each month. For the fiscal year ended September 30, 2016, the annual money-weighted rate of return on pension plan investments was 7.30 percent.

Allocation of Investments. Other than the single issuer limitation previous described, there are no policies established with respect to asset allocation for the VFPP. As such, there is no assumed asset allocation for the plan's portfolio.

Pension funds are currently invested in the County's investment pool and selected equities. As of September 30, 2016 the assets of the plan were allocated as follows:

Investment	Pension Portfolio
Domestic Equities	35.71
County's Investment Pool	64.29
	100.00

The VFPP has one equity investment in a single organization that exceeds five percent of the plan's fiduciary net position, which is a Brown and Brown Inc. common stock, which had a market value of \$1,357,560 or 30.99% of plan net position at September 30, 2016. As of September 30, 2016, the market value of this equity investment amount exceeds the County's single issuer limitation by 0.99 percent. The County has taken steps subsequent to the fiscal year end to reduce this investment below the 30 percent single issuer limitation.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. The County's net pension liability (asset) for the VFPP was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The components of the VFPP's net pension liability (asset) at September 30, 2016, along with the changes from the prior year were as follows:

	<u>Increase / (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability / (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at September 30, 2015	\$ 1,622,109	\$ 4,187,181	\$ (2,565,072)
Changes for the year:			
Service cost	55,908	-	55,908
Interest on total pension liability	69,207	-	69,207
Benefit changes	-	-	-
Differences between expected and actual experience	-	-	-
Assumption changes	-	-	-
Contributions - employer	-	-	-
Contributions - members (volunteers)	-	-	-
Net investment income	-	301,401	(301,401)
Benefits payments	(99,227)	(99,227)	-
Administrative expense	-	(9,346)	9,346
Net changes	<u>25,888</u>	<u>192,828</u>	<u>(166,940)</u>
Balances at September 30, 2016	<u>\$ 1,647,997</u>	<u>\$ 4,380,009</u>	<u>\$ (2,732,012)</u>

Plan fiduciary net position as a percentage of the total pension liability **265.78%**

For the fiscal year ended September 30, 2016, the County recognized pension expense of \$64,961 for the VFPP.

At September 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions for the VFPP from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 13,263	\$ -
Changes in assumptions	89,486	-
Net difference between projected and actual earnings on pension plan investments	36,425	-
Total	<u>\$ 139,174</u>	<u>\$ -</u>

Amounts reported for the VFPP as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended</u>	<u>Amount Recognized</u>
9/30/2017	\$ 106,148
9/30/2018	37,649
9/30/2019	20,526
9/30/2020	(25,149)
9/30/2021	-
Thereafter	-

COUNTY OF VOLUSIA, FLORIDA
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Actuarial Assumptions. The total pension liability for the VFPP was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below. Since the membership of the plan is comprised of volunteers, no estimates for wage adjustments are included.

Valuation date	October 1, 2015
Measurement date	September 30, 2016
Discount rate	4.25%
Long-term expected rate of return, net of investment expense	4.25%
Municipal bond rate	N/A
Inflation	2.50%
Salary increase, including inflation	N/A
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age Normal

Liabilities originally calculated as of the actuarial valuation date were recalculated as of the measurement date using a standard actuarial roll-forward technique. While no formal experience study was performed, the mortality tables and investment return assumption were studied and updated in connection with the October 1, 2015 actuarial valuation which resulted in the total pension liability for the VFPP.

The changes since the previous valuation date in actuarial assumptions for demographic and economic assumptions (all of the above assumptions except actuarial cost method) correspond to changes in the same assumptions in the actuarial study for funding purposes. The changes are explained below:

- The discount rate and long-term expected rate of return, net of investment expense were both reduced since the prior actuarial valuation by 1.25 percent from 5.50 percent to 4.25 percent to increase the likelihood that VFPP will meet or exceed its assumed investment return in future years.
- The mortality assumption was changed to incorporate Projection Scale BB in the October 1, 2015 actuarial valuation, in place of the Projection Scale AA previously used. The use of Scale BB was required for funding purposes by the State for all public pension plans. The adoption for financial statement purposes was done for consistency.

Discount Rate. The discount rate used to measure the total pension liability for the VFPP disclosed above is based on a projection of cash flows that assumed that employer contributions will be made at rates equal to actuarially determined contribution rates. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return. As previously stated, the plan does not have an assumed asset allocation; therefore there is also no expected rate of return for each major asset class in the portfolio. The long-term expected rate of return for the VFPP was selected at the top level of the plan only. The expected rate of return was selected based on expected future returns considering long-term historical performance of the plan.

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption. The following presents the net pension liability of the County, calculated using the discount rate of 4.25 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current rate:

	1% Decrease <u>(3.25%)</u>	Current Discount Rate <u>(4.25%)</u>	1% Increase <u>(5.25%)</u>
VFPP net pension liability	(\$2,516,385)	(\$2,732,012)	(\$2,907,691)

Pension Plan Fiduciary Net Position. Detailed information about VFPP's fiduciary net position is included in the basic financial statements.

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D. DEFINED CONTRIBUTION PENSION PLAN

The County contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through required employer contributions and by forfeited benefits of plan members. The required employer contribution rate was 0.04 percent of payroll from October 1, 2015 to June 30, 2016 and 0.06 percent of payroll from July 1, 2016 to September 30, 2016. County employees already participating in DROP are not eligible to participate in this program.

Service retirement benefits are based upon the value of the member's account upon retirement. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of invested funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer</u>
Florida Retirement System, Regular	3.00	3.30
Florida Retirement System, Senior Management Service	3.00	4.67
Florida Retirement System, Special Risk	3.00	11.00
Florida Retirement System, Elected County Officers	3.00	8.34

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's FRS Investment Plan contributions and pension expense (not including the 1.66 percent HIS Program Contributions or employee contributions) totaled \$1,305,270 for the fiscal year ended September 30, 2016. Employee contributions totaled \$602,495 for the same period.

E. PENSION EXPENSE SUMMARY

The total of the County's pension expense for the fiscal year ended September 30, 2016 is as follows:

Defined Benefit Plans:	
Florida Retirement System	\$ 25,101,672
Retiree Health Insurance Subsidy Program	4,409,212
Volusia Firefighters Pension Plan	64,961
Total defined benefit pension expense	<u>29,575,845</u>
Defined Contribution Plan:	
FRS Investment Plan	1,305,270
Total pension expense	<u><u>\$ 30,881,115</u></u>

COUNTY OF VOLUSIA, FLORIDA
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F. PAYABLES TO PENSION PLAN

Included in the amounts reported as accrued liabilities is \$1,951,485 due and payable to the Florida Retirement System. The amount is for required contributions based on September 2016 payroll not remitted to the plan until October 2016 and is reported in the General Fund as well as in the Governmental Activities column on the Statement of Net Position. The amount includes both employee contributions withheld in the month of September as well as the required employer contributions on September payroll, for all FRS related plans, as follows:

<u>Payable to Pension Plan:</u>	<u>Employee Withholding Contributions</u>	<u>Employer Benefit Contributions</u>	<u>Total Payable To Pension</u>
Defined Benefit Plans:			
FRS Pension Plan	\$ 264,627	\$ 1,349,149	\$ 1,613,776
HIS Pension Plan	-	187,812	187,812
Defined Contribution Plan:			
FRS Investment Plan	47,690	102,207	149,897
Total	<u>\$ 312,317</u>	<u>\$ 1,639,168</u>	<u>\$ 1,951,485</u>

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COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
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NOTE 10.
OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The cost of post-employment healthcare benefits generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The County recognizes the cost of post-employment healthcare benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the County's future cash flows.

A. PLAN DESCRIPTION

The healthcare benefit plan is a single employer plan administered by the County. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the County may continue to participate in the County's health and hospitalization plans for medical and prescription drug coverage. The State of Florida prohibits the County from separately rating retired employees and active employees. As a result, the County's premium charges to retired employees can be no more than the premium cost applicable to active employees. The County subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blend group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Effective January 1, 2017, Medicare eligible retirees will be provided coverage in a separate fully insured Medicare supplement plan. Retirees will be charged the full premium, therefore, the County will no longer be providing an implicitly subsidized benefit to Medicare eligible retirees.

All healthcare benefits are provided through the County's self-insured health plan. To be eligible for benefits, an employee must be vested in the Florida Retirement System (FRS) and receiving pension benefits at termination. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, and substance abuse care; and prescriptions. Upon a retired employee reaching 65 years of age, Medicare becomes the primary insurer and the County's plan will not pay benefits already paid by Medicare.

The plan is not reported as a trust fund nor has an irrevocable trust or equivalent arrangement been established to account for the plan. As a result, the plan does not issue a separate financial report. The activity of the plan is reported in the County's Employee Group Insurance fund, an internal service fund.

B. FUNDING POLICY

The employee, retiree, and employer contributions are governed by the County and can be amended by the County through management recommendations to, and approval by, County Council as part of the annual budget adoption process. Under a plan provision change approved by County Council in fiscal year 2011, employees who retire with 20 or more years of service are eligible to convert their excess personal leave time to offset one-half of their annual health care premium cost, for up to five years.

The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB obligation and the OPEB plan is financed on a pay-as-you-go basis. For the fiscal year ended September 30, 2016, retired employees contributed \$3,053,944 to the plan. For those employees, through its self-insured Employee Group Insurance fund, the County paid \$4,934,129 in claims and administrative costs resulting in a net contribution of \$1,880,185 or 1.26 percent of cover payroll. The amount paid by retirees represents 1.93 percent of covered payroll. Active employees do not contribute to the plan until retirement.

C. MEMBERSHIP

At October 1, 2014, the most recent actuarial valuation date, membership consisted of:

Active employees	2,873
Inactive employees	439
Total members	3,312

COUNTY OF VOLUSIA, FLORIDA
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D. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

The County's actuarial valuation was performed for the plan to determine the employer's annual required contribution (ARC) for the fiscal year ending September 30, 2016. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the net OPEB obligation.

Normal cost (service cost)	\$ 1,915,544
Amortization of Unfunded actuarial accrued liability	2,155,366
Interest on normal cost and amortization	<u>162,836</u>
Annual required contribution	4,233,746
Interest on net OPEB obligation	845,696
Adjustment to annual required contribution	<u>(755,098)</u>
Annual OPEB cost	4,324,344
Less: Contributions made	<u>1,880,185</u>
Increase in net OPEB obligation	2,444,159
Net OPEB obligation beginning of year	<u>21,142,398</u>
Net OPEB obligation end of year	<u><u>\$ 23,586,557</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and last two fiscal years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
09/30/16	\$ 4,324,344	\$ 1,880,185	43.48	\$ 23,586,557
09/30/15	4,107,462	2,864,051	69.73	21,142,398
09/30/14	4,155,895	1,855,875	44.66	19,898,987

E. FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plan as of September 30, 2016 is as follows:

Actuarial accrued liability (AAL)	\$ 30,343,604
Actuarial value of plan assets	N/A
Unfunded actuarial accrued liability (UAAL)	\$ 30,343,604
Funded ratio (actuarial value of plan assets/AAL)	N/A
Covered payroll (active plan members)	\$ 148,369,312
UAAL as a percentage of covered payroll	20.45

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
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F. ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projections do not explicitly incorporate the potential effects of legal or contractual funding limitations. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The ARC for other post-employment benefits was determined as part of the actuarial valuation using the following methods and assumptions:

Actuarial Cost Method	Entry age
Amortization Method	Level dollar, closed
Amortization Period, Original	30 years
Amortization Period, Remaining	20 years
Asset Valuation Method	N/A
Mortality	RP-2006 Generational with scale MP 2015
Investment Return (Discount Rate)	4.0%
General Inflation	2.5%
Salary Scale	4.5%
Payroll Growth Rate	3.5%
Post-retirement Benefit Increases	N/A

Participation Rates

Category	Using Leave Balance	Without Leave Balance
(1) Pre 65		
(a) Immediate Election	50%	35%
(b) Continuation at Medicare Eligible	80%	30%
(2) Medicare Eligible	40%	10%

Marital Status and Age of Spouse

Assumption	Male	Female
(1) Married	85%	65%
(2) Elect Spouse Coverage	70%	30%
(3) Spouse Age Difference	3 years younger	3 years older

Healthcare Cost Trend Rates

Year	Pre-Medicare	Medicare Eligible
2016	7.25%	8.00%
2017	7.00%	7.75%
2018	6.75%	7.50%
2019	6.50%	7.00%
2020	6.25%	6.50%
2021	6.00%	6.25%
2022	5.75%	6.00%
2023	5.50%	5.75%
2024	5.25%	5.50%
Ultimate	5.00%	5.00%

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 11.

AIRPORT LEASING ARRANGEMENTS WITH TENANTS AND PROPERTY HELD FOR LEASE

A. LEASING ARRANGEMENTS

The Airport's leasing operations consist of the leasing of land, buildings, and terminal space to airlines and other tenants. The leases consist of:

- Yearly lease agreements with major (non-airline) tenants of the terminal.
- Operating leases, whose original terms range from one to forty-eight years, for the land and buildings leased at the Airport.

B. FUTURE RENTALS

The following is a schedule by years of minimum future rentals to be received on noncancellable operating leases:

Minimum Future Rentals as of	
September 30, 2016	
2017	\$ 8,442,331
2018	8,588,128
2019	8,611,210
2020	8,529,054
2021	8,135,507
2022-2026	27,725,278
2027-2031	7,792,146
2032-2036	5,389,659
2037-2041	2,517,911
2042-2046	244,197
2047-2052	23,750
2052-2055	15,042
Total	\$ 86,014,213

Minimum future rentals do not include contingent rentals, which may be received under certain leases of land and buildings on the basis of revenue or fuel flow.

C. PROPERTY HELD FOR LEASE

Certain administrative offices and common use areas are included in property held for lease. The following is an analysis, as of September 30, 2016, of the Airport's investment in lease property and property held for lease by major classes.

Investment in Property on Operating Leases and	
Property Held for Lease as of September 30, 2016	
Land	\$ 4,278,696
Buildings	4,022,491
Improvements other than buildings	20,467,624
Subtotal	28,768,811
Less: Accumulated depreciation	(13,271,635)
Total	\$ 15,497,176

COUNTY OF VOLUSIA, FLORIDA
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September 30, 2016

NOTE 12.
CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on its landfill sites (Plymouth Avenue and Tomoka Road) when it stops accepting waste and perform certain maintenance and monitoring functions at these sites for 30 years after closure. Currently, the County is operating a combined North and East Class I Cell and a Class III Cell at the Tomoka Road site which have an estimated useful life remaining of 8.3 and 24.9 years, respectively. The Plymouth Avenue site and the South Cell of the Tomoka Road site are closed.

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The total estimated cost for closure and postclosure care is \$33.1 million, of which \$22.6 million is recognized as a liability based upon the use of 100 percent of the estimated capacity at the Plymouth Avenue site and the South Cell, 72.95 percent of the estimated capacity of the combined Tomoka North and East Class I Cell, and 45.33 percent of the cost of closure and postclosure care of the estimated capacity of the Tomoka Class III Cell. In future years, the County will recognize the remaining portion of \$10.5 million as the estimated cell capacities are filled. Actual closure costs may change due to inflation, deflation, changes in technology, or changes in regulation. The \$22.6 million reported as landfill closure and postclosure care liability in the refuse disposal fund represents the estimated cost for closure and postclosure care, net of all closure expenses as of September 30, 2016.

The County is required by the State of Florida to make an annual contribution, if necessary, to a trust fund to finance closure costs. The County is in compliance with these requirements, and, as of September 30, 2016, cash and investments of \$11.6 million are held for these purposes. These amounts are reported as restricted assets on the statement of net position. The County expects that future inflation costs will be paid from interest earnings of the trust fund or included as part of the annual contribution. However, if interest earnings and contributions are inadequate or additional postclosure care requirements are determined, these costs may need to be covered by increased landfill user charges.

NOTE 13.
DEFICITS

A. FUND BALANCE DEFICIT

The \$840,767 deficit fund balance in the Volusia Forever fund resulted from an advance of \$11,587,047 made from the general fund in fiscal year 2011 to the Forever fund to finance the 4,806 acre Deep Creek Reserve purchase. This advance, with a remaining balance of \$7,851,996, will be paid back over the next several years from the Volusia Forever property tax.

B. NET POSITION DEFICIT

The Employee Group Health Insurance Fund deficit net position of \$8,418,962 was a result of increases in estimates for other post-employment benefits (OPEB). Due to the long-term nature of the OPEB liability, as described in Note 10, the County pays these costs on a pay-as-you-go basis which, therefore, has little or no effect on the County's overall net position.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

NOTE 14.
COMMITMENTS AND CONTINGENCIES

A. SELF-INSURANCE PROGRAMS

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; business interruptions; errors and omissions; natural disaster; injuries to employees; and employee health. As a result, it established two self-insurance funds (internal service funds) to manage these risks internally and set aside assets for claims settlements and associated costs. The details of these funds are explained below.

1. Insurance Fund

In this fund, the County services all claims for risk of loss to which it is exposed, including workers' compensation, general liability, and property damage. All funds of the County participate in the program. Each fund is charged a "premium" which it pays to the insurance fund to cover the cost of prior and current year claims, claims reserves, and allocated claims adjustments. This charge considers past and recent trends in actual claims experience and makes provisions for catastrophic losses.

The insurance fund provides coverage for up to a maximum of \$650,000 for each workers' compensation and \$500,000 for each general, automobile, public official or law enforcement liability claim, unless it meets the State of Florida sovereign immunity requirements, in which case, the limit is \$200,000 per claimant and \$300,000 per occurrence. The County has secured commercial insurance to cover specific claims for workers' compensation and general, automobile, law enforcement and public official liability claims for incidents that exceed the self-insured retention. For workers' compensation claims, this coverage pays for all eligible claims costs that exceed the fund's \$650,000 self-insured retention up to statutory limits. For general, automobile and law enforcement liability claims, the limits of commercial coverage are \$5,000,000 per occurrence/\$10,000,000 aggregate, while public official limits are \$2,000,000 per occurrence/\$2,000,000 aggregate.

The insurance fund also provides coverage for property damage claims up to a certain amount. The self-insured retention for named storm damage is three percent of the value of the damaged property, subject to a minimum of \$100,000. Other than named storms, the self-insured retention is \$100,000 for wind events and \$25,000 for all other perils, except other perils related to vacant buildings, for which the self-insured retention is \$50,000. Commercial insurance has been secured for property damage claims that exceed the self-insured retentions. The limits of the commercial insurance are \$30,000,000 for named storm wind damage, \$20,000,000 for named storm flood damage and \$150,000,000 for all other perils.

For medical malpractice insurance, the County is not self-insured and has secured policies that cover the County in a tiered fashion. The base level of the tier is comprised of two policies (one for ambulatory medical services and the second for non-ambulatory medical services) that provide coverage up to a \$5,000,000 per occurrence/\$5,000,000 aggregate. A third policy is an additional tier that covers any claims (both ambulatory and non-ambulatory) in excess of the limits of the base tier up to \$5,000,000 per claimant/\$5,000,000 aggregate. Commercial insurance is also purchased for other risks not covered by the fund; this includes aviation coverage for Daytona Beach International Airport, the Sheriff's Office, and Mosquito Control with limits of coverage of \$100,000,000, \$10,000,000, and \$5,000,000, respectively.

A liability for a claim is reported if it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment yield assumptions. The estimates of the insurance claims payable also include allocated loss adjustment expenses (incremental claims adjustment expenses). Allocated loss adjustment expense provides for all expenses associated with the handling and settling of claims that can be directly attributable to a particular claim. Such expenses typically include legal fees, investigatory expenses, expert witness fees, etc. No other costs associated with the County's insurance program have been considered in determining the insurance claims payable. Settled claims have not exceeded the excess insurance limits or commercial coverage in the past three fiscal years. No significant reduction in the County's insurance coverage has occurred.

COUNTY OF VOLUSIA, FLORIDA
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The present value of the liabilities for workers' compensation, general liability, and property damage claims, based upon expected losses of \$14,546,706 discounted at four percent, is \$12,351,399. Changes in the fund's claims liability amount in fiscal years 2015 and 2016 were:

<u>Changes in Claims Liability</u>	<u>2015</u>	<u>2016</u>
Beginning fiscal year liability	\$ 12,560,397	\$ 13,354,352
Incurred claims and changes in estimates	4,532,841	3,396,780
Claim payments	(3,738,886)	(4,399,733)
Balance at fiscal year end	<u>\$ 13,354,352</u>	<u>\$ 12,351,399</u>

2. Employee Group Insurance Fund

In this fund, the County accounts for health, dental, and other medical-related claims of County employees and their covered dependents. All funds of the County participate in the program. The County allocates the cost of providing claims payment and associated administrative service to its employees by charging a "premium" to each fund based upon the number of employees in each organization. This charge considers recent and expected trends in healthcare claims costs. Employees are assessed a bi-weekly amount of \$40 to help offset program costs and pay an additional premium to cover their dependents. At this time, the County does not maintain specific loss commercial insurance because the cost of this coverage exceeds its benefit. The County maintains adequate reserves in the group insurance fund to mitigate this additional risk. The County has contracted with various agencies to perform certain administrative functions, such as monitoring, reviewing, and paying claims. Settled claims have not exceeded the excess insurance limits in any of the past three fiscal years.

A liability is reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an estimated amount for healthcare related claims that have been incurred, but not paid. The nature of these claims is short-term in length. As a result, a liability of \$4,365,000 has been reported as a current liability. Changes in the fund's claims liability amount in fiscal years 2015 and 2016 were:

<u>Changes in Claims Liability</u>	<u>2015</u>	<u>2016</u>
Beginning fiscal year liability	\$ 4,890,000	\$ 4,784,370
Incurred claims and changes in estimates	40,483,034	40,750,148
Claim payments	(40,588,664)	(40,796,690)
Balance at fiscal year end	<u>\$ 4,784,370</u>	<u>\$ 4,737,828</u>

B. POLLUTION REMEDIATION

The County has identified specific locations requiring site remediation related to fuel tank storage contamination and other soil and groundwater pollutants. An assessment was made of each site to determine the extent of the County's responsibility to clean up the contaminated areas and the cost of these efforts. As of September 30, 2016, the sites that pose a probable liability include:

Site 1: Pursuant to operating under a consent order of the Florida Department of Environmental Protection (FDEP), trichloroethylene and related chlorinated solvent compounds were found impacting surrounding soil and groundwater areas. The cost elements associated with these events include pre-cleanup site assessments, contingency groundwater assessments, active remedial action planning/pilot testing, remedial action plan, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. On October 1, 2015, the FDEP Office of General Council reviewed the County's July 10, 2015 submittal for the Declaration of Restrictive Covenant. The comments were addressed and submitted to FDEP on October 29, 2015. Based on its consultants' technical analysis and findings, FDEP has agreed to issue a site rehabilitation completion order with conditions that there shall be no use of the groundwater conducted on the restricted property, nor any wells be installed other than monitoring wells. The parties have proposed declaration of restrictive covenant memorializing the agreement between FDEP and the County. Post-active remediation well monitoring and well abandonment services continue for the chlorinated solvents site. The total expected cash flow is \$462,558 shared by the FDEP and the County. To date, \$424,360 has been expended for clean-up activities, of which \$211,595 has been recovered by the County from FDEP. The remaining estimated liability for this site is \$18,734.

COUNTY OF VOLUSIA, FLORIDA
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Site 2: The County has commenced pollution remediation activities due to petroleum contamination which occurred at a central fueling terminal. The cost elements associated with this site include remedial action plan development, bid specifications, solicitation and contract award review, remedial system construction, system operations and management, post-active remediation monitoring, and well abandonment and closure activities. In fiscal year 2014, a Site Rehabilitation Funding Allocation Agreement (SRFA) was executed between FDEP and the County of Volusia. The agreement covers 100 percent of the cost of the rehabilitation and will be split between FDEP and the County's pollution liability insurance carrier. In December 2014, the Site Supplement Assessment (SSA) was completed and the report submitted to FDEP. Pollution remediation activities started in December 2016. The project is estimated to cost \$410,000 for the soil remedial action plan and \$123,000 for the ground water remediation. The County's pollution liability insurance coverage covers the County's portion and as a result, no amounts are accrued for this site.

Site 3: In accordance with the Florida Administrative Code, the County is required to conduct an evaluation monitoring program and prepare a contamination evaluation plan to address potential release of contaminants to the groundwater at its landfill sites. The monitoring activities indicated that there might have been potential releases of contaminants into the groundwater at these sites, and therefore the County has voluntarily commenced pollution remediation activities at these locations. The cost elements associated with these events include chemical oxidation groundwater remediation, remedial action plan development, groundwater monitoring and evaluation plan, site assessment reporting, and post-active remediation monitoring. The County contracted with a professional environmental engineering firm which provided the County an estimate of a reasonable range of potential outlays of the costs elements. The County multiplied these outflows by their probability of occurring to develop the liability. In fiscal year 2016, the net expected cash flow decreased by \$202,518 bringing the total adjusted expected cash flow to \$1,362,243 with no expected recoveries at this time. The amount expended as of September 30, 2016 is \$1,135,632. As a result, the remaining estimated liability for the three sites is \$226,611.

Site 4: Petroleum contamination occurred at a fire station. FDEP contracted with a professional environmental engineering firm which provided FDEP with an estimate of a reasonable range of potential outlays of the costs elements. In fiscal year 2015, FDEP submitted correspondence to Volusia County regarding the Petroleum Cleanup Participation Program (PCPP) agreement associated with this site. The PCPP agreement was signed by both the County and FDEP. In fiscal year 2015, the agreement was approved and assignment of a contractor of the County's choice was issued on a task assignment for the County's portion. Prior to the execution of the PCPP between FDEP and the County, FDEP expended \$23,984 on remediation activities. The total expected cash flow for all remediation activities is \$325,000, resulting in \$301,016 of expected cash flow under the PCPP agreement. The PCPP agreement calls for subsequent costs to be shared 75% by FDEP and 25% by the County. Since execution of the PCPP agreement, total costs of \$22,824 have been incurred, \$17,118 of which were recovered from FDEP. As a result, the County's remaining estimated liability for this site is \$69,548.

All estimates of liability are subject to change over time due to changes in the cost of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts.

C. ENCUMBRANCES AND CONSTRUCTION COMMITMENTS

Encumbrances are commitments related to unperformed contracts for goods and services (i.e., purchase orders). Encumbrance accounting is used to assure effective budgetary control and accountability and to promote effective cash management. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year for the governmental funds include the following:

	Major Construction	Other Purchase Orders	Total
Major funds:			
General	\$ 3,495,970	\$ 13,791,434	\$ 17,287,404
Municipal service district	-	170,294	170,294
Federal and state grants	43,953,490	463,255	44,416,745
County transportation trust	6,286,418	1,893,267	8,179,685
Volusia Forever	-	46,908	46,908
Nonmajor funds	1,863,567	8,070,522	9,934,089
Total	\$ 55,599,445	\$ 24,435,680	\$ 80,035,125

COUNTY OF VOLUSIA, FLORIDA
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Details on the major construction commitments as of September 30, 2016 are as follows:

<u>Projects</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Governmental funds:		
Veterans Memorial Bridge	\$ 8,051,511	\$ 38,174,232
Countywide resurfacing	-	4,563,754
South Williamson Blvd extension	11,687,337	3,612,663
LPGA Blvd widening	1,164,632	2,781,648
Branch jail reroofing phase I	92,955	1,590,414
Branch jail emergency generator	184,018	1,396,584
Sheriff's Office evidence facility and forensics lab	-	1,064,500
880 N Atlantic Ave off beach parking	101,918	799,067
Smyrna Dunes fishing pier	76,074	629,705
Administration building fire alerting replacement	115,108	508,972
Turnbull Bay Bridge replacement	594,726	477,906
Total governmental funds	<u>22,068,279</u>	<u>55,599,445</u>
Proprietary funds:		
SW Regional water reclamation facility expansion	4,666,478	8,733,706
Airport Rescue and Firefighting (ARFF) construction	1,216,608	5,688,245
Total proprietary funds	<u>5,883,086</u>	<u>14,421,951</u>
Total	<u>\$ 27,951,365</u>	<u>\$ 70,021,396</u>

D. LITIGATION

Various suits and claims involving disputed ad valorem real and personal property taxes are pending against the County. Portions of these taxes have been voluntarily paid; portions have been paid under protest; and in certain instances, there are unpaid balances.

Various suits and claims are currently pending against the County. At this time, it is impossible for the County to accurately quantify the exposure involved given the jury's latitude in assessing compensatory and punitive damages, and the court's latitude in awarding attorney's fees. The County intends to vigorously defend against these lawsuits and believes it has a good chance of prevailing on their merits.

E. COMMUTER RAIL

On July 31, 2007, the County joined Orange, Osceola, and Seminole counties, and the City of Orlando to create the Central Florida Commuter Rail Commission (Commission). The purpose of the Commission is to provide for the operation and creation of a funding plan for a light rail system that will serve the central Florida area. The four counties and city are the local governing partners that each contributes one member to form the governing board of the Commission. The Commission entered into two agreements with the Florida Department of Transportation who will provide the funds for a 50 percent match of federal funds for the acquisition and construction of a commuter rail system. As a Commission partner, the County is responsible for providing a portion of the capital costs. Volusia County has pledged \$26.5 million, which will pay for two west side train stations, train sets, and track improvements. The County has already paid its Phase I share of the project. The County has a remaining commitment to pay related to Phase II of the project if it moves forward.

F. COMMITMENT TO LOAN

On March 3, 2016, the County contracted with the Volusia County School Board to purchase Hurst Elementary School (School) for \$210,700 and to provide a loan to the School Board in the amount of \$800,000 due October 1, 2019. The purchase of the School was completed during the fiscal year, however the loan has not yet been made to the School Board. The loan is to be used toward construction of a training and professional development center.

COUNTY OF VOLUSIA, FLORIDA
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NOTE 15.
SUBSEQUENT EVENTS

A. HURRICANE MATTHEW

In early October, Hurricane Matthew impacted Volusia County, causing damage throughout the area. The County's current estimated cost of recovery is approximately \$30 million. Before consideration of Federal Emergency Management Agency special pilot programs Debris Pilot Programs, the estimated FEMA share of the cost recovery is 75 percent, approximately \$22.5 million. The remaining nonfederal share would be equally split between the State of Florida and the County in the amount of \$3.75 million each. After considering the Debris Pilot Programs, the final County share is estimated to be lower than \$3.75 million, because the Debris Pilot Programs will increase FEMA's share of the cost recovery, and decrease both the State and County share on certain, yet to be determined amounts.

B. LOAN DRAW

During the fiscal year ended 2016, the County issued Capital Improvement Revenue Note, Series 2016, in the amount of \$15,000,000 to fund certain infrastructure costs for the One Daytona Community Development District mixed-use project. The terms of the note allow for the County to draw the loan proceeds as needed during the initial 24 months of the loan, rather than drawing all proceeds at loan origination. The County made an initial draw of \$7,000,000 at issuance. The remaining \$8,000,000 in proceeds were drawn on March 2, 2017, allowing the County to save \$61,667 in interest costs on the \$8,000,000 in principal over the 5 months between the initial draw and final draw.

NOTE 16.
RECENT ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the County's financial statements:

- GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, in June 2015, which establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. GASB Statement No. 74 is intended to improve the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The requirements of GASB Statement No. 74 are effective for fiscal years beginning after June 15, 2016.
- GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in June 2015, which establishes standards for recognizing and measuring liabilities, deferred outflows or resources, deferred inflows of resources, and expense/expenditures. GASB Statement No. 75 seeks to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions in GASB Statement No. 75 are effective for fiscal years beginning after June 15, 2017.
- GASB issued Statement No. 77, *Tax Abatement Disclosures*, in August 2015. GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose the following information about the agreements: (1) brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients; (2) the gross dollar amount of taxes abated during the period; and (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. The provisions in GASB Statement No. 77 are effective for periods beginning after December 15, 2015.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Financial Statements
September 30, 2016

- GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, in November 2016, which addresses accounting and financial reporting for certain asset retirement obligations, which are legally enforceable liabilities associated with the retirement of a tangible capital asset. The provisions in GASB Statement No. 83 are effective for periods beginning after June 15, 2018.
- GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017, which is intended to improve guidance regarding the identification and reporting of fiduciary activities. The provisions in GASB Statement No. 84 are effective for periods beginning after December 15, 2018.

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REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF VOLUSIA, FLORIDA
Required Supplementary Information
Florida Retirement System (FRS) Defined Benefit Pension Plan

Schedule of the County's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years (*)

County Fiscal Year Ended September 30	Plan Sponsor Measurement Date June 30	County's Proportion of the FRS Net Pension Liability	County's Proportionate Share of the FRS Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2016	2016	0.6805%	\$ 171,831,787	\$ 123,828,544	138.77%	84.88%
2015	2015	0.6276%	81,065,939	119,722,230	67.71%	92.00%
2014	2014	0.6331%	38,630,178	116,670,810	33.11%	96.09%

Schedule of County Contributions
Last Ten Fiscal Years (*)

Fiscal Year Ended September 30	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	County's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2016	\$ 17,276,037	\$ 17,276,037	-	\$ 124,864,579	13.84%
2015	15,606,325	15,606,325	-	120,791,746	12.92%
2014	14,553,972	14,553,972	-	117,465,618	12.39%

(*) The County implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015, including a restatement as of September 30, 2014. Information for prior years is not available.

The notes to the required supplementary information are an integral part of the schedules.

COUNTY OF VOLUSIA, FLORIDA
Required Supplementary Information
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Schedule of the County's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years (*)

County Fiscal Year Ended September 30	Plan Sponsor Measurement Date June 30	County's Proportion of the HIS Net Pension Liability	County's Proportionate Share of the HIS Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2016	2016	0.4655%	\$ 54,251,655	\$ 143,736,905	37.74%	0.97%
2015	2015	0.4588%	46,795,117	139,524,314	33.54%	0.50%
2014	2014	0.4584%	42,865,587	136,394,389	31.43%	0.99%

Schedule of County Contributions
Last Ten Fiscal Years (*)

Fiscal Year Ended September 30	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	County's Covered Payroll	HIS Contributions as a Percentage of Covered Payroll
2016	\$ 2,407,063	\$ 2,407,063	-	\$ 144,950,517	1.66%
2015	1,917,391	1,917,391	-	140,612,962	1.36%
2014	1,663,465	1,663,465	-	137,074,385	1.21%

(*) The County implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015, including a restatement as of September 30, 2014. Information for prior years is not available.

The notes to the required supplementary information are an integral part of the schedules.

COUNTY OF VOLUSIA, FLORIDA
Required Supplementary Information
Volunteer Firefighters Pension Plan

Schedule of Changes in the County's Net Pension Liability and Related Ratios
Last Ten Fiscal Years (**)

	Fiscal Year Ended September 30,		
	2016	2015	2014
Total pension liability			
Service cost	\$ 55,908	\$ 35,975	\$ 39,007
Interest on total pension liability	69,207	73,852	76,192
Benefit changes	-	-	-
Differences between expected and actual experience	-	35,367	-
Assumption changes	-	238,630	-
Benefit payments	(99,227)	(137,006)	(172,409)
Refunds	-	-	-
Net change in total pension liability	25,888	246,818	(57,210)
Total pension liability - beginning	1,622,109	1,375,291	1,432,501
Total pension liability - ending (a)	\$ 1,647,997	\$ 1,622,109	\$ 1,375,291
Plan fiduciary net position			
Net investment income	\$ 301,401	\$ 5,712	\$ 48,543
Benefit payments	(99,227)	(137,006)	(172,409)
Administrative expense	(9,346)	(12,374)	(4,372)
Net change in plan fiduciary net position	192,828	(143,668)	(128,238)
Plan fiduciary net position - beginning	4,187,181	4,330,849	4,459,087
Plan fiduciary net position - ending (b)	\$ 4,380,009	\$ 4,187,181	\$ 4,330,849
County's net pension liability - ending (a) - (b)	\$ (2,732,012)	\$ (2,565,072)	\$ (2,955,558)
Plan fiduciary net position as a percentage of the total pension liability	265.78%	258.13%	314.90%
Covered payroll	N/A	N/A	N/A
County's net pension liability as a percentage of covered payroll	N/A	N/A	N/A
Valuation date	10/1/2015	10/1/2015	10/1/2014
Rollforward valuation date	10/1/2016	N/A	N/A

(**) The County implemented GASB Statement No. 67 for fiscal year ended September 30, 2014. Information for prior years is not available.

COUNTY OF VOLUSIA, FLORIDA
Required Supplementary Information
Volunteer Firefighters Pension Plan

Schedule of County Contributions
Last Ten Fiscal Years (**)

<u>Fiscal Year Ended</u>	<u>Actuarial Valuation Date</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contributions as a Percentage of Covered Payroll</u>
9/30/2016	10/1/2015	\$ -	\$ -	\$ -	N/A	N/A
9/30/2015	10/1/2014	-	-	-	N/A	N/A
9/30/2014	10/1/2012	-	-	-	N/A	N/A

Schedule of Money-Weighted Investment Return
Last Ten Fiscal Years (**)

<u>Fiscal Year Ended September 30</u>	<u>Money-Weighted Rate of Return</u>
2016	7.30%
2015	0.13% ***
2014	1.10%

(**) The County implemented GASB Statement No. 67 for fiscal year ended September 30, 2014.
Information for prior years is not available.

(***) Amount restated from the prior year.

The notes to the required supplementary information are an integral part of the schedules.

COUNTY OF VOLUSIA, FLORIDA
Required Supplementary Information
Other Post-Employment Benefit Plan

Schedule of Funding Progress
Last Three Actuarial Valuations

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
09/30/2016	N/A	\$ 30,343,604	\$ 30,343,604	0.00%	\$ 148,369,312	20.45%
09/30/2015	N/A	44,143,062	44,143,062	0.00%	149,784,280	29.47%
09/30/2014	N/A	43,181,297	43,181,297	0.00%	140,363,962	30.76%

The notes to the required supplementary information are an integral part of the schedules.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Required Supplementary Information
September 30, 2016

NOTE 1.
VOLUNTEER FIREFIGHTERS PENSION PLAN

A. Schedule of Changes in the County's Net Pension Liability and Related Ratios

The following significant changes affects the trend of the amount reported for total pension liability as of September 30, 2015 from September 30, 2014:

- The investment return assumption was reduced from 5.50% to 4.25% following the Actuarial Standards of Practice as required under the Governmental Accounting Standards Board accounting standards. The consensus rate of return on a portfolio with an asset allocation similar to that of the Volunteer Firefighters Pension Plan falls between the geometric mean of 4.23% and the arithmetic mean of 4.40%. The County and its actuary chose the more conservative 4.25% rate of return, which includes an inflation component of 2.50%.
- The mortality table was updated from the RP 2000 Generational Mortality Tables for males and females with mortality improvement projected for all future years after 2000 using Scale AA to the same mortality assumptions used by the Florida Retirement System (FRS) as required by Florida Statutes. The mortality assumption used by the FRS for special risk members is the RP 2000 Generational Mortality Table with 100% Annuity White Collar rates for females and 10% Annuity White Collar/90% Annuitant Blue Collar rates for males with mortality improvement projected to all future years after 2000 using Scale BB. The mortality table is used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement.

B. Schedule of County Contributions

The following actuarial methods and assumptions were used in the October 1, 2015 valuation:

Valuation timing	Actuarial valuation are performed biennially; actuarially determined contribution are calculated as of October 1, which is one year and two years prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method	Frozen Entry Age
Amortization method	Level Dollar, Closed
Remaining amortization period	7 years
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	4.25%
Retirement age	Members are assumed to retire immediately upon normal retirement eligibility
Mortality	RP-2000 Generational Mortality Table with 100% Annuitant White Collar Rates for females and 10% Annuitant White Collar/90% Annuitant Blue Collar rates for males with mortality improvement projected to all future years after 2000 using Scale BB

The changes in actuarial assumptions listed in note 1, part A also applied to the schedule of contributions for the October 1, 2015 valuation.



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SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds account for revenues from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government.

Library Fund

The Library Fund accounts for the fiscal activity relating to the County library system.

East Volusia Mosquito Control District

The East Volusia Mosquito Control District Fund accounts for the fiscal activity relating to a program in the eastern section of the County for the control of pestiferous mosquitoes and other arthropods which can affect public health.

Resort Tax

The Resort Tax Fund accounts for the fiscal activity relating to the collection and distribution of the tax on short-term room rentals.

Sales Tax Trust

The Sales Tax Trust Fund accounts for the fiscal activity related to the County's portion of the half cent state sales tax collected within the County.

Convention Development Tax

The Convention Development Tax Fund accounts for the fiscal activity relating to the tax on short-term room rentals used to promote and advertise specific geographic areas of the County.

Ponce Inlet Port Authority

The Ponce Inlet Port Authority Fund accounts for the fiscal activity relating to the operations of the recreational waterfront properties on the eastside of the County.

E-911 Emergency Telephone System

The E-911 Emergency Telephone System Fund accounts for the fiscal activity relating to the collection and use of the E-911 emergency telephone system fees.

Special Lighting Districts

The Special Lighting Districts Fund accounts for the fiscal activity relating to providing street lighting services to various special lighting districts throughout the County.

Ocean Center

The Ocean Center Fund accounts for the fiscal activity relating to the administration and operation of the County's convention center.

Manatee Conservation

The Manatee Conservation Fund accounts for the fiscal activity relating to the protection of manatees in the County's waterways.

Road Impact Fees

The Road Impact Fees Fund accounts for the fiscal activity relating to the County's road impact fees that support growth-related road needs.

Park Impact Fees

The Park Impact Fees Fund accounts for the fiscal activity relating to the County's park impact fees that support growth-related parks and improvements.

Fire Services

The Fire Services Fund accounts for the fiscal activity relating to providing fire and rescue services in the unincorporated areas of the County and the municipalities of Lake Helen, Oak Hill, and Pierson.

Nonmajor Governmental Funds

Special Revenue Funds (continued)

Fire Impact Fees

The Fire Impact Fees Fund accounts for the fiscal activity relating to the County's fire impact fees that support growth-related fire protection and rescue equipment.

Silver Sands/Bethune Beach Municipal Service District

The Silver Sands/Bethune Beach Municipal Service District Fund accounts for the fiscal activity relating to providing arterial lighting services.

Gemini Springs

The Gemini Springs Fund accounts for funds received to provide security and maintenance assistance for the Gemini Springs/Lake Monroe Park trail.

Stormwater Utility

The Stormwater Utility Fund accounts for the fiscal activity relating to fees collected that support stormwater control, conservation, and aquifer recharge for all developed property in the unincorporated areas of the County.

Volusia ECHO

The Volusia ECHO Fund accounts for the fiscal activity relating to a voter approved special property tax dedicated for Environmental, Cultural, Historic, and Outdoor recreation projects.

Law/Beach Enforcement Trust

The Law/Beach Enforcement Trust Fund accounts for proceeds from the sale of confiscated and unclaimed property awarded to the County by court order to be used solely for crime fighting purposes.

Federal Forfeiture Sharing

The Federal Forfeiture Sharing Funds account for revenues received as a result of County participation with the U.S. Treasury and Justice Departments in the elimination of illegal activities.

State Housing Incentive Program (S.H.I.P.)

The State Housing Incentive Program Fund accounts for the fiscal activity relating to a program for the development and rehabilitation of affordable housing.

Library Endowment

The Library Endowment Fund accounts for donations to purchase publications and other library materials.

Corrections – Welfare Trust

The Corrections – Welfare Trust Fund accounts for sales of personal care and discretionary items to the jail and correctional facility inmates. Profits from these sales are used to purchase recreational equipment for the inmates.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest, and related costs of governmental long-term debt.

Limited Tax General Obligation Bond

The Limited Tax General Obligation Bond Fund accounts for debt service activity related to the Limited Tax General Obligation Refunding Bond, Series 2014.

Subordinate Lien Sales Tax Revenue Bonds

The Subordinate Lien Sales Tax Revenue Bonds Fund accounts for debt service activity related to the Subordinate Lien Sales Tax Revenue Bonds, Series 2008.

Nonmajor Governmental Funds

Debt Service Funds (continued)

Sales Tax Refunding Revenue Bond

The Sales Tax Refunding Revenue Bond Fund accounts for debt service activity related to the Capital Improvement Refunding Revenue Bond, Series 2012.

Gas Tax Refunding Revenue Bond

The Gas Tax Refunding Revenue Bond Fund accounts for debt service activity related to the Gas Tax Refunding Revenue Bond, Series 2013.

Tourist Development Tax Refunding Revenue Bonds

The Tourist Development Tax Refunding Revenue Bonds Fund accounts for debt service activity related to the Tourist Development Tax Refunding Revenue Bonds, Series 2004 and Tourist Development Tax Refunding Revenue Bond, Series 2014A and Series 2014B.

Capital Improvement Revenue Notes and Refunding Revenue Bond

The Capital Improvement Revenue Notes and Refunding Revenue Bond Fund accounts for debt service activity related to the Capital Improvement Refunding Revenue Bond, Series 2009B, Capital Improvement Revenue Note, Series 2015 and Series 2016.

Installment Purchase Agreements

The Installment Purchase Agreements Fund accounts for debt service activity related to the governmental funds portions of the Capital Improvement Revenue Note, Series 2010.

Capital Projects Funds

Capital Projects Funds account for the financial resources used to acquire or construct major capital facilities other than those financed by proprietary funds.

Ocean Center Expansion

The Ocean Center Expansion Fund accounts for the fiscal activity relating to the construction of additional exhibition space and meeting rooms in the Ocean Center.

Bond Funded Road Program

The Bond Funded Road Program Fund accounts for the fiscal activity relating to the construction of roads and transportation improvements with an emphasis on projects that support economic development.

Beach

The Beach Capital Projects Fund accounts for the financial resources used to construct beach related capital improvements.

Trails

The Trails Capital Projects Fund accounts for the financial resources used to construct a county-wide network of bicycle, walking, and hiking trails.

Information Technology

The Information Technology Capital Projects Fund accounts for the financial resources used to acquire, install, upgrade, and equip improvements to the County's electronic information systems.

Library Construction

The Library Construction Fund accounts for the financial resources used to make updates and renovations to libraries county-wide.

Capital Improvement Projects

The Capital Improvement Projects Fund accounts for the financial resources used to design, construct and equip the Emergency Operations and Sheriff's Communications Center (EOSCC).

Nonmajor Governmental Funds

Capital Projects Funds (continued)

Branch Jail Expansion

The Branch Jail Expansion Capital Projects Fund accounts for the financial resources used to design, construct, and equip additional square footage to the existing branch jail to alleviate the overcrowded conditions.

Parks

The Parks Capital Projects Fund accounts for the financial resources used to acquire, construct, install, and equip various County park projects.

800 MHz System Improvements

The 800 MHz System Improvements Fund accounts for the financial resources used to upgrade and improve the 800 MHz communication system.

South Williamson Blvd Extension

The South Williamson Blvd Extension Fund accounts for the financial resources used to extend Williamson Blvd from Airport Road to Pioneer Trail.

Public Works Service Center

The Public Works Service Center Fund accounts for the financial resources used to design, construct and equip a consolidated Public Works Service Center.

Elections Warehouse

The Elections Warehouse Fund accounts for the financial resources used to design, construct and equip a replacement Elections Warehouse.

Sheriff's Office Evidence and Forensics Lab

The Sheriff's Office Evidence and Forensics Lab Fund accounts for the financial resources used to design, construct and equip a replacement Sheriff's Office Evidence Facility. The new facility will also include a forensics lab to replace a discontinued Florida Department of Law Enforcement lab.

Boardwalk Development

The Boardwalk Development Fund accounts for the financial resources used to develop a boardwalk along the County's Opportunity Zone, a 2.25 mile stretch along the Atlantic Ocean from University Boulevard to Silver Beach Avenue.

Capital Economic Development

The Capital Economic Development Fund accounts for the financial resources used to fund major infrastructure improvements designed to enhance economic development incentive projects.

Other

The Other Capital Projects Fund accounts for the financial resources used to acquire, construct, and furnish a variety of smaller capital improvement projects.

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	<u>Library</u>	<u>East Volusia Mosquito Control District</u>	<u>Resort Tax</u>	<u>Sales Tax Trust</u>
ASSETS				
Equity in pooled cash and investments	\$ 5,621,981	\$ 3,052,210	\$ 120,384	\$ -
Accounts receivable, net	-	-	-	-
Taxes receivable	90,245	18,685	536,616	-
Notes receivable, net	-	-	-	-
Due from other governments	-	57,055	-	3,153,922
Inventories	-	501,775	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 5,712,226</u>	<u>\$ 3,629,725</u>	<u>\$ 657,000</u>	<u>\$ 3,153,922</u>
LIABILITIES				
Accounts and contracts payable	\$ 138,772	\$ 29,634	\$ -	\$ -
Due to other funds	-	-	-	3,153,922
Due to component units	-	-	-	-
Due to other governments	13,674	1,576	-	-
Deposits	-	-	-	-
Unearned revenue	-	897	-	-
Total liabilities	<u>152,446</u>	<u>32,107</u>	<u>-</u>	<u>3,153,922</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	84,001	16,860	-	-
Total deferred inflows of resources	<u>84,001</u>	<u>16,860</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Inventories	-	501,775	-	-
Prepaid items	-	-	-	-
Long-term notes receivable	-	-	-	-
Restricted for:				
Law enforcement and fire safety	-	-	-	-
Conservation and environmental programs	-	-	-	-
Transportation construction and operation	-	-	-	-
Tourism development and housing programs	-	-	657,000	-
Social services and community programs	-	3,078,983	-	-
Library, parks and cultural programs	5,475,779	-	-	-
Total fund balances	<u>5,475,779</u>	<u>3,580,758</u>	<u>657,000</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,712,226</u>	<u>\$ 3,629,725</u>	<u>\$ 657,000</u>	<u>\$ 3,153,922</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	<u>Convention Development Tax</u>	<u>Ponce Inlet Port Authority</u>	<u>E-911 Emergency Telephone System</u>	<u>Special Lighting Districts</u>
ASSETS				
Equity in pooled cash and investments	\$ 2,761,857	\$ 1,426,021	\$ 1,388,180	\$ 46,004
Accounts receivable, net	27,023	48,186	-	-
Taxes receivable	536,616	8,715	-	-
Notes receivable, net	-	-	-	-
Due from other governments	-	-	545,401	-
Inventories	-	-	-	-
Prepaid items	254,816	-	175,597	-
Total assets	<u>\$ 3,580,312</u>	<u>\$ 1,482,922</u>	<u>\$ 2,109,178</u>	<u>\$ 46,004</u>
LIABILITIES				
Accounts and contracts payable	\$ 333,011	\$ 24,169	\$ 1,541	\$ 30,867
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Due to other governments	-	2,659	-	-
Deposits	-	-	-	-
Unearned revenue	4,350	-	-	-
Total liabilities	<u>337,361</u>	<u>26,828</u>	<u>1,541</u>	<u>30,867</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	7,885	-	-
Total deferred inflows of resources	<u>-</u>	<u>7,885</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Inventories	-	-	-	-
Prepaid items	254,816	-	175,597	-
Long-term notes receivable	-	-	-	-
Restricted for:				
Law enforcement and fire safety	-	-	1,932,040	-
Conservation and environmental programs	-	-	-	-
Transportation construction and operation	-	1,448,209	-	15,137
Tourism development and housing programs	2,988,135	-	-	-
Social services and community programs	-	-	-	-
Library, parks and cultural programs	-	-	-	-
Total fund balances	<u>3,242,951</u>	<u>1,448,209</u>	<u>2,107,637</u>	<u>15,137</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,580,312</u>	<u>\$ 1,482,922</u>	<u>\$ 2,109,178</u>	<u>\$ 46,004</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	<u>Ocean Center</u>	<u>Manatee Conservation</u>	<u>Road Impact Fees</u>	<u>Park Impact Fees</u>
ASSETS				
Equity in pooled cash and investments	\$ 4,282,064	\$ 220,157	\$ 9,400,810	\$ 1,865,837
Accounts receivable, net	133,629	-	-	-
Taxes receivable	-	-	-	-
Notes receivable, net	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 4,415,693</u>	<u>\$ 220,157</u>	<u>\$ 9,400,810</u>	<u>\$ 1,865,837</u>
LIABILITIES				
Accounts and contracts payable	\$ 218,955	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Due to other governments	36,461	-	-	-
Deposits	136	-	-	-
Unearned revenue	410,785	-	-	-
Total liabilities	<u>666,337</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Long-term notes receivable	-	-	-	-
Restricted for:				
Law enforcement and fire safety	-	-	-	-
Conservation and environmental programs	-	220,157	-	-
Transportation construction and operation	-	-	9,400,810	-
Tourism development and housing programs	-	-	-	-
Social services and community programs	-	-	-	-
Library, parks and cultural programs	3,749,356	-	-	1,865,837
Total fund balances	<u>3,749,356</u>	<u>220,157</u>	<u>9,400,810</u>	<u>1,865,837</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,415,693</u>	<u>\$ 220,157</u>	<u>\$ 9,400,810</u>	<u>\$ 1,865,837</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	<u>Fire Services</u>	<u>Fire Impact Fees</u>	<u>Silver Sands / Bethune Beach Municipal Service District</u>	<u>Gemini Springs</u>
ASSETS				
Equity in pooled cash and investments	\$ 7,607,517	\$ 638,272	\$ 831	\$ 77,797
Accounts receivable, net	397	-	-	-
Taxes receivable	158,691	-	3	-
Notes receivable, net	-	-	-	-
Due from other governments	11,788	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 7,778,393</u>	<u>\$ 638,272</u>	<u>\$ 834</u>	<u>\$ 77,797</u>
LIABILITIES				
Accounts and contracts payable	\$ 982,501	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Due to other governments	17,628	-	-	-
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>1,000,129</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	149,252	-	3	-
Total deferred inflows of resources	<u>149,252</u>	<u>-</u>	<u>3</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Long-term notes receivable	-	-	-	-
Restricted for:				
Law enforcement and fire safety	6,629,012	638,272	-	-
Conservation and environmental programs	-	-	-	-
Transportation construction and operation	-	-	831	-
Tourism development and housing programs	-	-	-	-
Social services and community programs	-	-	-	-
Library, parks and cultural programs	-	-	-	77,797
Total fund balances	<u>6,629,012</u>	<u>638,272</u>	<u>831</u>	<u>77,797</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,778,393</u>	<u>\$ 638,272</u>	<u>\$ 834</u>	<u>\$ 77,797</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	<u>Stormwater Utility</u>	<u>Volusia ECHO</u>	<u>Law / Beach Enforcement Trust</u>	<u>Federal Forfeiture Sharing</u>
ASSETS				
Equity in pooled cash and investments	\$ 6,420,566	\$ 10,541,848	\$ 1,925,538	\$ 126,972
Accounts receivable, net	-	-	-	-
Taxes receivable	-	31,820	-	-
Notes receivable, net	-	-	-	-
Due from other governments	43,276	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	166,730	-
Total assets	<u>\$ 6,463,842</u>	<u>\$ 10,573,668</u>	<u>\$ 2,092,268</u>	<u>\$ 126,972</u>
LIABILITIES				
Accounts and contracts payable	\$ 241,877	\$ 872,203	\$ 58,374	\$ 4,318
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Due to other governments	581	372,699	-	-
Deposits	-	-	207,510	-
Unearned revenue	-	-	-	-
Total liabilities	<u>242,458</u>	<u>1,244,902</u>	<u>265,884</u>	<u>4,318</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	29,524	-	-
Total deferred inflows of resources	<u>-</u>	<u>29,524</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Inventories	-	-	-	-
Prepaid items	-	-	166,730	-
Long-term notes receivable	-	-	-	-
Restricted for:				
Law enforcement and fire safety	-	-	1,659,654	122,654
Conservation and environmental programs	-	-	-	-
Transportation construction and operation	6,221,384	-	-	-
Tourism development and housing programs	-	-	-	-
Social services and community programs	-	-	-	-
Library, parks and cultural programs	-	9,299,242	-	-
Total fund balances	<u>6,221,384</u>	<u>9,299,242</u>	<u>1,826,384</u>	<u>122,654</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,463,842</u>	<u>\$ 10,573,668</u>	<u>\$ 2,092,268</u>	<u>\$ 126,972</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2016

	State Housing Incentive Program (S.H.I.P.)	Library Endowment	Corrections - Welfare Trust	Total Nonmajor Special Revenue Funds
ASSETS				
Equity in pooled cash and investments	\$ 2,514,300	\$ 683,409	\$ 3,101,478	\$ 63,824,033
Accounts receivable, net	-	-	-	209,235
Taxes receivable	-	-	-	1,381,391
Notes receivable, net	2,694,729	-	-	2,694,729
Due from other governments	-	-	-	3,811,442
Inventories	-	-	-	501,775
Prepaid items	-	-	-	597,143
Total assets	\$ 5,209,029	\$ 683,409	\$ 3,101,478	\$ 73,019,748
LIABILITIES				
Accounts and contracts payable	\$ 28,752	\$ -	\$ 93,784	\$ 3,058,758
Due to other funds	-	-	-	3,153,922
Due to component units	76	-	-	76
Due to other governments	-	-	-	445,278
Deposits	-	-	1,992	209,638
Unearned revenue	2,485,472	-	-	2,901,504
Total liabilities	2,514,300	-	95,776	9,769,176
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	287,525
Total deferred inflows of resources	-	-	-	287,525
FUND BALANCES				
Non-spendable:				
Inventories	-	-	-	501,775
Prepaid items	-	-	-	597,143
Long-term notes receivable	2,694,729	-	-	2,694,729
Restricted for:				
Law enforcement and fire safety	-	-	3,005,702	13,987,334
Conservation and environmental programs	-	-	-	220,157
Transportation construction and operation	-	-	-	17,086,371
Tourism development and housing programs	-	-	-	3,645,135
Social services and community programs	-	-	-	3,078,983
Library, parks and cultural programs	-	683,409	-	21,151,420
Total fund balances	2,694,729	683,409	3,005,702	62,963,047
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,209,029	\$ 683,409	\$ 3,101,478	\$ 73,019,748

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Debt Service Funds
September 30, 2016

	Limited Tax General Obligation Bond	Subordinate Lien Sales Tax Revenue Bonds	Sales Tax Refunding Revenue Bond	Gas Tax Refunding Revenue Bond
ASSETS				
Equity in pooled cash and investments	\$ 455,830	\$ 305,627	\$ -	\$ -
Taxes receivable	21,065	-	-	-
Total assets	\$ 476,895	\$ 305,627	\$ -	\$ -
LIABILITIES				
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -
Accrued interest payable	-	-	-	-
Bonds payable - current	-	-	-	-
Total liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	19,634	-	-	-
Total deferred inflows of resources	19,634	-	-	-
FUND BALANCES				
Restricted for:				
Debt service principal and interest	457,261	305,627	-	-
Total fund balances	457,261	305,627	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 476,895	\$ 305,627	\$ -	\$ -

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Debt Service Funds
September 30, 2016

	Tourist Development Tax Refunding Revenue Bonds	Capital Improvement Revenue Notes and Bond	Installment Purchase Agreements	Total Nonmajor Debt Service Funds
ASSETS				
Equity in pooled cash and investments	\$ 2,752,623	\$ 953,322	\$ -	\$ 4,467,402
Taxes receivable	-	-	-	21,065
Total assets	<u>\$ 2,752,623</u>	<u>\$ 953,322</u>	<u>\$ -</u>	<u>\$ 4,488,467</u>
LIABILITIES				
Accounts and contracts payable	\$ -	\$ 31,538	\$ -	\$ 31,538
Accrued interest payable	-	11,822	-	11,822
Bonds payable - current	-	899,000	-	899,000
Total liabilities	<u>-</u>	<u>942,360</u>	<u>-</u>	<u>942,360</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	19,634
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,634</u>
FUND BALANCES				
Restricted for:				
Debt service principal and interest	2,752,623	10,962	-	3,526,473
Total fund balances	<u>2,752,623</u>	<u>10,962</u>	<u>-</u>	<u>3,526,473</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,752,623</u>	<u>\$ 953,322</u>	<u>\$ -</u>	<u>\$ 4,488,467</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2016

	Ocean Center Expansion	Bond Funded Road Program	Beach	Trails
ASSETS				
Equity in pooled cash and investments	\$ 4,549,211	\$ 12,352,170	\$ 7,647,098	\$ 7,016,670
Accounts receivable, net	-	-	47,696	-
Total assets	<u>\$ 4,549,211</u>	<u>\$ 12,352,170</u>	<u>\$ 7,694,794</u>	<u>\$ 7,016,670</u>
LIABILITIES				
Accounts and contracts payable	\$ 4,640	\$ 35,795	\$ 368,842	\$ 83,904
Total liabilities	<u>4,640</u>	<u>35,795</u>	<u>368,842</u>	<u>83,904</u>
FUND BALANCES				
Restricted for:				
Law enforcement and fire safety	-	-	-	-
Transportation construction and operation	-	12,316,375	-	-
Library, parks and cultural programs	4,536,712	-	1,475,800	5,972,544
Committed for:				
Library, parks and cultural programs	-	-	1,706,666	-
Assigned to:				
Capital projects	7,859	-	4,143,486	960,222
Total fund balances	<u>4,544,571</u>	<u>12,316,375</u>	<u>7,325,952</u>	<u>6,932,766</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,549,211</u>	<u>\$ 12,352,170</u>	<u>\$ 7,694,794</u>	<u>\$ 7,016,670</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2016

	Information Technology	Library Construction	Capital Improvement Projects	Branch Jail Expansion
ASSETS				
Equity in pooled cash and investments	\$ 1,462,144	\$ 554,536	\$ 423,032	\$ 180,534
Accounts receivable, net	-	-	-	-
Total assets	<u>\$ 1,462,144</u>	<u>\$ 554,536</u>	<u>\$ 423,032</u>	<u>\$ 180,534</u>
LIABILITIES				
Accounts and contracts payable	\$ 187	\$ 120,554	-	-
Total liabilities	<u>187</u>	<u>120,554</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted for:				
Law enforcement and fire safety	-	-	-	-
Transportation construction and operation	-	-	-	-
Library, parks and cultural programs	-	395,112	-	-
Committed for:				
Library, parks and cultural programs	-	-	-	-
Assigned to:				
Capital projects	1,461,957	38,870	423,032	180,534
Total fund balances	<u>1,461,957</u>	<u>433,982</u>	<u>423,032</u>	<u>180,534</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,462,144</u>	<u>\$ 554,536</u>	<u>\$ 423,032</u>	<u>\$ 180,534</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2016

	<u>Parks</u>	<u>800 MHz System Improvements</u>	<u>South Williamson Blvd Extension</u>	<u>Public Works Service Center</u>
ASSETS				
Equity in pooled cash and investments	\$ 1,952,134	\$ 7,284,081	\$ 43,797	\$ 18,904,480
Accounts receivable, net	-	-	-	-
Total assets	<u>\$ 1,952,134</u>	<u>\$ 7,284,081</u>	<u>\$ 43,797</u>	<u>\$ 18,904,480</u>
LIABILITIES				
Accounts and contracts payable	\$ 53,263	\$ -	\$ -	\$ 11,940
Total liabilities	<u>53,263</u>	<u>-</u>	<u>-</u>	<u>11,940</u>
FUND BALANCES				
Restricted for:				
Law enforcement and fire safety	-	1,050,362	-	-
Transportation construction and operation	-	-	-	18,892,540
Library, parks and cultural programs	582,621	-	-	-
Committed for:				
Library, parks and cultural programs	-	-	-	-
Assigned to:				
Capital projects	1,316,250	6,233,719	43,797	-
Total fund balances	<u>1,898,871</u>	<u>7,284,081</u>	<u>43,797</u>	<u>18,892,540</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,952,134</u>	<u>\$ 7,284,081</u>	<u>\$ 43,797</u>	<u>\$ 18,904,480</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2016

	Elections Warehouse	Sheriff's Office Evidence and Forensics Lab	Boardwalk Development
ASSETS			
Equity in pooled cash and investments	\$ 2,800,000	\$ 1,500,000	\$ 1,500,000
Accounts receivable, net	-	-	-
Total assets	\$ 2,800,000	\$ 1,500,000	\$ 1,500,000
LIABILITIES			
Accounts and contracts payable	\$ -	\$ -	\$ -
Total liabilities	-	-	-
FUND BALANCES			
Restricted for:			
Law enforcement and fire safety	-	1,500,000	-
Transportation construction and operation	-	-	-
Library, parks and cultural programs	-	-	1,500,000
Committed for:			
Library, parks and cultural programs	-	-	-
Assigned to:			
Capital projects	2,800,000	-	-
Total fund balances	2,800,000	1,500,000	1,500,000
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,800,000	\$ 1,500,000	\$ 1,500,000

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2016

	Capital Economic Development	Other	Total Nonmajor Capital Projects Funds
ASSETS			
Equity in pooled cash and investments	\$ 48,604	\$ 400	\$ 68,218,891
Accounts receivable, net	-	-	47,696
Total assets	\$ 48,604	\$ 400	\$ 68,266,587
LIABILITIES			
Accounts and contracts payable	\$ -	\$ -	\$ 679,125
Total liabilities	-	-	679,125
FUND BALANCES			
Restricted for:			
Law enforcement and fire safety	-	-	2,550,362
Transportation construction and operation	-	-	31,208,915
Library, parks and cultural programs	-	400	14,463,189
Committed for:			
Library, parks and cultural programs	-	-	1,706,666
Assigned to:			
Capital projects	48,604	-	17,658,330
Total fund balances	48,604	400	67,587,462
Total liabilities, deferred inflows of resources, and fund balances	\$ 48,604	\$ 400	\$ 68,266,587

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet (continued)
All Nonmajor Governmental Funds
September 30, 2016

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Equity in pooled cash and investments	\$ 63,824,033	\$ 4,467,402	\$ 68,218,891	\$ 136,510,326
Accounts receivable, net	209,235	-	47,696	256,931
Taxes receivable	1,381,391	21,065	-	1,402,456
Notes receivable	2,694,729	-	-	2,694,729
Due from other governments	3,811,442	-	-	3,811,442
Inventories	501,775	-	-	501,775
Prepaid items	597,143	-	-	597,143
Total assets	\$ 73,019,748	\$ 4,488,467	\$ 68,266,587	\$ 145,774,802
LIABILITIES				
Accounts and contracts payable	\$ 3,058,758	\$ 31,538	\$ 679,125	\$ 3,769,421
Due to other funds	3,153,922	-	-	3,153,922
Due to component units	76	-	-	76
Due to other governments	445,278	-	-	445,278
Accrued interest payable	-	11,822	-	11,822
Bonds payable - current	-	899,000	-	899,000
Deposits	209,638	-	-	209,638
Unearned revenue	2,901,504	-	-	2,901,504
Total liabilities	9,769,176	942,360	679,125	11,390,661
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	287,525	19,634	-	307,159
Total deferred inflows of resources	287,525	19,634	-	307,159
FUND BALANCES				
Non-spendable:				
Inventories	501,775	-	-	501,775
Prepaid items	597,143	-	-	597,143
Long-term notes receivable	2,694,729	-	-	2,694,729
Restricted for:				
Law enforcement and fire safety	13,987,334	-	2,550,362	16,537,696
Conservation and environmental programs	220,157	-	-	220,157
Transportation related	17,086,371	-	31,208,915	48,295,286
Tourism development and housing programs	3,645,135	-	-	3,645,135
Social services and community programs	3,078,983	-	-	3,078,983
Library, parks and cultural programs	21,151,420	-	14,463,189	35,614,609
Debt service principal and interest	-	3,526,473	-	3,526,473
Committed for:				
Library, parks and cultural programs	-	-	1,706,666	1,706,666
Assigned to:				
Capital projects	-	-	17,658,330	17,658,330
Total fund balances	62,963,047	3,526,473	67,587,462	134,076,982
Total liabilities, deferred inflows of resources, and fund balances	\$ 73,019,748	\$ 4,488,467	\$ 68,266,587	\$ 145,774,802

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Fiscal Year Ended September 30, 2016

	<u>Library</u>	<u>East Volusia Mosquito Control District</u>	<u>Resort Tax</u>	<u>Sales Tax Trust</u>
REVENUES				
Taxes	\$ 14,479,870	\$ 3,560,372	\$ 10,565,593	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenues	459,234	81,964	-	20,167,829
Charges for services	178,370	17,948	-	-
Fines and forfeitures	298,961	-	-	-
Interest revenues	77,516	30,226	1,517	23,770
Special assessments/impact fees	-	-	-	-
Miscellaneous revenues	634,244	125,485	-	-
Total revenues	<u>16,128,195</u>	<u>3,815,995</u>	<u>10,567,110</u>	<u>20,191,599</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	133,722	-
Human services	-	3,708,230	-	-
Culture/recreation	16,490,593	-	-	-
Total expenditures	<u>16,490,593</u>	<u>3,708,230</u>	<u>133,722</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(362,398)</u>	<u>107,765</u>	<u>10,433,388</u>	<u>20,191,599</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	-	-	-
Transfers out	(326,327)	(2,018,250)	(10,307,069)	(20,191,599)
Total other financing sources (uses)	<u>(276,327)</u>	<u>(2,018,250)</u>	<u>(10,307,069)</u>	<u>(20,191,599)</u>
Net change in fund balances	<u>(638,725)</u>	<u>(1,910,485)</u>	<u>126,319</u>	<u>-</u>
FUND BALANCES				
Beginning	6,114,504	5,491,243	530,681	-
Ending	<u>\$ 5,475,779</u>	<u>\$ 3,580,758</u>	<u>\$ 657,000</u>	<u>\$ -</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2016

	<u>Convention Development Tax</u>	<u>Ponce Inlet Port Authority</u>	<u>E-911 Emergency Telephone System</u>	<u>Special Lighting Districts</u>
REVENUES				
Taxes	\$ 10,565,593	\$ 1,758,288	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenues	-	176	2,194,123	-
Charges for services	-	864,806	-	-
Fines and forfeitures	-	-	-	-
Interest revenues	13,915	21,449	6,405	-
Special assessments/impact fees	-	-	-	300,484
Miscellaneous revenues	185,678	7,695	-	-
Total revenues	<u>10,765,186</u>	<u>2,652,414</u>	<u>2,200,528</u>	<u>300,484</u>
EXPENDITURES				
Current:				
Public safety	-	-	1,665,425	-
Transportation	-	662,581	-	281,269
Economic environment	10,610,010	-	-	-
Human services	-	-	-	-
Culture/recreation	-	654,565	-	-
Total expenditures	<u>10,610,010</u>	<u>1,317,146</u>	<u>1,665,425</u>	<u>281,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>155,176</u>	<u>1,335,268</u>	<u>535,103</u>	<u>19,215</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(3,516,082)	(1,150,909)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,516,082)</u>	<u>(1,150,909)</u>	<u>-</u>
Net change in fund balances	<u>155,176</u>	<u>(2,180,814)</u>	<u>(615,806)</u>	<u>19,215</u>
FUND BALANCES				
Beginning	3,087,775	3,629,023	2,723,443	(4,078)
Ending	<u>\$ 3,242,951</u>	<u>\$ 1,448,209</u>	<u>\$ 2,107,637</u>	<u>\$ 15,137</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2016

	<u>Ocean Center</u>	<u>Manatee Conservation</u>	<u>Road Impact Fees</u>	<u>Park Impact Fees</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	63,000	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	1,972,409	-	-	-
Fines and forfeitures	-	-	-	-
Interest revenues	10,048	1,827	68,437	14,325
Special assessments/impact fees	-	-	3,664,936	155,576
Miscellaneous revenues	476,857	-	-	-
Total revenues	<u>2,459,314</u>	<u>64,827</u>	<u>3,733,373</u>	<u>169,901</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Transportation	-	-	11,749	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture/recreation	5,588,600	-	-	425,000
Total expenditures	<u>5,588,600</u>	<u>-</u>	<u>11,749</u>	<u>425,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,129,286)</u>	<u>64,827</u>	<u>3,721,624</u>	<u>(255,099)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,048,011	-	-	-
Transfers out	(3,706,899)	(3,000)	(3,093,592)	-
Total other financing sources (uses)	<u>2,341,112</u>	<u>(3,000)</u>	<u>(3,093,592)</u>	<u>-</u>
Net change in fund balances	<u>(788,174)</u>	<u>61,827</u>	<u>628,032</u>	<u>(255,099)</u>
FUND BALANCES				
Beginning	4,537,530	158,330	8,772,778	2,120,936
Ending	<u>\$ 3,749,356</u>	<u>\$ 220,157</u>	<u>\$ 9,400,810</u>	<u>\$ 1,865,837</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2016

	<u>Fire Services</u>	<u>Fire Impact Fees</u>	<u>Silver Sands / Bethune Beach Municipal Service District</u>	<u>Gemini Springs</u>
REVENUES				
Taxes	\$ 24,041,980	\$ -	\$ 12,968	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenues	68,828	-	-	-
Charges for services	619,584	-	-	-
Fines and forfeitures	-	-	-	-
Interest revenues	120,969	5,564	40	705
Special assessments/impact fees	-	79,199	-	-
Miscellaneous revenues	8,873	-	-	-
Total revenues	<u>24,860,234</u>	<u>84,763</u>	<u>13,008</u>	<u>705</u>
EXPENDITURES				
Current:				
Public safety	24,350,424	16,896	-	-
Transportation	-	-	14,063	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture/recreation	-	-	-	5,000
Total expenditures	<u>24,350,424</u>	<u>16,896</u>	<u>14,063</u>	<u>5,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>509,810</u>	<u>67,867</u>	<u>(1,055)</u>	<u>(4,295)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,500	-
Transfers out	(208,447)	-	-	-
Total other financing sources (uses)	<u>(208,447)</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Net change in fund balances	<u>301,363</u>	<u>67,867</u>	<u>445</u>	<u>(4,295)</u>
FUND BALANCES				
Beginning	6,327,649	570,405	386	82,092
Ending	<u>\$ 6,629,012</u>	<u>\$ 638,272</u>	<u>\$ 831</u>	<u>\$ 77,797</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2016

	<u>Stormwater Utility</u>	<u>Volusia ECHO</u>	<u>Law / Beach Enforcement Trust</u>	<u>Federal Forfeiture Sharing</u>
REVENUES				
Taxes	\$ -	\$ 5,246,493	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenues	-	1,087	-	-
Charges for services	19,991	-	-	-
Fines and forfeitures	-	-	729,948	129,841
Interest revenues	60,258	108,978	15,609	1,557
Special assessments/impact fees	4,460,004	-	-	-
Miscellaneous revenues	68,701	-	-	-
Total revenues	<u>4,608,954</u>	<u>5,356,558</u>	<u>745,557</u>	<u>131,398</u>
EXPENDITURES				
Current:				
Public safety	-	-	2,067,691	45,534
Transportation	4,207,500	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture/recreation	-	3,594,931	-	-
Total expenditures	<u>4,207,500</u>	<u>3,594,931</u>	<u>2,067,691</u>	<u>45,534</u>
Excess (deficiency) of revenues over (under) expenditures	<u>401,454</u>	<u>1,761,627</u>	<u>(1,322,134)</u>	<u>85,864</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	34,622	-	-	-
Transfers out	(2,000,000)	(3,916,463)	(29,145)	-
Total other financing sources (uses)	<u>(1,965,378)</u>	<u>(3,916,463)</u>	<u>(29,145)</u>	<u>-</u>
Net change in fund balances	<u>(1,563,924)</u>	<u>(2,154,836)</u>	<u>(1,351,279)</u>	<u>85,864</u>
FUND BALANCES				
Beginning	7,785,308	11,454,078	3,177,663	36,790
Ending	<u>\$ 6,221,384</u>	<u>\$ 9,299,242</u>	<u>\$ 1,826,384</u>	<u>\$ 122,654</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2016

	State Housing Incentive Program (S.H.I.P.)	Library Endowment	Corrections - Welfare Trust	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 70,231,157
Licenses and permits	-	-	-	63,000
Intergovernmental revenues	1,029,402	-	-	24,002,643
Charges for services	131,322	-	-	3,804,430
Fines and forfeitures	-	-	-	1,158,750
Interest revenues	25,396	5,734	25,998	640,243
Special assessments/impact fees	-	-	-	8,660,199
Miscellaneous revenues	-	-	991,632	2,499,165
Total revenues	<u>1,186,120</u>	<u>5,734</u>	<u>1,017,630</u>	<u>111,059,587</u>
EXPENDITURES				
Current:				
Public safety	-	-	482,281	28,628,251
Transportation	-	-	-	5,177,162
Economic environment	1,439,670	-	-	12,183,402
Human services	-	-	-	3,708,230
Culture/recreation	-	-	-	26,758,689
Total expenditures	<u>1,439,670</u>	<u>-</u>	<u>482,281</u>	<u>76,455,734</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(253,550)</u>	<u>5,734</u>	<u>535,349</u>	<u>34,603,853</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	6,134,133
Transfers out	-	(50,000)	-	(50,517,782)
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>(44,383,649)</u>
Net change in fund balances	<u>(253,550)</u>	<u>(44,266)</u>	<u>535,349</u>	<u>(9,779,796)</u>
FUND BALANCES				
Beginning	2,948,279	727,675	2,470,353	72,742,843
Ending	<u>\$ 2,694,729</u>	<u>\$ 683,409</u>	<u>\$ 3,005,702</u>	<u>\$ 62,963,047</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Debt Service Funds

For the Fiscal Year Ended September 30, 2016

	Limited Tax General Obligation Bond	Subordinate Lien Sales Tax Revenue Bonds	Sales Tax Refunding Revenue Bond	Gas Tax Refunding Revenue Bond
REVENUES				
Taxes	\$ 3,306,880	\$ -	\$ -	\$ -
Intergovernmental revenues	687	-	-	-
Interest revenues	27,795	51,147	2,914	21,574
Total revenues	<u>3,335,362</u>	<u>51,147</u>	<u>2,914</u>	<u>21,574</u>
EXPENDITURES				
Debt service:				
Principal retirement	2,925,000	6,115,000	525,000	3,760,000
Interest and fiscal charges	355,951	1,061,000	64,515	747,659
Debt issuance costs	-	-	-	-
Total expenditures	<u>3,280,951</u>	<u>7,176,000</u>	<u>589,515</u>	<u>4,507,659</u>
Excess (deficiency) of revenues over (under) expenditures	<u>54,411</u>	<u>(7,124,853)</u>	<u>(586,601)</u>	<u>(4,486,085)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,977,853	586,601	4,486,085
Total other financing sources (uses)	<u>-</u>	<u>6,977,853</u>	<u>586,601</u>	<u>4,486,085</u>
Net change in fund balances	<u>54,411</u>	<u>(147,000)</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Beginning	402,850	452,627	-	-
Ending	<u>\$ 457,261</u>	<u>\$ 305,627</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Debt Service Funds

For the Fiscal Year Ended September 30, 2016

	Tourist Development Tax Refunding Revenue Bonds	Capital Improvement Revenue Notes and Bond	Installment Purchase Agreements	Total Nonmajor Debt Service Funds
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 3,306,880
Intergovernmental revenues	-	-	-	687
Interest revenues	27,181	5,312	-	135,923
Total revenues	<u>27,181</u>	<u>5,312</u>	<u>-</u>	<u>3,443,490</u>
EXPENDITURES				
Debt service:				
Principal retirement	1,674,980	1,714,000	1,055,000	17,768,980
Interest and fiscal charges	2,595,448	218,401	362,966	5,405,940
Debt issuance costs	-	39,038	-	39,038
Total expenditures	<u>4,270,428</u>	<u>1,971,439</u>	<u>1,417,966</u>	<u>23,213,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,243,247)</u>	<u>(1,966,127)</u>	<u>(1,417,966)</u>	<u>(19,770,468)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,259,058	1,977,089	1,417,966	19,704,652
Total other financing sources (uses)	<u>4,259,058</u>	<u>1,977,089</u>	<u>1,417,966</u>	<u>19,704,652</u>
Net change in fund balances	<u>15,811</u>	<u>10,962</u>	<u>-</u>	<u>(65,816)</u>
FUND BALANCES				
Beginning	2,736,812	-	-	3,592,289
Ending	<u>\$ 2,752,623</u>	<u>\$ 10,962</u>	<u>\$ -</u>	<u>\$ 3,526,473</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Capital Projects Funds

For the Fiscal Year Ended September 30, 2016

	Ocean Center Expansion	Bond Funded Road Program	Beach	Trails
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	349,130
Charges for services	-	-	928,926	-
Interest revenues	44,913	106,548	55,335	53,221
Miscellaneous revenues	-	-	-	40,374
Total revenues	<u>44,913</u>	<u>106,548</u>	<u>984,261</u>	<u>442,725</u>
EXPENDITURES				
Capital outlay	30,005	596,420	3,024,178	634,022
Total expenditures	<u>30,005</u>	<u>596,420</u>	<u>3,024,178</u>	<u>634,022</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,908</u>	<u>(489,872)</u>	<u>(2,039,917)</u>	<u>(191,297)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,047,616	964,737	4,246,558	2,426,495
Transfers out	-	-	(33,127)	(1,237,339)
Issuance of notes/bonds payable	-	-	-	-
Total other financing sources (uses)	<u>3,047,616</u>	<u>964,737</u>	<u>4,213,431</u>	<u>1,189,156</u>
Net change in fund balances	<u>3,062,524</u>	<u>474,865</u>	<u>2,173,514</u>	<u>997,859</u>
FUND BALANCES				
Beginning	1,482,047	11,841,510	5,152,438	5,934,907
Ending	<u>\$ 4,544,571</u>	<u>\$ 12,316,375</u>	<u>\$ 7,325,952</u>	<u>\$ 6,932,766</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Capital Projects Funds

For the Fiscal Year Ended September 30, 2016

	Information Technology	Library Construction	Capital Improvement Projects	Branch Jail Expansion
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Interest revenues	15,981	7,312	(270)	5,151
Miscellaneous revenues	-	-	-	-
Total revenues	<u>15,981</u>	<u>7,312</u>	<u>(270)</u>	<u>5,151</u>
EXPENDITURES				
Capital outlay	<u>302,240</u>	<u>120,554</u>	-	<u>1,500</u>
Total expenditures	<u>302,240</u>	<u>120,554</u>	-	<u>1,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(286,259)</u>	<u>(113,242)</u>	<u>(270)</u>	<u>3,651</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of notes/bonds payable	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(286,259)</u>	<u>(113,242)</u>	<u>(270)</u>	<u>3,651</u>
FUND BALANCES				
Beginning	1,748,216	547,224	423,302	176,883
Ending	<u>\$ 1,461,957</u>	<u>\$ 433,982</u>	<u>\$ 423,032</u>	<u>\$ 180,534</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Capital Projects Funds

For the Fiscal Year Ended September 30, 2016

	<u>Parks</u>	<u>800 MHz System Improvements</u>	<u>South Williamson Blvd Extension</u>	<u>Public Works Service Center</u>
REVENUES				
Licenses and permits	\$ 152,242	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Interest revenues	14,172	64,424	43,797	-
Miscellaneous revenues	-	255,524	-	-
Total revenues	<u>166,414</u>	<u>319,948</u>	<u>43,797</u>	<u>-</u>
EXPENDITURES				
Capital outlay	<u>198,332</u>	-	-	<u>107,460</u>
Total expenditures	<u>198,332</u>	<u>-</u>	<u>-</u>	<u>107,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,918)</u>	<u>319,948</u>	<u>43,797</u>	<u>(107,460)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	190,667	1,885,062	-	19,000,000
Transfers out	(67,500)	-	(9,000,000)	-
Issuance of notes/bonds payable	-	-	9,000,000	-
Total other financing sources (uses)	<u>123,167</u>	<u>1,885,062</u>	<u>-</u>	<u>19,000,000</u>
Net change in fund balances	<u>91,249</u>	<u>2,205,010</u>	<u>43,797</u>	<u>18,892,540</u>
FUND BALANCES				
Beginning	1,807,622	5,079,071	-	-
Ending	<u>\$ 1,898,871</u>	<u>\$ 7,284,081</u>	<u>\$ 43,797</u>	<u>\$ 18,892,540</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Capital Projects Funds

For the Fiscal Year Ended September 30, 2016

	Elections Warehouse	Sheriff's Office Evidence and Forensics Lab	Boardwalk Development
REVENUES			
Licenses and permits	\$ -	\$ -	\$ -
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Interest revenues	-	-	-
Miscellaneous revenues	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,800,000	1,500,000	1,500,000
Transfers out	-	-	-
Issuance of notes/bonds payable	-	-	-
Total other financing sources (uses)	<u>2,800,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Net change in fund balances	<u>2,800,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u>\$ 2,800,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Capital Projects Funds

For the Fiscal Year Ended September 30, 2016

	Capital Economic Development	Other	Total Nonmajor Capital Projects Funds
REVENUES			
Licenses and permits	\$ -	\$ -	\$ 152,242
Intergovernmental revenues	-	-	349,130
Charges for services	-	-	928,926
Interest revenues	-	-	410,584
Miscellaneous revenues	-	400	296,298
Total revenues	<u>-</u>	<u>400</u>	<u>2,137,180</u>
EXPENDITURES			
Capital outlay	112,501	-	5,127,212
Total expenditures	<u>112,501</u>	<u>-</u>	<u>5,127,212</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,501)</u>	<u>400</u>	<u>(2,990,032)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	37,561,135
Transfers out	-	-	(10,337,966)
Issuance of notes/bonds payable	-	-	9,000,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>36,223,169</u>
Net change in fund balances	<u>(112,501)</u>	<u>400</u>	<u>33,233,137</u>
FUND BALANCES			
Beginning	161,105	-	34,354,325
Ending	<u>\$ 48,604</u>	<u>\$ 400</u>	<u>\$ 67,587,462</u>

(continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

All Nonmajor Governmental Funds

For the Fiscal Year Ended September 30, 2016

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 70,231,157	\$ 3,306,880	\$ -	\$ 73,538,037
Licenses and permits	63,000	-	152,242	215,242
Intergovernmental revenues	24,002,643	687	349,130	24,352,460
Charges for services	3,804,430	-	928,926	4,733,356
Fines and forfeitures	1,158,750	-	-	1,158,750
Interest revenues	640,243	135,923	410,584	1,186,750
Special assessments/impact fees	8,660,199	-	-	8,660,199
Miscellaneous revenues	2,499,165	-	296,298	2,795,463
Total revenues	<u>111,059,587</u>	<u>3,443,490</u>	<u>2,137,180</u>	<u>116,640,257</u>
EXPENDITURES				
Current:				
Public safety	28,628,251	-	-	28,628,251
Transportation	5,177,162	-	-	5,177,162
Economic environment	12,183,402	-	-	12,183,402
Human services	3,708,230	-	-	3,708,230
Culture/recreation	26,758,689	-	-	26,758,689
Total current	<u>76,455,734</u>	<u>-</u>	<u>-</u>	<u>76,455,734</u>
Debt service:				
Principal retirement	-	17,768,980	-	17,768,980
Interest and fiscal charges	-	5,405,940	-	5,405,940
Debt issuance costs	-	39,038	-	39,038
Total debt service	<u>-</u>	<u>23,213,958</u>	<u>-</u>	<u>23,213,958</u>
Capital outlay	-	-	5,127,212	5,127,212
Total expenditures	<u>76,455,734</u>	<u>23,213,958</u>	<u>5,127,212</u>	<u>104,796,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,603,853</u>	<u>(19,770,468)</u>	<u>(2,990,032)</u>	<u>11,843,353</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,134,133	19,704,652	37,561,135	63,399,920
Transfers out	(50,517,782)	-	(10,337,966)	(60,855,748)
Issuance of notes/bonds payable	-	-	9,000,000	9,000,000
Total other financing sources (uses)	<u>(44,383,649)</u>	<u>19,704,652</u>	<u>36,223,169</u>	<u>11,544,172</u>
Net change in fund balances	<u>(9,779,796)</u>	<u>(65,816)</u>	<u>33,233,137</u>	<u>23,387,525</u>
FUND BALANCES				
Beginning	72,742,843	3,592,289	34,354,325	110,689,457
Ending	<u>\$ 62,963,047</u>	<u>\$ 3,526,473</u>	<u>\$ 67,587,462</u>	<u>\$ 134,076,982</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 14,390,176	\$ 14,479,870	\$ 89,694
Intergovernmental revenues	470,392	459,234	(11,158)
Charges for services	168,000	178,370	10,370
Fines and forfeitures	380,000	298,961	(81,039)
Interest revenues	80,000	77,516	(2,484)
Miscellaneous revenues	451,900	634,244	182,344
Total revenues	<u>15,940,468</u>	<u>16,128,195</u>	<u>187,727</u>
EXPENDITURES			
Current:			
Culture/recreation	17,476,541	16,490,593	985,948
Reserves	2,614,309	-	2,614,309
Total expenditures	<u>20,090,850</u>	<u>16,490,593</u>	<u>3,600,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,150,382)</u>	<u>(362,398)</u>	<u>3,787,984</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	50,000	50,000	-
Transfers out	(326,327)	(326,327)	-
Total other financing sources (uses)	<u>(276,327)</u>	<u>(276,327)</u>	<u>-</u>
Net change in fund balances	<u>(4,426,709)</u>	<u>(638,725)</u>	<u>3,787,984</u>
FUND BALANCES			
Beginning	5,577,240	6,114,504	537,264
Ending	<u>\$ 1,150,531</u>	<u>\$ 5,475,779</u>	<u>\$ 4,325,248</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
East Volusia Mosquito Control District Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 3,540,662	\$ 3,560,372	\$ 19,710
Intergovernmental revenues	120,000	81,964	(38,036)
Charges for services	30,000	17,948	(12,052)
Interest revenues	65,000	30,226	(34,774)
Miscellaneous revenues	458,700	125,485	(333,215)
Total revenues	<u>4,214,362</u>	<u>3,815,995</u>	<u>(398,367)</u>
EXPENDITURES			
Current:			
Human services	4,488,717	3,708,230	780,487
Reserves	2,334,694	-	2,334,694
Total expenditures	<u>6,823,411</u>	<u>3,708,230</u>	<u>3,115,181</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,609,049)</u>	<u>107,765</u>	<u>2,716,814</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(2,018,250)	(2,018,250)	-
Total other financing sources (uses)	<u>(2,018,250)</u>	<u>(2,018,250)</u>	<u>-</u>
Net change in fund balances	<u>(4,627,299)</u>	<u>(1,910,485)</u>	<u>2,716,814</u>
FUND BALANCES			
Beginning	5,048,736	5,491,243	442,507
Ending	<u>\$ 421,437</u>	<u>\$ 3,580,758</u>	<u>\$ 3,159,321</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Resort Tax Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 10,438,137	\$ 10,565,593	\$ 127,456
Interest revenues	10,607	1,517	(9,090)
Total revenues	<u>10,448,744</u>	<u>10,567,110</u>	<u>118,366</u>
EXPENDITURES			
Current:			
Economic environment	137,303	133,722	3,581
Total expenditures	<u>137,303</u>	<u>133,722</u>	<u>3,581</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,311,441</u>	<u>10,433,388</u>	<u>121,947</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(10,311,441)	(10,307,069)	4,372
Total other financing sources (uses)	<u>(10,311,441)</u>	<u>(10,307,069)</u>	<u>4,372</u>
Net change in fund balances	<u>-</u>	<u>126,319</u>	<u>126,319</u>
FUND BALANCES			
Beginning	-	530,681	530,681
Ending	<u>\$ -</u>	<u>\$ 657,000</u>	<u>\$ 657,000</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sales Tax Trust Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 20,360,000	\$ 20,167,829	\$ (192,171)
Interest revenues	11,000	23,770	12,770
Total revenues	<u>20,371,000</u>	<u>20,191,599</u>	<u>(179,401)</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,371,000</u>	<u>20,191,599</u>	<u>(179,401)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(20,371,000)</u>	<u>(20,191,599)</u>	<u>179,401</u>
Total other financing sources (uses)	<u>(20,371,000)</u>	<u>(20,191,599)</u>	<u>179,401</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Convention Development Tax Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 10,551,935	\$ 10,565,593	\$ 13,658
Interest revenues	13,760	13,915	155
Miscellaneous revenues	234,135	185,678	(48,457)
Total revenues	<u>10,799,830</u>	<u>10,765,186</u>	<u>(34,644)</u>
EXPENDITURES			
Current:			
Economic environment	11,710,117	10,610,010	1,100,107
Total expenditures	<u>11,710,117</u>	<u>10,610,010</u>	<u>1,100,107</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(910,287)</u>	<u>155,176</u>	<u>1,065,463</u>
Net change in fund balances	<u>(910,287)</u>	<u>155,176</u>	<u>1,065,463</u>
FUND BALANCES			
Beginning	3,087,775	3,087,775	-
Ending	<u>\$ 2,177,488</u>	<u>\$ 3,242,951</u>	<u>\$ 1,065,463</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Ponce Inlet Port Authority Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 1,749,689	\$ 1,758,288	\$ 8,599
Intergovernmental revenues	160	176	16
Charges for services	641,944	864,806	222,862
Interest revenues	40,020	21,449	(18,571)
Miscellaneous revenues	-	7,695	7,695
Total revenues	<u>2,431,813</u>	<u>2,652,414</u>	<u>220,601</u>
EXPENDITURES			
Current:			
Transportation	1,448,643	662,581	786,062
Culture/recreation	647,131	654,565	(7,434)
Total expenditures	<u>2,095,774</u>	<u>1,317,146</u>	<u>778,628</u>
Excess (deficiency) of revenues over (under) expenditures	<u>336,039</u>	<u>1,335,268</u>	<u>999,229</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(3,516,082)	(3,516,082)	-
Total other financing sources (uses)	<u>(3,516,082)</u>	<u>(3,516,082)</u>	<u>-</u>
Net change in fund balances	<u>(3,180,043)</u>	<u>(2,180,814)</u>	<u>999,229</u>
FUND BALANCES			
Beginning	3,423,224	3,629,023	205,799
Ending	<u>\$ 243,181</u>	<u>\$ 1,448,209</u>	<u>\$ 1,205,028</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
E-911 Emergency Telephone System Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 2,200,000	\$ 2,194,123	\$ (5,877)
Interest revenues	15,000	6,405	(8,595)
Total revenues	<u>2,215,000</u>	<u>2,200,528</u>	<u>(14,472)</u>
EXPENDITURES			
Current:			
Public safety	2,201,446	1,665,425	536,021
Reserves	749,179	-	749,179
Total expenditures	<u>2,950,625</u>	<u>1,665,425</u>	<u>1,285,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(735,625)</u>	<u>535,103</u>	<u>1,270,728</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,150,909)	(1,150,909)	-
Total other financing sources (uses)	<u>(1,150,909)</u>	<u>(1,150,909)</u>	<u>-</u>
Net change in fund balances	<u>(1,886,534)</u>	<u>(615,806)</u>	<u>1,270,728</u>
FUND BALANCES			
Beginning	1,886,534	2,723,443	836,909
Ending	<u>\$ -</u>	<u>\$ 2,107,637</u>	<u>\$ 2,107,637</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Special Lighting Districts Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Special assessments/impact fees	\$ 285,857	\$ 300,484	\$ 14,627
Total revenues	<u>285,857</u>	<u>300,484</u>	<u>14,627</u>
EXPENDITURES			
Current:			
Transportation	285,857	281,269	4,588
Total expenditures	<u>285,857</u>	<u>281,269</u>	<u>4,588</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>19,215</u>	<u>19,215</u>
Net change in fund balances	<u>-</u>	<u>19,215</u>	<u>19,215</u>
FUND BALANCES			
Beginning	-	(4,078)	(4,078)
Ending	<u>\$ -</u>	<u>\$ 15,137</u>	<u>\$ 15,137</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Ocean Center Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 1,399,745	\$ 1,972,409	\$ 572,664
Interest revenues	-	10,048	10,048
Miscellaneous revenues	512,173	476,857	(35,316)
Total revenues	<u>1,911,918</u>	<u>2,459,314</u>	<u>547,396</u>
EXPENDITURES			
Current:			
Culture/recreation	6,291,421	5,588,600	702,821
Reserves	1,657,422	-	1,657,422
Total expenditures	<u>7,948,843</u>	<u>5,588,600</u>	<u>2,360,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,036,925)</u>	<u>(3,129,286)</u>	<u>2,907,639</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,048,011	6,048,011	-
Transfers out	(3,706,899)	(3,706,899)	-
Total other financing sources (uses)	<u>2,341,112</u>	<u>2,341,112</u>	<u>-</u>
Net change in fund balances	<u>(3,695,813)</u>	<u>(788,174)</u>	<u>2,907,639</u>
FUND BALANCES			
Beginning	3,695,813	4,537,530	841,717
Ending	<u>\$ -</u>	<u>\$ 3,749,356</u>	<u>\$ 3,749,356</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Manatee Conservation Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Licenses and permits	\$ 4,000	\$ 63,000	\$ 59,000
Interest revenues	1,125	1,827	702
Total revenues	<u>5,125</u>	<u>64,827</u>	<u>59,702</u>
EXPENDITURES			
Current:			
Physical environment	8,430	-	8,430
Reserves	144,346	-	144,346
Total expenditures	<u>152,776</u>	<u>-</u>	<u>152,776</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(147,651)</u>	<u>64,827</u>	<u>212,478</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(3,000)	(3,000)	-
Total other financing sources (uses)	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Net change in fund balances	<u>(150,651)</u>	<u>61,827</u>	<u>212,478</u>
FUND BALANCES			
Beginning	150,651	158,330	7,679
Ending	<u>\$ -</u>	<u>\$ 220,157</u>	<u>\$ 220,157</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Road Impact Fees Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 57,100	\$ 68,437	\$ 11,337
Special assessments/impact fees	2,912,807	3,664,936	752,129
Total revenues	<u>2,969,907</u>	<u>3,733,373</u>	<u>763,466</u>
EXPENDITURES			
Current:			
Transportation	5,079	11,749	(6,670)
Reserves	8,123,634	-	8,123,634
Total expenditures	<u>8,128,713</u>	<u>11,749</u>	<u>8,116,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,158,806)</u>	<u>3,721,624</u>	<u>8,880,430</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(3,093,593)	(3,093,592)	1
Total other financing sources (uses)	<u>(3,093,593)</u>	<u>(3,093,592)</u>	<u>1</u>
Net change in fund balances	<u>(8,252,399)</u>	<u>628,032</u>	<u>8,880,431</u>
FUND BALANCES			
Beginning	8,252,399	8,772,778	520,379
Ending	<u>\$ -</u>	<u>\$ 9,400,810</u>	<u>\$ 9,400,810</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Park Impact Fees Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 16,557	\$ 14,325	\$ (2,232)
Special assessments/impact fees	126,139	155,576	29,437
Total revenues	<u>142,696</u>	<u>169,901</u>	<u>27,205</u>
EXPENDITURES			
Current:			
Culture/recreation	475,000	425,000	50,000
Reserves	1,806,423	-	1,806,423
Total expenditures	<u>2,281,423</u>	<u>425,000</u>	<u>1,856,423</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,138,727)</u>	<u>(255,099)</u>	<u>1,883,628</u>
Net change in fund balances	<u>(2,138,727)</u>	<u>(255,099)</u>	<u>1,883,628</u>
FUND BALANCES			
Beginning	2,138,727	2,120,936	(17,791)
Ending	<u>\$ -</u>	<u>\$ 1,865,837</u>	<u>\$ 1,865,837</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Services Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 23,988,901	\$ 24,041,980	\$ 53,079
Intergovernmental revenues	57,760	68,828	11,068
Charges for services	495,050	619,584	124,534
Interest revenues	71,000	120,969	49,969
Miscellaneous revenues	5,050	8,873	3,823
Total revenues	<u>24,617,761</u>	<u>24,860,234</u>	<u>242,473</u>
EXPENDITURES			
Current:			
Public safety	25,895,424	24,350,424	1,545,000
Reserves	1,976,985	-	1,976,985
Total expenditures	<u>27,872,409</u>	<u>24,350,424</u>	<u>3,521,985</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,254,648)</u>	<u>509,810</u>	<u>3,764,458</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(208,447)	(208,447)	-
Total other financing sources (uses)	<u>(208,447)</u>	<u>(208,447)</u>	<u>-</u>
Net change in fund balances	<u>(3,463,095)</u>	<u>301,363</u>	<u>3,764,458</u>
FUND BALANCES			
Beginning	5,924,871	6,327,649	402,778
Ending	<u>\$ 2,461,776</u>	<u>\$ 6,629,012</u>	<u>\$ 4,167,236</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Impact Fees Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 3,350	\$ 5,564	\$ 2,214
Special assessments/impact fees	39,010	79,199	40,189
Total revenues	<u>42,360</u>	<u>84,763</u>	<u>42,403</u>
EXPENDITURES			
Current:			
Public safety	463,000	16,896	446,104
Reserves	150,356	-	150,356
Total expenditures	<u>613,356</u>	<u>16,896</u>	<u>596,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(570,996)</u>	<u>67,867</u>	<u>638,863</u>
Net change in fund balances	<u>(570,996)</u>	<u>67,867</u>	<u>638,863</u>
FUND BALANCES			
Beginning	570,996	570,405	(591)
Ending	<u>\$ -</u>	<u>\$ 638,272</u>	<u>\$ 638,272</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Silver Sands / Bethune Beach Municipal Service District Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 11,210	\$ 12,968	\$ 1,758
Interest revenues	11	40	29
Total revenues	<u>11,221</u>	<u>13,008</u>	<u>1,787</u>
EXPENDITURES			
Current:			
Transportation	14,413	14,063	350
Total expenditures	<u>14,413</u>	<u>14,063</u>	<u>350</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,192)</u>	<u>(1,055)</u>	<u>2,137</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,192	1,500	(1,692)
Total other financing sources (uses)	<u>3,192</u>	<u>1,500</u>	<u>(1,692)</u>
Net change in fund balances	<u>-</u>	<u>445</u>	<u>445</u>
FUND BALANCES			
Beginning	-	386	386
Ending	<u>\$ -</u>	<u>\$ 831</u>	<u>\$ 831</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Gemini Springs Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 622	\$ 705	\$ 83
Total revenues	<u>622</u>	<u>705</u>	<u>83</u>
EXPENDITURES			
Current:			
Culture/recreation	5,000	5,000	-
Reserves	77,061	-	77,061
Total expenditures	<u>82,061</u>	<u>5,000</u>	<u>77,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(81,439)</u>	<u>(4,295)</u>	<u>77,144</u>
Net change in fund balances	<u>(81,439)</u>	<u>(4,295)</u>	<u>77,144</u>
FUND BALANCES			
Beginning	81,439	82,092	653
Ending	<u>\$ -</u>	<u>\$ 77,797</u>	<u>\$ 77,797</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Stormwater Utility Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 18,500	\$ 19,991	\$ 1,491
Interest revenues	68,500	60,258	(8,242)
Special assessments/impact fees	4,500,000	4,460,004	(39,996)
Miscellaneous revenues	-	68,701	68,701
Total revenues	<u>4,587,000</u>	<u>4,608,954</u>	<u>21,954</u>
EXPENDITURES			
Current:			
Transportation	6,379,390	4,207,500	2,171,890
Reserves	3,311,082	-	3,311,082
Total expenditures	<u>9,690,472</u>	<u>4,207,500</u>	<u>5,482,972</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,103,472)</u>	<u>401,454</u>	<u>5,504,926</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	34,622	34,622	-
Transfers out	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	<u>(1,965,378)</u>	<u>(1,965,378)</u>	<u>-</u>
Net change in fund balances	<u>(7,068,850)</u>	<u>(1,563,924)</u>	<u>5,504,926</u>
FUND BALANCES			
Beginning	7,068,850	7,785,308	716,458
Ending	<u>\$ -</u>	<u>\$ 6,221,384</u>	<u>\$ 6,221,384</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Volusia ECHO Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 5,217,967	\$ 5,246,493	\$ 28,526
Intergovernmental revenues	1,000	1,087	87
Interest revenues	115,000	108,978	(6,022)
Total revenues	<u>5,333,967</u>	<u>5,356,558</u>	<u>22,591</u>
EXPENDITURES			
Current:			
Culture/recreation	9,180,949	3,594,931	5,586,018
Reserves	3,196,657	-	3,196,657
Total expenditures	<u>12,377,606</u>	<u>3,594,931</u>	<u>8,782,675</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,043,639)</u>	<u>1,761,627</u>	<u>8,805,266</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(4,620,785)	(3,916,463)	704,322
Total other financing sources (uses)	<u>(4,620,785)</u>	<u>(3,916,463)</u>	<u>704,322</u>
Net change in fund balances	<u>(11,664,424)</u>	<u>(2,154,836)</u>	<u>9,509,588</u>
FUND BALANCES			
Beginning	11,664,424	11,454,078	(210,346)
Ending	<u>\$ -</u>	<u>\$ 9,299,242</u>	<u>\$ 9,299,242</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Law / Beach Enforcement Trust Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ 520,000	\$ 729,948	\$ 209,948
Interest revenues	15,010	15,609	599
Miscellaneous revenues	20,000	-	(20,000)
Total revenues	<u>555,010</u>	<u>745,557</u>	<u>190,547</u>
EXPENDITURES			
Current:			
Public safety	2,720,390	2,067,691	652,699
Reserves	950,650	-	950,650
Total expenditures	<u>3,671,040</u>	<u>2,067,691</u>	<u>1,603,349</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,116,030)</u>	<u>(1,322,134)</u>	<u>1,793,896</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(29,145)	(29,145)	-
Total other financing sources (uses)	<u>(29,145)</u>	<u>(29,145)</u>	<u>-</u>
Net change in fund balances	<u>(3,145,175)</u>	<u>(1,351,279)</u>	<u>1,793,896</u>
FUND BALANCES			
Beginning	3,145,175	3,177,663	32,488
Ending	<u>\$ -</u>	<u>\$ 1,826,384</u>	<u>\$ 1,826,384</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal Forfeiture Sharing Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ 100,000	\$ 129,841	\$ 29,841
Interest revenues	2,100	1,557	(543)
Total revenues	<u>102,100</u>	<u>131,398</u>	<u>29,298</u>
EXPENDITURES			
Current:			
Public safety	136,797	45,534	91,263
Reserves	82,003	-	82,003
Total expenditures	<u>218,800</u>	<u>45,534</u>	<u>173,266</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(116,700)</u>	<u>85,864</u>	<u>202,564</u>
Net change in fund balances	<u>(116,700)</u>	<u>85,864</u>	<u>202,564</u>
FUND BALANCES			
Beginning	116,700	36,790	(79,910)
Ending	<u>\$ -</u>	<u>\$ 122,654</u>	<u>\$ 122,654</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
State Housing Incentive Program (S.H.I.P.) Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 1,713,540	\$ 1,029,402	\$ (684,138)
Charges for services	357,124	131,322	(225,802)
Interest revenues	20,739	25,396	4,657
Total revenues	<u>2,091,403</u>	<u>1,186,120</u>	<u>(905,283)</u>
EXPENDITURES			
Current:			
Economic environment	3,693,730	1,439,670	2,254,060
Reserves	68,795	-	68,795
Total expenditures	<u>3,762,525</u>	<u>1,439,670</u>	<u>2,322,855</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,671,122)</u>	<u>(253,550)</u>	<u>1,417,572</u>
Net change in fund balances	<u>(1,671,122)</u>	<u>(253,550)</u>	<u>1,417,572</u>
FUND BALANCES			
Beginning	1,671,122	2,948,279	1,277,157
Ending	<u>\$ -</u>	<u>\$ 2,694,729</u>	<u>\$ 2,694,729</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library Endowment Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 5,100	\$ 5,734	\$ 634
Total revenues	<u>5,100</u>	<u>5,734</u>	<u>634</u>
EXPENDITURES			
Current:			
Reserves	676,615	-	676,615
Total expenditures	<u>676,615</u>	<u>-</u>	<u>676,615</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(671,515)</u>	<u>5,734</u>	<u>677,249</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(50,000)	(50,000)	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	<u>(721,515)</u>	<u>(44,266)</u>	<u>677,249</u>
FUND BALANCES			
Beginning	721,515	727,675	6,160
Ending	<u>\$ -</u>	<u>\$ 683,409</u>	<u>\$ 683,409</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Corrections - Welfare Trust Special Revenue Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 15,000	\$ 25,998	\$ 10,998
Miscellaneous revenues	395,382	991,632	596,250
Total revenues	<u>410,382</u>	<u>1,017,630</u>	<u>607,248</u>
EXPENDITURES			
Current:			
Public safety	937,805	482,281	455,524
Reserves	1,572,142	-	1,572,142
Total expenditures	<u>2,509,947</u>	<u>482,281</u>	<u>2,027,666</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,099,565)</u>	<u>535,349</u>	<u>2,634,914</u>
Net change in fund balances	<u>(2,099,565)</u>	<u>535,349</u>	<u>2,634,914</u>
FUND BALANCES			
Beginning	2,099,565	2,470,353	370,788
Ending	<u>\$ -</u>	<u>\$ 3,005,702</u>	<u>\$ 3,005,702</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Limited Tax General Obligation Bond Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 3,280,471	\$ 3,306,880	\$ 26,409
Intergovernmental revenues	-	687	687
Interest revenues	-	27,795	27,795
Total revenues	<u>3,280,471</u>	<u>3,335,362</u>	<u>54,891</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,925,000	2,925,000	-
Interest and fiscal charges	356,952	355,951	1,001
Reserves	497,223	-	497,223
Total expenditures	<u>3,779,175</u>	<u>3,280,951</u>	<u>498,224</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(498,704)</u>	<u>54,411</u>	<u>553,115</u>
Net change in fund balances	<u>(498,704)</u>	<u>54,411</u>	<u>553,115</u>
FUND BALANCES			
Beginning	498,704	402,850	(95,854)
Ending	<u>\$ -</u>	<u>\$ 457,261</u>	<u>\$ 457,261</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Subordinate Lien Sales Tax Revenue Bonds Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 51,147	\$ 51,147
Total revenues	<u>-</u>	<u>51,147</u>	<u>51,147</u>
EXPENDITURES			
Debt service:			
Principal retirement	6,115,000	6,115,000	-
Interest and fiscal charges	1,060,963	1,061,000	(37)
Reserves	301,275	-	301,275
Total expenditures	<u>7,477,238</u>	<u>7,176,000</u>	<u>301,238</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,477,238)</u>	<u>(7,124,853)</u>	<u>352,385</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,996,612	6,977,853	(18,759)
Total other financing sources (uses)	<u>6,996,612</u>	<u>6,977,853</u>	<u>(18,759)</u>
Net change in fund balances	<u>(480,626)</u>	<u>(147,000)</u>	<u>333,626</u>
FUND BALANCES			
Beginning	480,626	452,627	(27,999)
Ending	<u>\$ -</u>	<u>\$ 305,627</u>	<u>\$ 305,627</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sales Tax Refunding Revenue Bond Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 1,800	\$ 2,914	\$ 1,114
Total revenues	<u>1,800</u>	<u>2,914</u>	<u>1,114</u>
EXPENDITURES			
Debt service:			
Principal retirement	525,000	525,000	-
Interest and fiscal charges	65,265	64,515	750
Reserves	3,600	-	3,600
Total expenditures	<u>593,865</u>	<u>589,515</u>	<u>4,350</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(592,065)</u>	<u>(586,601)</u>	<u>5,464</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	590,265	586,601	(3,664)
Total other financing sources (uses)	<u>590,265</u>	<u>586,601</u>	<u>(3,664)</u>
Net change in fund balances	<u>(1,800)</u>	<u>-</u>	<u>1,800</u>
FUND BALANCES			
Beginning	1,800	-	(1,800)
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Gas Tax Refunding Revenue Bond Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 3,500	\$ 21,574	\$ 18,074
Total revenues	<u>3,500</u>	<u>21,574</u>	<u>18,074</u>
EXPENDITURES			
Debt service:			
Principal retirement	3,760,000	3,760,000	-
Interest and fiscal charges	748,409	747,659	750
Total expenditures	<u>4,508,409</u>	<u>4,507,659</u>	<u>750</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,504,909)</u>	<u>(4,486,085)</u>	<u>18,824</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,500,659	4,486,085	(14,574)
Total other financing sources (uses)	<u>4,500,659</u>	<u>4,486,085</u>	<u>(14,574)</u>
Net change in fund balances	<u>(4,250)</u>	<u>-</u>	<u>4,250</u>
FUND BALANCES			
Beginning	4,250	-	(4,250)
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Tourist Development Tax Refunding Revenue Bonds Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 27,181	\$ 27,181
Total revenues	<u>-</u>	<u>27,181</u>	<u>27,181</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,674,981	1,674,980	1
Interest and fiscal charges	2,596,874	2,595,448	1,426
Reserves	2,591,315	-	2,591,315
Total expenditures	<u>6,863,170</u>	<u>4,270,428</u>	<u>2,592,742</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,863,170)</u>	<u>(4,243,247)</u>	<u>2,619,923</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,263,430	4,259,058	(4,372)
Total other financing sources (uses)	<u>4,263,430</u>	<u>4,259,058</u>	<u>(4,372)</u>
Net change in fund balances	<u>(2,599,740)</u>	<u>15,811</u>	<u>2,615,551</u>
FUND BALANCES			
Beginning	2,599,740	2,736,812	137,072
Ending	<u>\$ -</u>	<u>\$ 2,752,623</u>	<u>\$ 2,752,623</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Improvement Revenue Notes and Refunding Revenue Bond Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 3,500	\$ 5,312	\$ 1,812
Total revenues	<u>3,500</u>	<u>5,312</u>	<u>1,812</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,704,000	1,714,000	(10,000)
Interest and fiscal charges	302,144	218,401	83,743
Debt issuance costs	-	39,038	(39,038)
Total expenditures	<u>2,006,144</u>	<u>1,971,439</u>	<u>34,705</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,002,644)</u>	<u>(1,966,127)</u>	<u>36,517</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,002,644	1,977,089	(25,555)
Total other financing sources (uses)	<u>2,002,644</u>	<u>1,977,089</u>	<u>(25,555)</u>
Net change in fund balances	<u>-</u>	<u>10,962</u>	<u>10,962</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u>\$ -</u>	<u>\$ 10,962</u>	<u>\$ 10,962</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Installment Purchase Agreements Debt Service Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,055,000	1,055,000	-
Interest and fiscal charges	<u>362,967</u>	<u>362,966</u>	<u>1</u>
Total expenditures	<u>1,417,967</u>	<u>1,417,966</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,417,967)</u>	<u>(1,417,966)</u>	<u>1</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,417,967</u>	<u>1,417,966</u>	<u>(1)</u>
Total other financing sources (uses)	<u>1,417,967</u>	<u>1,417,966</u>	<u>(1)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Ocean Center Expansion Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 44,913	\$ 44,913
Total revenues	<u>-</u>	<u>44,913</u>	<u>44,913</u>
EXPENDITURES			
Capital outlay	4,429,940	30,005	4,399,935
Total expenditures	<u>4,429,940</u>	<u>30,005</u>	<u>4,399,935</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,429,940)</u>	<u>14,908</u>	<u>4,444,848</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,047,616	3,047,616	-
Total other financing sources (uses)	<u>3,047,616</u>	<u>3,047,616</u>	<u>-</u>
Net change in fund balances	<u>(1,382,324)</u>	<u>3,062,524</u>	<u>4,444,848</u>
FUND BALANCES			
Beginning	1,382,324	1,482,047	99,723
Ending	<u>\$ -</u>	<u>\$ 4,544,571</u>	<u>\$ 4,544,571</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Bond Funded Road Program Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 106,548	\$ 106,548
Total revenues	<u>-</u>	<u>106,548</u>	<u>106,548</u>
EXPENDITURES			
Capital outlay	12,129,958	596,420	11,533,538
Total expenditures	<u>12,129,958</u>	<u>596,420</u>	<u>11,533,538</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,129,958)</u>	<u>(489,872)</u>	<u>11,640,086</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	964,737	964,737	-
Total other financing sources (uses)	<u>964,737</u>	<u>964,737</u>	<u>-</u>
Net change in fund balances	<u>(11,165,221)</u>	<u>474,865</u>	<u>11,640,086</u>
FUND BALANCES			
Beginning	11,165,221	11,841,510	676,289
Ending	<u>\$ -</u>	<u>\$ 12,316,375</u>	<u>\$ 12,316,375</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Beach Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 760,800	\$ 928,926	\$ 168,126
Interest revenues	-	55,335	55,335
Total revenues	<u>760,800</u>	<u>984,261</u>	<u>223,461</u>
EXPENDITURES			
Capital outlay	10,748,965	3,024,178	7,724,787
Total expenditures	<u>10,748,965</u>	<u>3,024,178</u>	<u>7,724,787</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,988,165)</u>	<u>(2,039,917)</u>	<u>7,948,248</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,949,483	4,246,558	(702,925)
Transfers out	(33,127)	(33,127)	-
Total other financing sources (uses)	<u>4,916,356</u>	<u>4,213,431</u>	<u>(702,925)</u>
Net change in fund balances	<u>(5,071,809)</u>	<u>2,173,514</u>	<u>7,245,323</u>
FUND BALANCES			
Beginning	5,071,809	5,152,438	80,629
Ending	<u>\$ -</u>	<u>\$ 7,325,952</u>	<u>\$ 7,325,952</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Trails Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 349,130	\$ 349,130
Interest revenues	112,765	53,221	(59,544)
Miscellaneous revenues	-	40,374	40,374
Total revenues	<u>112,765</u>	<u>442,725</u>	<u>329,960</u>
EXPENDITURES			
Capital outlay	1,783,839	634,022	1,149,817
Total expenditures	<u>1,783,839</u>	<u>634,022</u>	<u>1,149,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,671,074)</u>	<u>(191,297)</u>	<u>1,479,777</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,426,495	2,426,495	-
Transfers out	(1,237,339)	(1,237,339)	-
Total other financing sources (uses)	<u>1,189,156</u>	<u>1,189,156</u>	<u>-</u>
Net change in fund balances	<u>(481,918)</u>	<u>997,859</u>	<u>1,479,777</u>
FUND BALANCES			
Beginning	481,918	5,934,907	5,452,989
Ending	<u>\$ -</u>	<u>\$ 6,932,766</u>	<u>\$ 6,932,766</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Information Technology Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 15,981	\$ 15,981
Total revenues	<u>-</u>	<u>15,981</u>	<u>15,981</u>
EXPENDITURES			
Capital outlay	798,474	302,240	496,234
Total expenditures	<u>798,474</u>	<u>302,240</u>	<u>496,234</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(798,474)</u>	<u>(286,259)</u>	<u>512,215</u>
Net change in fund balances	<u>(798,474)</u>	<u>(286,259)</u>	<u>512,215</u>
FUND BALANCES			
Beginning	798,474	1,748,216	949,742
Ending	<u>\$ -</u>	<u>\$ 1,461,957</u>	<u>\$ 1,461,957</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library Construction Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 7,312	\$ 7,312
Total revenues	<u>-</u>	<u>7,312</u>	<u>7,312</u>
EXPENDITURES			
Capital outlay	540,152	120,554	419,598
Total expenditures	<u>540,152</u>	<u>120,554</u>	<u>419,598</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(540,152)</u>	<u>(113,242)</u>	<u>426,910</u>
Net change in fund balances	<u>(540,152)</u>	<u>(113,242)</u>	<u>426,910</u>
FUND BALANCES			
Beginning	540,152	547,224	7,072
Ending	<u>\$ -</u>	<u>\$ 433,982</u>	<u>\$ 433,982</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Improvement Projects Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ (270)	\$ (270)
Total revenues	<u>-</u>	<u>(270)</u>	<u>(270)</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(270)</u>	<u>(270)</u>
Net change in fund balances	<u>-</u>	<u>(270)</u>	<u>(270)</u>
FUND BALANCES			
Beginning	-	423,302	423,302
Ending	<u>\$ -</u>	<u>\$ 423,032</u>	<u>\$ 423,032</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Branch Jail Expansion Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 5,151	\$ 5,151
Total revenues	<u>-</u>	<u>5,151</u>	<u>5,151</u>
EXPENDITURES			
Capital outlay	29,864	1,500	28,364
Total expenditures	<u>29,864</u>	<u>1,500</u>	<u>28,364</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,864)</u>	<u>3,651</u>	<u>33,515</u>
Net change in fund balances	<u>(29,864)</u>	<u>3,651</u>	<u>33,515</u>
FUND BALANCES			
Beginning	29,864	176,883	147,019
Ending	<u>\$ -</u>	<u>\$ 180,534</u>	<u>\$ 180,534</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Parks Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Licenses and permits	\$ -	\$ 152,242	\$ 152,242
Intergovernmental revenues	147,959	-	(147,959)
Interest revenues	22,743	14,172	(8,571)
Total revenues	<u>170,702</u>	<u>166,414</u>	<u>(4,288)</u>
EXPENDITURES			
Capital outlay	1,587,098	198,332	1,388,766
Total expenditures	<u>1,587,098</u>	<u>198,332</u>	<u>1,388,766</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,416,396)</u>	<u>(31,918)</u>	<u>1,384,478</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	307,257	190,667	(116,590)
Transfers out	(406,525)	(67,500)	339,025
Total other financing sources (uses)	<u>(99,268)</u>	<u>123,167</u>	<u>222,435</u>
Net change in fund balances	<u>(1,515,664)</u>	<u>91,249</u>	<u>1,606,913</u>
FUND BALANCES			
Beginning	1,515,664	1,807,622	291,958
Ending	<u>\$ -</u>	<u>\$ 1,898,871</u>	<u>\$ 1,898,871</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
800 MHz System Improvements Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 64,424	\$ 64,424
Miscellaneous revenues	-	255,524	255,524
Total revenues	<u>-</u>	<u>319,948</u>	<u>319,948</u>
EXPENDITURES			
Capital outlay	6,014,473	-	6,014,473
Total expenditures	<u>6,014,473</u>	<u>-</u>	<u>6,014,473</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,014,473)</u>	<u>319,948</u>	<u>6,334,421</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,948,473	1,885,062	(63,411)
Total other financing sources (uses)	<u>1,948,473</u>	<u>1,885,062</u>	<u>(63,411)</u>
Net change in fund balances	<u>(4,066,000)</u>	<u>2,205,010</u>	<u>6,271,010</u>
FUND BALANCES			
Beginning	4,066,000	5,079,071	1,013,071
Ending	<u>\$ -</u>	<u>\$ 7,284,081</u>	<u>\$ 7,284,081</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
South Williamson Blvd Extension Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 43,797	\$ 43,797
Total revenues	<u>-</u>	<u>43,797</u>	<u>43,797</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>43,797</u>	<u>43,797</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(9,000,000)	(9,000,000)	-
Issuance of notes/bonds payable	9,000,000	9,000,000	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>43,797</u>	<u>43,797</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u>\$ -</u>	<u>\$ 43,797</u>	<u>\$ 43,797</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Works Service Center Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Capital outlay	19,000,000	107,460	18,892,540
Total expenditures	<u>19,000,000</u>	<u>107,460</u>	<u>18,892,540</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,000,000)</u>	<u>(107,460)</u>	<u>18,892,540</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	19,000,000	19,000,000	-
Total other financing sources (uses)	<u>19,000,000</u>	<u>19,000,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>18,892,540</u>	<u>18,892,540</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u>\$ -</u>	<u>\$ 18,892,540</u>	<u>\$ 18,892,540</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Elections Warehouse Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Capital outlay	<u>2,800,000</u>	<u>-</u>	<u>2,800,000</u>
Total expenditures	<u>2,800,000</u>	<u>-</u>	<u>2,800,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,800,000)</u>	<u>-</u>	<u>2,800,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>2,800,000</u>	<u>2,800,000</u>	<u>-</u>
Total other financing sources (uses)	<u>2,800,000</u>	<u>2,800,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>2,800,000</u>	<u>2,800,000</u>
FUND BALANCES			
Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ 2,800,000</u>	<u>\$ 2,800,000</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sheriff's Office Evidence and Forensics Lab Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Capital outlay	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Total expenditures	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,500,000)</u>	<u>-</u>	<u>1,500,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>1,500,000</u>	<u>1,500,000</u>
FUND BALANCES			
Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Boardwalk Development Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Capital outlay	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Total expenditures	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,500,000)</u>	<u>-</u>	<u>1,500,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>1,500,000</u>	<u>1,500,000</u>
FUND BALANCES			
Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Ending	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Economic Development Capital Projects Fund
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES			
Capital outlay	161,105	112,501	48,604
Total expenditures	<u>161,105</u>	<u>112,501</u>	<u>48,604</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(161,105)</u>	<u>(112,501)</u>	<u>48,604</u>
Net change in fund balances	<u>(161,105)</u>	<u>(112,501)</u>	<u>48,604</u>
FUND BALANCES			
Beginning	161,105	161,105	-
Ending	<u>\$ -</u>	<u>\$ 48,604</u>	<u>\$ 48,604</u>

COUNTY OF VOLUSIA, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Capital Projects Funds
For the Fiscal Year Ended September 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Miscellaneous revenues	\$ -	\$ 400	\$ 400
Total revenues	<u>-</u>	<u>400</u>	<u>400</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>400</u>	<u>400</u>
Net change in fund balances	<u>-</u>	<u>400</u>	<u>400</u>
FUND BALANCES			
Beginning	-	-	-
Ending	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ 400</u>

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one department or division to other departments or divisions of the County, or to other governmental units, on a cost reimbursement basis.

Computer Replacement

The Computer Replacement Fund accounts for the fiscal activity related to replacing and maintaining the County's computer workstations.

Vehicle Maintenance

The Vehicle Maintenance Fund accounts for the fiscal activity related to maintaining and replacing the County's automotive and heavy equipment.

Insurance

The Insurance Fund accounts for the fiscal activity related to the County's self-insurance and risk management programs.

Employee Group Insurance

The Employee Group Insurance Fund accounts for the fiscal activity related to a self-funded group health insurance plan provided to County employees.

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Net Position
Internal Service Funds
September 30, 2016

	Computer Replacement	Vehicle Maintenance	Insurance
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 3,917,595	\$ 14,619,208	\$ 21,176,355
Accounts receivable, net	-	-	400,030
Due from other governments	-	66,340	-
Inventories	-	452,547	-
Prepaid items	-	-	1,413,662
Total current assets	3,917,595	15,138,095	22,990,047
Noncurrent assets:			
Capital assets:			
Buildings	-	1,967,557	-
Improvements other than buildings	-	458,733	-
Equipment	4,948,614	32,171,810	80,793
Intangibles	-	-	372,798
Less: accumulated depreciation	(2,687,419)	(19,777,131)	(64,834)
Total capital assets, net of accumulated depreciation	2,261,195	14,820,969	388,757
Total noncurrent assets	2,261,195	14,820,969	388,757
Total assets	6,178,790	29,959,064	23,378,804
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	-	723,438	158,901
Total deferred outflows of resources	-	723,438	158,901
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	378,780	639,230	2,933
Due to other governments	-	200	27,921
Compensated absences payable	-	135,218	31,608
Estimated claims payable	-	-	3,742,848
Unearned revenue	-	-	-
Net pension liability	-	23,201	5,593
Total current liabilities	378,780	797,849	3,810,903
Noncurrent liabilities:			
Compensated absences payable	-	369,325	86,332
Estimated claims payable	-	-	8,608,551
Net OPEB obligation	-	-	-
Net pension liability	-	2,035,651	452,014
Total noncurrent liabilities	-	2,404,976	9,146,897
Total liabilities	378,780	3,202,825	12,957,800
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	-	250,814	95,799
Total deferred inflows of resources	-	250,814	95,799
NET POSITION			
Net investment in capital assets	2,261,195	14,820,969	388,757
Unrestricted	3,538,815	12,407,894	10,095,349
Total net position	\$ 5,800,010	\$ 27,228,863	\$ 10,484,106

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Net Position (continued)
Internal Service Funds
September 30, 2016

	Employee Group Insurance	Total
ASSETS		
Current assets:		
Equity in pooled cash and investments	\$ 19,879,481	\$ 59,592,639
Accounts receivable, net	299,284	699,314
Due from other governments	-	66,340
Inventories	-	452,547
Prepaid items	-	1,413,662
Total current assets	20,178,765	62,224,502
Noncurrent assets:		
Capital assets:		
Buildings	-	1,967,557
Improvements other than buildings	-	458,733
Equipment	64,404	37,265,621
Intangibles	-	372,798
Less: accumulated depreciation	(4,227)	(22,533,611)
Total capital assets, net of accumulated depreciation	60,177	17,531,098
Total noncurrent assets	60,177	17,531,098
Total assets	20,238,942	79,755,600
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	14,488	896,827
Total deferred outflows of resources	14,488	896,827
LIABILITIES		
Current liabilities:		
Accounts and contracts payable	77,810	1,098,753
Due to other governments	-	28,121
Compensated absences payable	5,965	172,791
Estimated claims payable	4,737,828	8,480,676
Unearned revenue	203,760	203,760
Net pension liability	468	29,262
Total current liabilities	5,025,831	10,013,363
Noncurrent liabilities:		
Compensated absences payable	16,293	471,950
Estimated claims payable	-	8,608,551
Net OPEB obligation	23,586,557	23,586,557
Net pension liability	40,493	2,528,158
Total noncurrent liabilities	23,643,343	35,195,216
Total liabilities	28,669,174	45,208,579
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	3,218	349,831
Total deferred inflows of resources	3,218	349,831
NET POSITION		
Net investment in capital assets	60,177	17,531,098
Unrestricted	(8,479,139)	17,562,919
Total net position	\$ (8,418,962)	\$ 35,094,017

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds

For the Fiscal Year Ended September 30, 2016

	Computer Replacement	Vehicle Maintenance	Insurance
OPERATING REVENUES			
Charges for services	\$ 1,144,008	\$ 16,202,091	\$ 8,669,970
Miscellaneous revenues	519	604	15,704
Total operating revenues	<u>1,144,527</u>	<u>16,202,695</u>	<u>8,685,674</u>
OPERATING EXPENSES			
Personnel services	-	3,149,405	727,676
Contracted services	-	74,600	990,331
Supplies and materials	248,680	3,457,441	4,118
Repairs and maintenance	-	3,524,773	22,049
Utilities	-	38,623	-
Other services and charges	-	139,954	4,086,508
Depreciation	1,019,937	2,920,350	2,654
Claims and other accrued expenses	-	-	3,396,780
Total operating expenses	<u>1,268,617</u>	<u>13,305,146</u>	<u>9,230,116</u>
Operating income (loss)	<u>(124,090)</u>	<u>2,897,549</u>	<u>(544,442)</u>
NON OPERATING REVENUES			
Interest revenues	34,376	120,971	178,229
Net gain on disposal of capital assets	19,111	202,832	153
Total non operating revenues	<u>53,487</u>	<u>323,803</u>	<u>178,382</u>
Income (loss) before contributions and transfers	<u>(70,603)</u>	<u>3,221,352</u>	<u>(366,060)</u>
Capital contributions and grants	86,233	622	-
Transfers in	100,000	-	-
Change in net position	<u>115,630</u>	<u>3,221,974</u>	<u>(366,060)</u>
NET POSITION			
Beginning	5,684,380	24,006,889	10,850,166
Ending	<u>\$ 5,800,010</u>	<u>\$ 27,228,863</u>	<u>\$ 10,484,106</u>

(continued)

Combining Statement of Revenues, Expenses and Changes in Fund Net Position (continued)
Internal Service Funds

For the Fiscal Year Ended September 30, 2016

	Employee Group Insurance	Total Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 41,955,302	\$ 67,971,371
Miscellaneous revenues	159,877	176,704
Total operating revenues	<u>42,115,179</u>	<u>68,148,075</u>
OPERATING EXPENSES		
Personnel services	62,690	3,939,771
Contracted services	1,297,475	2,362,406
Supplies and materials	-	3,710,239
Repairs and maintenance	2,752	3,549,574
Utilities	-	38,623
Other services and charges	4,992	4,231,454
Depreciation	3,630	3,946,571
Claims and other accrued expenses	43,194,307	46,591,087
Total operating expenses	<u>44,565,846</u>	<u>68,369,725</u>
Operating income (loss)	<u>(2,450,667)</u>	<u>(221,650)</u>
NON OPERATING REVENUES		
Interest revenues	206,419	539,995
Net gain on disposal of capital assets	-	222,096
Total non operating revenues	<u>206,419</u>	<u>762,091</u>
Income (loss) before contributions and transfers	<u>(2,244,248)</u>	<u>540,441</u>
Capital contributions and grants	-	86,855
Transfers in	-	100,000
Change in net position	<u>(2,244,248)</u>	<u>727,296</u>
NET POSITION		
Beginning	(6,174,714)	34,366,721
Ending	<u>\$ (8,418,962)</u>	<u>\$ 35,094,017</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Cash Flows
Internal Service Funds

For the Fiscal Year Ended September 30, 2016

	Computer Replacement	Vehicle Maintenance	Insurance
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 1,144,008	\$ 16,173,590	\$ 8,708,941
Payments to suppliers	(248,680)	(7,265,503)	(5,099,068)
Payments to employees	-	(3,089,330)	(730,531)
Payments of insurance claims	-	-	(4,399,733)
Other operating receipts	519	604	15,704
Net cash provided by (used for) operating activities	895,847	5,819,361	(1,504,687)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	100,000	-	-
Net cash provided by noncapital financing activities	100,000	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(811,366)	(3,981,587)	(7,204)
Proceeds from the sale of capital assets	21,428	214,881	153
Net cash used for and related financing activities	(789,938)	(3,766,706)	(7,051)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest receipts	34,376	120,971	178,229
Net cash provided by investing activities	34,376	120,971	178,229
Net increase (decrease) in cash and cash equivalents	240,285	2,173,626	(1,333,509)
Cash and cash equivalents, beginning	3,677,310	12,445,582	22,509,864
Cash and cash equivalents, ending	<u>\$ 3,917,595</u>	<u>\$ 14,619,208</u>	<u>\$ 21,176,355</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Fiscal Year Ended September 30, 2016

	Employee Group Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from interfund services provided	\$ 42,265,548	\$ 68,292,087
Payments to suppliers	(1,305,197)	(13,918,448)
Payments to employees	(60,666)	(3,880,527)
Payments of insurance claims	(40,796,690)	(45,196,423)
Other operating receipts	159,877	176,704
Net cash provided by (used for) operating activities	262,872	5,473,393
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	100,000
Net cash provided by noncapital financing activities	-	100,000
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(28,675)	(4,828,832)
Proceeds from the sale of capital assets	-	236,462
Net cash used for and related financing activities	(28,675)	(4,592,370)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest receipts	206,419	539,995
Net cash provided by investing activities	206,419	539,995
 Net increase (decrease) in cash and cash equivalents	 440,616	 1,521,018
Cash and cash equivalents, beginning	19,438,865	58,071,621
Cash and cash equivalents, ending	\$ 19,879,481	\$ 59,592,639

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Fiscal Year Ended September 30, 2016

	Computer Replacement	Vehicle Maintenance	Insurance
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (124,090)	\$ 2,897,549	\$ (544,442)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	1,019,937	2,920,350	2,654
Change in assets, deferred outflows, liabilities and deferred inflows:			
Accounts receivable	-	-	38,971
Due from other governments	-	(28,501)	-
Inventories	-	(65,531)	-
Prepaid items	-	-	22,721
Deferred outflows related to pensions	-	(496,151)	(111,663)
Accounts and contracts payable	-	35,488	(21,642)
Due to other governments	-	(69)	2,859
Compensated absences payable	-	5,079	(5,933)
Estimated claims payable	-	-	(1,002,953)
Unearned revenue	-	-	-
Net OPEB obligation	-	-	-
Net pension liability	-	618,753	151,532
Deferred inflows related to pensions	-	(67,606)	(36,791)
Total adjustments	1,019,937	2,921,812	(960,245)
Net cash provided by (used for) operating activities	\$ 895,847	\$ 5,819,361	\$ (1,504,687)
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Contributions of capital assets	\$ 86,233	\$ 622	\$ -
Capital asset purchases on account, beginning	359,190	600,915	-
Capital asset purchases on account, ending	378,780	216,011	-

(continued)

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Fiscal Year Ended September 30, 2016

	Employee Group Insurance	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	\$ (2,450,667)	\$ (221,650)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation	3,630	3,946,571
Change in assets, deferred outflows, liabilities and deferred inflows:		
Accounts receivable	106,486	145,457
Due from other governments	-	(28,501)
Inventories	-	(65,531)
Prepaid items	-	22,721
Deferred outflows related to pensions	(10,098)	(617,912)
Accounts and contracts payable	22	13,868
Due to other governments	-	2,790
Compensated absences payable	563	(291)
Estimated claims payable	(46,542)	(1,049,495)
Unearned revenue	203,760	203,760
Net OPEB obligation	2,444,159	2,444,159
Net pension liability	13,799	784,084
Deferred inflows related to pensions	(2,240)	(106,637)
Total adjustments	2,713,539	5,695,043
Net cash provided by (used for) operating activities	\$ 262,872	\$ 5,473,393
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Contributions of capital assets	\$ -	\$ 86,855
Capital asset purchases on account, beginning	-	960,105
Capital asset purchases on account, ending	-	594,791

Agency Funds

Agency Funds are used to report resources held by the County in a purely custodial capacity. Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Inmate Trust

The Inmate Trust Fund accounts for funds held by the County on behalf of prison inmates.

General Trust

The General Trust Fund accounts for various funds held by the County acting in an agency capacity, for individuals, private organizations, or other governmental units.

Impact Fee – Other Governments

The Impact Fee – Other Governments Fund accounts for the collection and distribution of impact fees on behalf of the Volusia County School Board and the City of DeBary.

Stone Island Utility

The Stone Island Utility Fund accounts for the fiscal activities of water and sewer plants and distribution systems located in the Stone Island area of the County. The County has been declared the temporary receiver of this utility by the court, which will make a decision as to a permanent owner of the utility at a later date.

State of Florida Agency Funds

The State of Florida Agency Funds accounts for the collection and distribution of various fees on behalf of the State of Florida.

Sheriff's Civil

The Sheriff's Civil Fund accounts for funds collected for statutory civil fees, enforceable trust deposits, civil standby fees and miscellaneous fees. Statutory civil fees received include enforceable and non-enforceable writs, summonses and subpoenas. Enforceable trust deposits include cost deposits and purge payments.

Tax Collector's Transfer

The Tax Collector's Transfer Fund accounts for the collection and distribution of ad valorem taxes and occupational licenses on behalf of other governmental units and taxing authorities.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended September 30, 2016

	Ending Balance 9/30/2015	Additions	Deductions	Ending Balance 9/30/2016
Inmate Trust				
ASSETS				
Equity in pooled cash and investments	\$ 110,031	\$ 2,716,422	\$ 2,748,184	\$ 78,269
Total assets	<u>\$ 110,031</u>	<u>\$ 2,716,422</u>	<u>\$ 2,748,184</u>	<u>\$ 78,269</u>
LIABILITIES				
Deposits	\$ 110,031	\$ 2,716,422	\$ 2,748,184	\$ 78,269
Total liabilities	<u>\$ 110,031</u>	<u>\$ 2,716,422</u>	<u>\$ 2,748,184</u>	<u>\$ 78,269</u>
General Trust				
ASSETS				
Equity in pooled cash and investments	\$ 242,053	\$ 149,515	\$ 151,712	\$ 239,856
Special assessments receivable	31,941	60	4,402	27,599
Special assessments receivable - interest	24,732	2,413	2,723	24,422
Total assets	<u>\$ 298,726</u>	<u>\$ 151,988</u>	<u>\$ 158,837</u>	<u>\$ 291,877</u>
LIABILITIES				
Accounts and contracts payable	\$ -	\$ 92,025	\$ 92,025	\$ -
Due to other governments	79,838	2,502	11,363	70,977
Deposits	218,888	149,424	147,412	220,900
Total liabilities	<u>\$ 298,726</u>	<u>\$ 243,951</u>	<u>\$ 250,800</u>	<u>\$ 291,877</u>
Impact Fee - Other Governments				
ASSETS				
Equity in pooled cash and investments	\$ 327,164	\$ 4,774,307	\$ 4,747,496	\$ 353,975
Total assets	<u>\$ 327,164</u>	<u>\$ 4,774,307</u>	<u>\$ 4,747,496</u>	<u>\$ 353,975</u>
LIABILITIES				
Due to other governments	\$ 327,164	\$ 4,774,307	\$ 4,747,496	\$ 353,975
Total liabilities	<u>\$ 327,164</u>	<u>\$ 4,774,307</u>	<u>\$ 4,747,496</u>	<u>\$ 353,975</u>
Stone Island Utility				
ASSETS				
Equity in pooled cash and investments	\$ -	\$ 217,952	\$ 217,952	\$ -
Total assets	<u>\$ -</u>	<u>\$ 217,952</u>	<u>\$ 217,952</u>	<u>\$ -</u>
LIABILITIES				
Due to other governments	\$ -	\$ 217,952	\$ 217,952	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 217,952</u>	<u>\$ 217,952</u>	<u>\$ -</u>
State of Florida Agency Funds				
ASSETS				
Equity in pooled cash and investments	\$ 940,667	\$ 47,509,026	\$ 47,366,902	\$ 1,082,791
Accounts receivable, net	30,670	3,140,634	3,139,574	31,730
Total assets	<u>\$ 971,337</u>	<u>\$ 50,649,660</u>	<u>\$ 50,506,476</u>	<u>\$ 1,114,521</u>
LIABILITIES				
Accounts and contracts payable	\$ -	\$ 49,906	\$ 42,011	\$ 7,895
Due to other governments	971,337	47,459,223	47,323,934	1,106,626
Total liabilities	<u>\$ 971,337</u>	<u>\$ 47,509,129</u>	<u>\$ 47,365,945</u>	<u>\$ 1,114,521</u>

(continued)

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities (continued)
All Agency Funds
For the Fiscal Year Ended September 30, 2016

	Ending Balance 9/30/2015	Additions	Deductions	Ending Balance 9/30/2016
Sheriff's Civil				
ASSETS				
Equity in pooled cash and investments	\$ 53,543	\$ 178,451	\$ 169,661	\$ 62,333
Total assets	<u>\$ 53,543</u>	<u>\$ 178,451</u>	<u>\$ 169,661</u>	<u>\$ 62,333</u>
LIABILITIES				
Accounts and contracts payable	\$ -	\$ 179,661	\$ 175,471	\$ 4,190
Deposits	53,543	178,451	173,851	58,143
Total liabilities	<u>\$ 53,543</u>	<u>\$ 358,112</u>	<u>\$ 349,322</u>	<u>\$ 62,333</u>
Tax Collector's Transfer				
ASSETS				
Equity in pooled cash and investments	\$ 6,205,915	\$ 696,120,260	\$ 695,547,973	\$ 6,778,202
Accounts receivable, net	341,883	54,973,810	54,964,634	351,059
Due from other governments	38,192	140,660	53,252	125,600
Total assets	<u>\$ 6,585,990</u>	<u>\$ 751,234,730</u>	<u>\$ 750,565,859</u>	<u>\$ 7,254,861</u>
LIABILITIES				
Accounts and contracts payable	\$ 23,364	\$ 174,481	\$ 194,745	\$ 3,100
Due to other governments	6,562,626	683,568,803	682,879,668	7,251,761
Total liabilities	<u>\$ 6,585,990</u>	<u>\$ 683,743,284</u>	<u>\$ 683,074,413</u>	<u>\$ 7,254,861</u>
Total - All Agency Funds				
ASSETS				
Equity in pooled cash and investments	\$ 7,879,373	\$ 751,665,933	\$ 750,949,880	\$ 8,595,426
Accounts receivable, net	372,553	58,114,444	58,104,208	382,789
Special assessments receivable	31,941	60	4,402	27,599
Special assessments receivable - interest	24,732	2,413	2,723	24,422
Due from other governments	38,192	140,660	53,252	125,600
Total assets	<u>\$ 8,346,791</u>	<u>\$ 809,923,510</u>	<u>\$ 809,114,465</u>	<u>\$ 9,155,836</u>
LIABILITIES				
Accounts and contracts payable	\$ 23,364	\$ 496,073	\$ 504,252	\$ 15,185
Due to other governments	7,940,965	736,022,787	735,180,413	8,783,339
Deposits	382,462	3,044,297	3,069,447	357,312
Total liabilities	<u>\$ 8,346,791</u>	<u>\$ 739,563,157</u>	<u>\$ 738,754,112</u>	<u>\$ 9,155,836</u>

STATISTICAL SECTION:

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social data, economic data, and financial trends of the County of Volusia, Florida.



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STATISTICAL SECTION

This section of the County of Volusia, Florida's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends	218
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	228
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	234
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	242
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	244
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

SCHEDULE 1
COUNTY OF VOLUSIA, FLORIDA
Primary Government Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Governmental activities				
Net investment in capital assets	\$ 611,431,198	\$ 586,555,103	\$ 555,420,539	\$ 536,148,693
Restricted for:				
General government	96,780	-	-	-
Law enforcement and fire safety	10,104,230	9,546,954	13,888,952	11,719,911
Conservation and environmental programs	220,157	158,330	183,747	156,944
Transportation construction and operation	87,777,784	68,871,357	63,855,483	62,146,934
Tourism development and housing programs (1), (2)	7,967,225	-	-	-
Social services and community programs (1)	3,516,809	10,232,981	17,557,987	11,045,258
Library, parks, and cultural programs (2)	30,443,681	-	-	-
Library, parks, and tourism programs (2)	-	30,672,246	37,383,945	37,955,102
Debt service principal and interest	1,847,889	14,505,858	10,794,289	15,965,608
Capital projects	-	-	-	-
Payment of pension benefits	2,871,186	2,936,147	-	-
Other purposes	-	-	2,617,579	3,603,154
Unrestricted	(26,051,130)	(22,685,992)	91,859,248	97,602,530
Total governmental activities net position	\$ 730,225,809	\$ 700,792,984	\$ 793,561,769	\$ 776,344,134
Business-type activities				
Net investment in capital assets	\$ 198,227,958	\$ 193,842,002	\$ 181,566,767	\$ 176,222,199
Restricted for:				
Debt service principal and interest	779,032	4,066,631	3,126,191	3,001,191
Passenger facility charges program	1,639,065	1,592,813	1,599,305	1,595,644
Equipment replacement	350,000	350,000	350,000	850,000
Maintenance and operations	4,607,798	4,435,741	1,590,589	1,492,708
Unrestricted	34,337,099	26,860,473	40,635,715	30,728,811
Total business-type activities net position	\$ 239,940,952	\$ 231,147,660	\$ 228,868,567	\$ 213,890,553
Primary government				
Net investment in capital assets	\$ 809,659,156	\$ 780,397,105	\$ 736,987,306	\$ 712,370,892
Restricted for:				
General government	96,780	-	-	-
Law enforcement and fire safety	10,104,230	9,546,954	13,888,952	11,719,911
Conservation and environmental programs	220,157	158,330	183,747	156,944
Transportation construction and operation	87,777,784	68,871,357	63,855,483	62,146,934
Tourism development and housing programs (1), (2)	7,967,225	-	-	-
Social services and community programs (1)	3,516,809	10,232,981	17,557,987	11,045,258
Library, parks, and cultural programs (2)	30,443,681	-	-	-
Library, parks, and tourism programs (2)	-	30,672,246	37,383,945	37,955,102
Debt service principal and interest	2,626,921	18,572,489	13,920,480	18,966,799
Capital projects	-	-	-	-
Passenger facility charges program	1,639,065	1,592,813	1,599,305	1,595,644
Equipment replacement	350,000	350,000	350,000	850,000
Maintenance and operations	4,607,798	4,435,741	1,590,589	1,492,708
Payment of pension benefits	2,871,186	2,936,147	-	-
Other purposes	-	-	2,617,579	3,603,154
Unrestricted	8,285,969	4,174,481	132,494,963	128,331,341
Total primary government net position	\$ 970,166,761	\$ 931,940,644	\$ 1,022,430,336	\$ 990,234,687

Source: County of Volusia, Accounting Division

Notes:

- (1) Starting with fiscal year ended September 30, 2016, net position restricted for housing programs was regrouped in a new category of net position; moving from *social services and community programs* to *tourism development and housing programs*.
- (2) Starting with fiscal year ended September 30, 2016, net position restricted for tourism development was regrouped in a new category of net position; moving from *library, parks and tourism programs* to *tourism development and housing programs*.

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
\$ 529,475,957	\$ 509,847,280	\$ 463,237,238	\$ 435,198,853	\$ 406,810,610	\$ 375,461,228
-	-	-	-	-	-
14,083,389	20,446,939	6,700,394	6,967,647	5,411,176	4,257,892
114,582	77,657	35,792,673	31,436,444	31,388,201	30,628,358
60,474,657	55,280,943	57,599,465	56,923,705	51,259,416	45,703,200
-	-	-	-	-	-
9,592,442	9,767,387	8,329,608	-	-	-
-	-	-	-	-	-
39,094,459	41,489,975	6,673,882	5,798,319	5,140,729	5,931,460
15,439,436	15,401,791	12,705,320	14,391,535	12,691,660	11,992,237
-	-	9,819,305	12,046,937	5,217,022	10,498,597
-	-	-	-	-	-
5,239,446	5,514,732	5,262,960	12,594,847	10,166,245	9,730,719
101,556,388	125,899,036	168,625,727	156,172,093	141,179,375	125,258,392
<u>\$ 775,070,756</u>	<u>\$ 783,725,740</u>	<u>\$ 774,746,572</u>	<u>\$ 731,530,380</u>	<u>\$ 669,264,434</u>	<u>\$ 619,462,083</u>
\$ 168,500,750	\$ 172,389,706	\$ 158,488,441	\$ 158,318,044	\$ 151,210,354	\$ 146,738,251
2,263,500	3,891,844	3,761,844	3,474,326	3,344,969	3,226,190
1,589,698	1,583,267	1,576,045	1,511,311	1,510,260	1,571,169
850,000	850,000	850,000	850,000	850,000	350,000
1,437,543	1,398,390	1,575,594	1,641,211	1,611,133	1,631,146
30,621,904	23,717,269	23,053,251	18,199,779	30,714,116	31,810,241
<u>\$ 205,263,395</u>	<u>\$ 203,830,476</u>	<u>\$ 189,305,175</u>	<u>\$ 183,994,671</u>	<u>\$ 189,240,832</u>	<u>\$ 185,326,997</u>
\$ 697,976,707	\$ 682,236,986	\$ 621,725,679	\$ 593,516,897	\$ 558,020,964	\$ 522,199,479
-	-	-	-	-	-
14,083,389	20,446,939	6,700,394	6,967,647	5,411,176	4,257,892
114,582	77,657	35,792,673	31,436,444	31,388,201	30,628,358
60,474,657	55,280,943	57,599,465	56,923,705	51,259,416	45,703,200
-	-	-	-	-	-
9,592,442	9,767,387	8,329,608	-	-	-
-	-	-	-	-	-
39,094,459	41,489,975	6,673,882	5,798,319	5,140,729	5,931,460
17,702,936	19,293,635	16,467,164	17,865,861	16,036,629	15,218,427
-	-	9,819,305	12,046,937	5,217,022	10,498,597
1,589,698	1,583,267	1,576,045	1,511,311	1,510,260	1,571,169
850,000	850,000	850,000	850,000	850,000	350,000
1,437,543	1,398,390	1,575,594	1,641,211	1,611,133	1,631,146
-	-	-	-	-	-
5,239,446	5,514,732	5,262,960	12,594,847	10,166,245	9,730,719
132,178,292	149,616,305	191,678,978	174,371,872	171,893,491	157,068,633
<u>\$ 980,334,151</u>	<u>\$ 987,556,216</u>	<u>\$ 964,051,747</u>	<u>\$ 915,525,051</u>	<u>\$ 858,505,266</u>	<u>\$ 804,789,080</u>

SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Expenses				
Governmental activities:				
General government	\$ 60,204,732	\$ 58,548,530	\$ 55,943,939	\$ 54,302,636
Public safety	179,761,302	158,055,670	161,645,787	153,560,255
Physical environment	7,044,921	5,906,298	5,681,213	5,618,704
Transportation	33,899,450	33,406,368	33,394,370	33,343,480
Economic environment	34,660,029	19,741,393	20,840,798	19,949,066
Human services	19,470,761	21,537,485	21,823,122	21,513,304
Culture/recreation	51,482,331	46,943,428	49,609,170	46,463,195
Interest on long-term debt	6,058,703	5,848,805	6,857,386	7,236,856
Total governmental activities expenses	<u>392,582,229</u>	<u>349,987,977</u>	<u>355,795,785</u>	<u>341,987,496</u>
Business-type activities:				
Refuse disposal	12,978,296	12,386,627	12,824,551	14,751,400
Daytona Beach International Airport	16,861,726	17,433,801	16,505,926	16,301,669
Volusia Transportation Authority	26,156,607	25,348,362	24,380,566	24,743,381
Water and sewer utilities	12,660,415	13,929,786	12,852,476	12,640,562
Parking garage	1,849,773	1,828,171	2,026,062	2,711,681
Garbage collection	8,403,356	8,255,040	8,262,381	8,215,845
Total business-type activities expenses	<u>78,910,173</u>	<u>79,181,787</u>	<u>76,851,962</u>	<u>79,364,538</u>
Total primary government expenses	<u>\$ 471,492,402</u>	<u>\$ 429,169,764</u>	<u>\$ 432,647,747</u>	<u>\$ 421,352,034</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	\$ 10,703,648	\$ 12,382,816	\$ 11,198,941	\$ 11,436,646
Public safety	39,607,370	36,659,107	35,040,768	32,801,679
Physical environment	1,228,185	1,204,048	1,119,693	848,581
Transportation	863,530	790,309	5,596,649	5,544,589
Economic environment	571,789	1,639,198	2,101,533	1,594,574
Human services	70,519	122,019	206,160	285,205
Culture/recreation	10,636,440	9,001,542	6,526,008	6,149,754
Operating grants and contributions	26,075,727	26,896,501	26,261,936	26,376,989
Capital grants and contributions	23,113,716	14,338,241	9,488,534	3,192,587
Total governmental activities program revenues	<u>112,870,924</u>	<u>103,033,781</u>	<u>97,540,222</u>	<u>88,230,604</u>
Business-type activities:				
Charges for services:				
Refuse disposal	15,187,576	15,078,489	14,271,877	13,813,103
Daytona Beach International Airport	11,803,835	10,753,077	10,589,473	10,917,000
Volusia Transportation Authority	3,747,630	3,951,569	3,801,332	3,535,101
Water and sewer utilities	16,358,888	14,770,503	14,577,173	13,941,259
Parking garage	2,490,909	2,357,639	2,445,535	2,362,520
Garbage collection	8,414,943	8,390,920	8,451,751	8,480,575
Operating grants and contributions	16,607,248	13,226,910	11,176,615	10,575,463
Capital grants and contributions	5,412,079	13,139,853	17,640,384	15,712,225
Total business-type activities program revenues	<u>80,023,108</u>	<u>81,668,960</u>	<u>82,954,140</u>	<u>79,337,246</u>
Total primary government program revenues	<u>\$ 192,894,032</u>	<u>\$ 184,702,741</u>	<u>\$ 180,494,362</u>	<u>\$ 167,567,850</u>
Net (expense)/revenue				
Governmental activities	\$ (279,711,305)	\$ (246,954,196)	\$ (258,255,563)	\$ (253,756,892)
Business-type activities	1,112,935	2,487,173	6,102,178	(27,292)
Total primary government net (expense)	<u>\$ (278,598,370)</u>	<u>\$ (244,467,023)</u>	<u>\$ (252,153,385)</u>	<u>\$ (253,784,184)</u>

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
\$ 58,564,506	\$ 59,471,178	\$ 68,474,891	\$ 66,181,105	\$ 65,706,978	\$ 70,228,570
156,218,093	138,420,443	138,711,417	142,200,482	141,825,138	138,869,352
7,251,235	4,755,602	6,623,263	6,508,365	4,844,235	4,788,992
32,463,478	34,966,084	28,992,740	28,633,671	32,280,300	28,270,664
18,893,276	17,121,483	20,469,936	19,973,864	24,765,595	22,771,836
22,776,251	22,262,198	22,913,545	20,750,157	21,539,157	22,402,203
51,169,466	46,672,687	51,613,063	52,581,962	48,117,236	48,458,527
8,353,382	9,293,008	9,653,950	10,232,969	10,234,858	11,886,552
<u>355,689,687</u>	<u>332,962,683</u>	<u>347,452,805</u>	<u>347,062,575</u>	<u>349,313,497</u>	<u>347,676,696</u>
12,566,636	14,301,386	15,382,143	20,022,046	16,806,398	17,984,653
15,458,041	14,870,531	15,298,781	15,952,429	16,517,443	16,174,175
23,359,216	27,520,764	21,936,449	20,511,281	21,420,408	22,396,148
12,222,990	12,324,243	12,035,452	12,354,869	12,127,737	11,076,104
2,155,379	2,112,649	2,115,123	2,303,761	2,333,966	-
7,692,793	7,034,130	7,042,577	7,026,079	6,839,157	6,604,343
<u>73,455,055</u>	<u>78,163,703</u>	<u>73,810,525</u>	<u>78,170,465</u>	<u>76,045,109</u>	<u>74,235,423</u>
<u>\$ 429,144,742</u>	<u>\$ 411,126,386</u>	<u>\$ 421,263,330</u>	<u>\$ 425,233,040</u>	<u>\$ 425,358,606</u>	<u>\$ 421,912,119</u>
\$ 11,597,655	\$ 12,351,788	\$ 13,343,619	\$ 13,820,164	\$ 14,965,646	\$ 17,109,033
32,203,052	20,758,090	20,717,027	21,205,555	22,030,802	18,687,290
294,934	583,482	596,465	5,122,650	5,392,455	5,058,992
5,667,905	6,066,988	5,613,379	2,073,765	1,840,607	2,226,950
1,822,252	1,229,006	512,897	385,305	327,139	293,284
340,338	381,997	615,021	1,277,072	1,284,408	1,648,997
6,869,212	7,221,609	6,827,531	6,635,285	6,100,676	6,119,464
28,669,063	26,978,909	30,108,237	27,608,244	30,682,179	29,950,519
4,360,020	12,840,617	16,535,782	26,322,290	21,059,366	25,518,670
<u>91,824,431</u>	<u>88,412,486</u>	<u>94,869,958</u>	<u>104,450,330</u>	<u>103,683,278</u>	<u>106,613,199</u>
13,119,871	12,864,348	13,679,763	15,662,243	17,755,422	19,068,791
10,074,360	9,657,573	8,837,966	8,422,591	9,316,359	8,868,233
3,234,735	3,280,502	3,215,803	3,123,768	3,871,781	4,964,817
14,175,136	12,642,705	12,597,332	11,527,237	11,718,440	12,177,352
2,389,183	2,305,237	2,267,595	2,023,642	2,037,245	-
8,464,976	8,383,299	8,377,968	6,026,019	6,259,355	5,860,701
9,342,500	10,363,546	9,469,186	8,720,566	6,906,691	8,435,992
6,420,936	19,814,949	11,217,672	6,089,166	10,698,278	12,380,427
<u>67,221,697</u>	<u>79,312,159</u>	<u>69,663,285</u>	<u>61,595,232</u>	<u>68,563,571</u>	<u>71,756,313</u>
<u>\$ 159,046,128</u>	<u>\$ 167,724,645</u>	<u>\$ 164,533,243</u>	<u>\$ 166,045,562</u>	<u>\$ 172,246,849</u>	<u>\$ 178,369,512</u>
\$ (263,865,256)	\$ (244,550,197)	\$ (252,582,847)	\$ (242,612,245)	\$ (245,630,219)	\$ (241,063,497)
(6,233,358)	1,148,456	(4,147,240)	(16,575,233)	(7,481,538)	(2,479,110)
<u>\$ (270,098,614)</u>	<u>\$ (243,401,741)</u>	<u>\$ (256,730,087)</u>	<u>\$ (259,187,478)</u>	<u>\$ (253,111,757)</u>	<u>\$ (243,542,607)</u>

(continued)

SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
General revenues and other changes in net position				
Governmental activities:				
Property tax	\$ 232,986,267	\$ 219,000,088	\$ 207,324,816	\$ 192,902,184
Sales tax	20,167,829	19,115,761	17,861,072	16,894,299
Public service tax	11,185,586	11,295,347	11,508,745	11,183,193
Gas tax	16,559,519	15,492,098	14,897,974	14,822,466
Tourist and convention development taxes	21,131,187	19,293,853	17,304,447	15,497,377
State revenue sharing not restricted to specific programs	8,614,833	8,364,992	7,568,479	7,295,689
Intergovernmental revenues not restricted to specific programs	1,091,124	1,066,884	927,085	728,004
Interest revenue	1,877,079	3,440,698	2,183,320	(793,801)
Miscellaneous	2,541,359	3,560,931	4,136,550	4,011,015
Transfers	(7,010,653)	(7,035,653)	(8,239,290)	(7,510,156)
Total governmental activities	<u>309,144,130</u>	<u>293,594,999</u>	<u>275,473,198</u>	<u>255,030,270</u>
Business-type activities:				
Interest revenue	463,542	694,432	387,560	(196,907)
Miscellaneous	206,162	180,227	248,986	109,590
Transfers	7,010,653	7,035,653	8,239,290	7,510,156
Total business-type activities	<u>7,680,357</u>	<u>7,910,312</u>	<u>8,875,836</u>	<u>7,422,839</u>
Total primary government general revenues and other changes in net position	<u>\$ 316,824,487</u>	<u>\$ 301,505,311</u>	<u>\$ 284,349,034</u>	<u>\$ 262,453,109</u>
Change in net position				
Governmental activities	\$ 29,432,825	\$ 46,640,803	\$ 17,217,635	\$ 1,273,378
Business-type activities	8,793,292	10,397,485	14,978,014	7,395,547
Total primary government	<u>\$ 38,226,117</u>	<u>\$ 57,038,288</u>	<u>\$ 32,195,649</u>	<u>\$ 8,668,925</u>

Source: County of Volusia, Accounting Division

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
\$ 192,923,283	\$ 197,901,152	\$ 228,686,586	\$ 236,246,448	\$ 229,442,548	\$ 232,285,247
16,039,983	15,375,748	15,250,772	15,493,143	17,199,118	18,709,880
10,735,104	11,308,758	12,069,457	11,178,942	11,056,723	11,903,133
14,954,166	14,793,484	14,977,943	15,138,028	15,069,088	15,892,687
14,669,623	13,708,186	13,584,657	13,575,138	15,184,641	15,915,050
6,771,514	6,635,951	6,434,236	6,493,676	7,307,990	7,979,478
910,834	1,072,179	893,026	886,911	2,760,493	775,965
3,602,899	2,956,730	4,672,090	12,941,682	17,407,890	25,260,222
4,226,530	2,789,980	3,123,133	2,936,053	2,376,560	2,556,935
(7,391,803)	(13,012,803)	(8,346,811)	(10,011,830)	(9,038,191)	(9,162,712)
<u>257,442,133</u>	<u>253,529,365</u>	<u>291,345,089</u>	<u>304,878,191</u>	<u>308,766,860</u>	<u>322,115,885</u>
415,326	278,968	470,424	1,240,857	2,061,421	2,634,851
70,409	85,074	424,203	76,385	295,761	659,431
7,391,803	13,012,803	8,346,811	10,011,830	9,038,191	9,162,712
<u>7,877,538</u>	<u>13,376,845</u>	<u>9,241,438</u>	<u>11,329,072</u>	<u>11,395,373</u>	<u>12,456,994</u>
<u>\$ 265,319,671</u>	<u>\$ 266,906,210</u>	<u>\$ 300,586,527</u>	<u>\$ 316,207,263</u>	<u>\$ 320,162,233</u>	<u>\$ 334,572,879</u>
\$ (6,423,123)	\$ 8,979,168	\$ 38,762,242	\$ 62,265,946	\$ 63,136,641	\$ 81,052,388
1,644,180	14,525,301	5,094,198	(5,246,161)	3,913,835	9,977,884
<u>\$ (4,778,943)</u>	<u>\$ 23,504,469</u>	<u>\$ 43,856,440</u>	<u>\$ 57,019,785</u>	<u>\$ 67,050,476</u>	<u>\$ 91,030,272</u>

SCHEDULE 3
COUNTY OF VOLUSIA, FLORIDA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
General fund				
Reserved for:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-
Advances	-	-	-	-
Employee receivables	-	-	-	-
Other long-term receivables	-	-	-	-
Unreserved:				
Designated	-	-	-	-
Undesignated	-	-	-	-
Nonspendable	7,616,898	8,734,285	9,798,171	10,686,287
Restricted	482,887	521,338	612,038	685,501
Assigned	72,345,502	61,565,356	60,962,399	48,379,551
Unassigned	2,365,087	9,787,126	2,063,475	6,995,371
Total general fund	\$ 82,810,374	\$ 80,608,105	\$ 73,436,083	\$ 66,746,710
Other governmental funds				
Reserved for:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-
Advances	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Long-term notes receivable	-	-	-	-
Unreserved:				
Designated:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Undesignated (deficit):				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable	7,010,886	6,921,765	7,731,689	7,103,826
Restricted	159,141,618	148,574,578	148,617,838	152,150,557
Committed	1,706,666	764,849	-	-
Assigned	27,454,072	22,585,292	23,105,176	27,463,790
Unassigned	(1,017,446)	(2,321,910)	(3,749,339)	(4,959,937)
Total other governmental funds	\$ 194,295,796	\$ 176,524,574	\$ 175,705,364	\$ 181,758,236

Source: County of Volusia, Accounting Division

Note:

- (1) The County adopted GASB 54 beginning with fiscal year 2011 and has elected to display this change prospectively. Additional information can be found in Note 1 of the financial statements.

Fiscal Year Ended September 30,

<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ -	\$ -	\$ 5,009,663	\$ 5,322,416	\$ 3,762,983	\$ 6,097,487
-	-	106,316	83,450	121,468	145,713
-	-	1,134,134	1,198,516	3,512,969	-
-	-	92,478	115,536	137,106	182,418
-	-	-	-	-	597,311
-	-	15,616,023	13,962,248	13,426,802	10,993,361
-	-	49,637,557	51,373,789	37,053,712	38,324,402
11,445,009	12,172,178	-	-	-	-
720,649	789,387	-	-	-	-
46,412,074	45,602,938	-	-	-	-
1,433,844	5,867,773	-	-	-	-
<u>\$ 60,011,576</u>	<u>\$ 64,432,276</u>	<u>\$ 71,596,171</u>	<u>\$ 72,055,955</u>	<u>\$ 58,015,040</u>	<u>\$ 56,340,692</u>
\$ -	\$ -	\$ 28,223,449	\$ 32,963,796	\$ 64,002,753	\$ 89,243,320
-	-	2,004,119	1,911,192	1,593,398	1,544,875
-	-	495,901	-	-	3,442,275
-	-	2,852,624	3,926,821	1,725,000	1,679,167
-	-	1,234,696	1,204,714	1,146,660	1,023,070
-	-	4,269,466	4,122,710	3,425,300	3,215,663
-	-	6,392,592	7,608,259	6,581,754	7,047,406
-	-	88,725,258	82,803,592	89,659,326	85,068,455
-	-	111,749,457	103,692,553	83,061,019	84,994,397
-	-	-	-	(15,291,115)	(5,135,584)
6,826,774	6,877,361	-	-	-	-
158,944,058	165,846,140	-	-	-	-
-	-	-	-	-	-
35,885,324	48,961,941	-	-	-	-
(5,879,841)	(4,980,480)	-	-	-	-
<u>\$ 195,776,315</u>	<u>\$ 216,704,962</u>	<u>\$ 245,947,562</u>	<u>\$ 238,233,637</u>	<u>\$ 235,904,095</u>	<u>\$ 272,123,044</u>

SCHEDULE 4
COUNTY OF VOLUSIA, FLORIDA
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Revenues				
Taxes	\$ 282,165,653	\$ 265,461,348	\$ 251,937,824	\$ 235,161,603
Licenses and permits	2,520,865	1,462,235	1,308,648	1,063,449
Intergovernmental revenue	68,184,843	59,813,250	57,155,098	52,473,659
Charges for services	53,640,266	51,724,831	50,016,816	47,839,976
Fines and forfeitures	4,122,863	4,296,724	5,933,213	3,757,121
Interest revenues	2,800,089	4,827,080	2,851,529	(591,780)
Special assessments/impact fees	9,006,778	8,676,404	6,785,013	6,060,604
Miscellaneous revenues	5,716,844	5,768,658	6,223,195	5,592,817
Total revenues	<u>428,158,201</u>	<u>402,030,530</u>	<u>382,211,336</u>	<u>351,357,449</u>
Expenditures				
General government	55,693,152	56,360,620	51,509,032	48,475,689
Public safety	174,312,960	157,409,563	153,855,162	151,679,366
Physical environment	7,530,146	5,996,253	5,980,143	6,261,997
Transportation	48,779,146	38,283,307	33,477,518	29,354,116
Economic environment	35,121,616	18,190,658	20,665,473	19,880,353
Human services	20,539,278	23,752,747	21,355,172	21,114,037
Culture/recreation	46,725,008	52,984,195	44,474,162	41,879,676
Debt service:				
Principal	17,768,980	17,379,377	17,056,389	16,379,136
Interest	5,405,940	5,664,948	5,443,905	6,630,957
Bond issuance costs	70,619	47,378	89,170	64,412
Capital outlay	5,127,212	10,988,993	17,822,248	12,121,456
Total expenditures	<u>417,074,057</u>	<u>387,058,039</u>	<u>371,728,374</u>	<u>353,841,195</u>
Excess of revenues over (under) expenditures	<u>11,084,144</u>	<u>14,972,491</u>	<u>10,482,962</u>	<u>(44,371,105)</u>
Other financing sources (uses)				
Transfers in	93,524,200	47,327,567	53,888,716	48,562,922
Transfers (out)	(100,634,853)	(54,363,220)	(62,905,975)	(52,979,762)
Bonds/notes issued	16,000,000	-	-	-
Refunding bonds issued	-	18,695,000	46,380,000	41,505,000
Premium on notes/bonds payable	-	-	-	-
Payments to escrow agent	-	(18,640,606)	(47,209,202)	(41,887,359)
Total other financing sources (uses)	<u>8,889,347</u>	<u>(6,981,259)</u>	<u>(9,846,461)</u>	<u>(4,799,199)</u>
Net change in fund balances	<u>\$ 19,973,491</u>	<u>\$ 7,991,232</u>	<u>\$ 636,501</u>	<u>\$ (7,282,945)</u>
Debt service as a percentage of noncapital expenditures	6.23%	6.70%	6.68%	6.97%

Source: County of Volusia, Accounting Division

Fiscal Year Ended September 30,

2012	2011	2010	2009	2008	2007
\$ 234,059,111	\$ 238,669,336	\$ 270,956,206	\$ 275,169,710	\$ 270,383,700	\$ 276,387,844
980,212	1,109,543	1,546,966	1,958,965	2,220,396	2,452,062
52,958,763	56,421,658	63,740,759	67,494,581	61,913,487	66,436,648
47,450,729	43,041,396	42,152,509	44,544,279	44,174,849	45,014,422
3,518,894	5,160,014	4,382,167	5,008,904	5,057,155	5,519,667
2,925,746	2,487,506	4,004,135	11,077,092	15,410,562	22,961,056
6,881,568	1,880,831	3,680,434	3,849,849	9,933,323	8,902,493
6,492,765	3,762,016	5,721,787	6,731,706	12,838,381	6,144,137
<u>355,267,788</u>	<u>352,532,300</u>	<u>396,184,963</u>	<u>415,835,086</u>	<u>421,931,853</u>	<u>433,818,329</u>
51,684,126	55,336,107	60,334,999	62,613,896	64,039,056	67,479,972
156,909,385	135,679,162	138,713,544	144,159,170	144,618,476	141,370,697
10,119,842	27,073,361	7,058,487	7,526,680	6,431,589	5,869,682
27,029,014	35,488,607	38,123,061	38,013,877	39,305,369	49,520,724
18,835,821	18,433,459	20,390,318	19,926,346	24,820,634	22,537,707
22,409,517	21,768,440	22,505,460	20,004,912	21,597,464	22,821,137
46,584,420	41,838,212	41,678,673	48,774,202	46,951,305	47,816,949
14,954,139	22,782,150	25,552,000	18,191,000	19,186,869	16,254,320
8,318,461	8,730,395	9,155,384	9,819,162	10,612,779	11,217,426
36,129	-	-	-	-	-
16,723,190	14,305,099	17,053,765	41,453,867	67,162,395	66,808,598
<u>373,604,044</u>	<u>381,434,992</u>	<u>380,565,691</u>	<u>410,483,112</u>	<u>444,725,936</u>	<u>451,697,212</u>
<u>(18,336,256)</u>	<u>(28,902,692)</u>	<u>15,619,272</u>	<u>5,351,974</u>	<u>(22,794,083)</u>	<u>(17,878,883)</u>
41,396,991	51,135,532	66,947,315	50,584,720	60,198,809	82,188,137
(48,661,794)	(64,260,335)	(75,312,446)	(60,596,550)	(69,237,000)	(92,525,849)
-	22,010,000	-	22,403,000	-	13,400,000
4,780,000	-	-	5,812,000	42,605,000	-
-	-	-	-	4,398,128	-
(5,237,340)	(16,389,000)	-	(7,184,687)	(46,951,318)	-
<u>(7,722,143)</u>	<u>(7,503,803)</u>	<u>(8,365,131)</u>	<u>11,018,483</u>	<u>(8,986,381)</u>	<u>3,062,288</u>
<u>\$ (26,058,399)</u>	<u>\$ (36,406,495)</u>	<u>\$ 7,254,141</u>	<u>\$ 16,370,457</u>	<u>\$ (31,780,464)</u>	<u>\$ (14,816,595)</u>
6.78%	9.52%	10.16%	8.18%	8.49%	7.87%

SCHEDULE 5
COUNTY OF VOLUSIA, FLORIDA
Assessed Value And Actual Value Of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property				
	Residential	Commercial	Manufacturing	Agricultural	Other
2016	\$ 32,489,043,028	\$ 4,288,114,284	\$ 777,124,283	\$ 1,100,448,264	\$ 4,127,006,900
2015	29,955,147,925	3,953,862,410	709,451,404	1,121,406,364	3,851,827,729
2014	27,366,791,290	3,721,041,244	684,885,802	1,081,918,683	3,684,694,552
2013	24,861,945,621	3,485,923,181	648,474,099	772,622,462	3,476,269,159
2012	23,924,643,273	3,446,073,341	645,543,394	832,496,290	3,390,586,996
2011	24,155,354,138	3,581,689,428	666,700,634	884,325,176	3,446,015,479
2010	26,747,040,930	3,895,808,090	718,240,416	998,330,644	3,634,539,433
2009	31,250,005,415	4,825,291,351	892,470,341	1,465,428,179	4,195,640,593
2008	41,353,457,283	5,501,339,097	955,148,945	1,887,990,759	4,906,827,492
2007	46,186,478,039	5,466,227,650	964,023,020	2,004,053,746	4,930,724,569

Source: County of Volusia, Property Appraiser

<u>Personal Property</u>	<u>Centrally Assessed Property</u>	<u>Total</u>	<u>Direct Tax Rate</u>
\$ 3,105,188,346	\$ 63,645,578	\$ 45,950,570,683	7.27090
3,000,537,729	57,456,310	42,649,689,871	7.27090
2,984,673,361	55,728,534	39,579,733,466	7.27090
2,950,682,236	45,256,736	36,241,173,494	6.88090
2,913,902,837	44,230,758	35,197,476,889	6.77910
2,926,719,941	47,616,812	35,708,421,608	6.30250
2,988,529,982	41,005,429	39,023,494,924	6.37434
3,039,004,503	49,409,346	45,717,249,728	5.40373
3,121,575,534	60,794,680	57,787,133,790	4.70334
2,950,223,431	48,157,003	62,549,887,458	5.13330

SCHEDULE 6
COUNTY OF VOLUSIA, FLORIDA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per \$1,000 Assessed Valuation)

	Fiscal Year Taxes Are Payable			
	2016	2015	2014	2013
County:				
General Fund	6.31890	6.31890	6.31890	5.87890
Library Fund	0.55200	0.55200	0.55200	0.60200
Volusia Forever	0.07390	0.06270	0.05470	0.05130
Volusia Forever Debt	0.12610	0.13730	0.14530	0.14870
Volusia Echo	0.20000	0.20000	0.20000	0.20000
Total County Direct	7.27090	7.27090	7.27090	6.88090
Other County-wide:				
School Board	7.19700	7.33600	7.35800	7.88800
St. Johns River Water Management District	0.30230	0.31640	0.32830	0.33130
Florida Inland Navigation District	0.03200	0.03450	0.03450	0.03450
Total County-wide	14.80220	14.95780	14.99170	15.13470
Municipalities:				
Daytona Beach	7.33340	7.35170	7.68310	7.03040
Daytona Beach Shores	7.65300	8.17330	8.72000	8.46190
DeBary	2.92470	2.92470	3.05500	3.09350
DeLand	7.25350	7.40000	7.58370	7.36410
Deltona	7.99000	7.99000	7.99000	7.99000
Edgewater	6.74860	6.75300	6.93400	6.56120
Flagler Beach	4.70740	5.05730	5.33500	5.12440
Holly Hill	7.13040	7.13040	7.53000	7.35000
Lake Helen	9.80000	6.36850	6.36850	6.28330
New Smyrna Beach	3.99990	4.02830	4.17630	4.05750
Oak Hill	5.81310	5.81310	5.97060	5.96690
Orange City	7.45000	7.49000	7.59000	7.51000
Ormond Beach	4.55700	4.40600	4.42410	4.32620
Pierson	5.80000	5.80000	5.57030	5.80000
Ponce Inlet	5.79220	6.15360	6.50000	5.50000
Port Orange	4.82700	4.92090	5.19010	5.37200
South Daytona	7.40000	7.40000	7.40000	5.90000
Unincorporated Areas:				
Municipal Service District	2.23990	2.23990	2.23990	2.03990
Special Other Districts:				
Fire District	4.08150	3.63150	3.63150	3.63150
Hospital Districts:				
Halifax Hospital	0.95500	1.00000	1.36280	1.61580
Southeast Volusia Hospital	2.63400	2.78420	3.30190	3.39580
West Volusia Hospital	1.66790	1.92370	2.37590	2.46660
East Volusia Mosquito Control	0.18800	0.18800	0.20800	0.20800
Ponce Inlet Port Authority	0.09290	0.09290	0.09290	0.09290
Silver Sands / Bethune Beach				
Municipal Service District	0.01500	0.01500	0.01500	0.01540
Daytona Beach Downtown Development	1.00000	1.00000	1.00000	1.00000

Source: County of Volusia, Property Appraiser

Fiscal Year Taxes Are Payable

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
5.77710	5.30050	5.36829	4.50310	3.89564	4.25630
0.60200	0.60200	0.60605	0.50064	0.43698	0.47700
0.05350	0.06320	0.08187	0.10223	0.09711	0.10610
0.20000	0.13680	0.11813	0.09776	0.09055	0.09390
<u>0.14650</u>	<u>0.20000</u>	<u>0.20000</u>	<u>0.20000</u>	<u>0.18306</u>	<u>0.20000</u>
6.77910	6.30250	6.37434	5.40373	4.70334	5.13330
8.06300	8.23700	7.80500	7.45900	7.46700	7.68500
0.33130	0.41580	0.41580	0.41580	0.41580	0.46200
<u>0.03450</u>	<u>0.03450</u>	<u>0.03450</u>	<u>0.03450</u>	<u>0.03450</u>	<u>0.03850</u>
15.20790	14.98980	14.62964	13.31303	12.62064	13.31880
6.73960	6.74670	5.79829	5.73347	5.46952	6.29458
8.69000	7.82200	6.39720	4.97985	4.02230	3.83700
2.99000	2.87070	2.57279	2.57279	2.57279	3.00000
6.95750	6.28460	6.23940	5.25118	4.75549	5.78770
8.29950	6.37760	5.43755	4.15329	3.28370	4.01451
6.53040	6.63850	6.39820	5.93304	5.22710	5.73170
4.85000	4.20230	3.46430	3.01990	2.64200	3.00000
6.95000	6.55950	5.72580	4.88720	3.68177	4.08000
5.98700	5.21800	5.21800	4.20000	4.20000	5.20000
4.10110	4.07400	3.99990	3.51304	3.47811	3.74303
6.39270	6.45790	5.79900	4.57400	4.74950	5.06260
7.07570	6.34450	5.19530	4.48000	4.38237	4.87506
4.20140	3.80960	3.80968	3.80968	3.44350	3.88224
5.80000	5.34140	4.80240	3.60575	2.83586	3.06694
4.76180	4.45550	4.03000	4.17500	3.74400	4.09500
5.51450	5.51090	5.10020	5.02140	4.41780	5.08508
5.90000	5.90000	5.77810	4.92003	4.24930	4.80000
2.01550	1.86100	1.87829	1.40228	1.21825	1.33880
3.63150	3.63150	3.66510	3.20577	2.78361	3.00000
2.11580	2.45030	2.19530	1.91754	1.71220	1.76240
3.66730	3.70030	4.04900	3.30324	2.95030	3.00050
2.38490	2.08180	1.74500	1.46724	1.26190	1.26190
0.20800	0.20800	0.20966	0.20556	0.17856	0.19020
0.09290	0.09290	0.09360	0.07771	0.06750	0.07190
0.01630	0.01630	0.01732	0.01281	0.01172	0.01120
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

**SCHEDULE 7
COUNTY OF VOLUSIA, FLORIDA
Principal Property Taxpayers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year Ended September 30, 2016</u>	
		<u>2015 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
Florida Power and Light Co.	Electric Utility	\$ 1,033,054,685	3.17
Duke Energy Florida, Inc.	Electric Utility	247,458,131	0.76
BellSouth Telecommunication, LLC	Telephone	91,419,754	0.28
Wal-Mart Stores, Inc.	Retail	84,384,941	0.26
Bright House Networks, LLC	Entertainment/Cablevision	79,572,316	0.24
Starwood Capital Group	Investments	78,635,310	0.24
Publix Super Markets, Inc.	Retail Sales/Grocery	74,832,826	0.23
Ocean Walk II	Timeshare Sales	58,750,005	0.18
Covidien	Manufacturing	52,428,359	0.16
Volusia Mall LLC	Retail Sales/Mall	50,890,143	0.16
Subtotal Principal Taxpayers		1,851,426,470	5.68
All Other Taxpayers		30,719,218,126	94.32
Total		\$ 32,570,644,596	100.00

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year Ended September 30, 2007</u>	
		<u>2006 Taxable Value</u>	<u>Percent of Total Taxable Value</u>
Florida Power and Light Co.	Electric Utility	\$ 869,994,909	2.27
Bray & Gillespie, Inc.	Timeshare Investments	204,198,119	0.53
Florida Power Corp/Progress Energy	Electric Utility	197,760,126	0.52
BellSouth Telecommunication	Telecommunication	154,467,684	0.40
Tyco Healthcare Group LP	Medical Supply Manufacturer	98,728,678	0.26
Wal-Mart Stores, Inc.	Retail	89,013,432	0.23
Bright House Networks, LLC	Entertainment/Cablevision	76,268,106	0.20
International Speedway Corp.	Entertainment	72,264,593	0.19
Volusia Mall LLC	Retail Sales/Mall	66,115,930	0.17
Publix Super Markets, Inc.	Retail Sales/Grocery	29,494,737	0.08
Subtotal Principal Taxpayers		1,858,306,314	4.85
All Other Taxpayers		36,495,581,971	95.15
Total		\$ 38,353,888,285	100.00

Source: County of Volusia, Revenue Division

**SCHEDULE 8
COUNTY OF VOLUSIA, FLORIDA
Property Tax Levies And Collections
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Collected to End of Tax Year			Collected in Fiscal Year	
		Current Tax Collections	Percent of Levy	Delinquent Collections	Total Collections	Percent of Levy
2016	\$ 240,585,734	\$ 232,118,353	96.48	\$ 812,002	\$ 232,930,355	96.82
2015	225,739,467	217,859,761	96.51	855,843	218,715,604	96.89
2014	214,332,368	206,532,680	96.36	888,042	207,420,722	96.78
2013	199,475,643	191,947,692	96.23	968,827	192,916,519	96.71
2012	200,117,280	192,563,133	96.23	366,868	192,930,001	96.41
2011	204,425,850	196,921,200	96.33	1,064,029	197,985,229	96.85
2010	237,183,811	228,642,969	96.40	1,362,202	230,005,171	96.97
2009	243,643,712	234,187,285	96.12	961,876	235,149,161	96.51
2008	237,143,262	227,403,569	95.89	1,328,398	228,731,967	96.45
2007	241,533,309	231,812,977	95.98	466,083	232,279,060	96.17

Source: County of Volusia, Revenue Division

Notes:

- (1) Taxes may be paid at a discount that starts at four percent on November 1, and declines by one percent per month until the discount period ends on the last day of February.
- (2) Information above pertains to the following County Taxing Authorities:
 - Volusia County General Fund
 - Volusia County Municipal Service District
 - Volusia County Forever
 - Volusia County Library
 - Volusia County East Volusia Mosquito Control District
 - Volusia County Ponce Inlet Port Authority
 - Volusia County Fire District
 - Volusia County Silver Sands / Bethune Beach Municipal Service District
 - Volusia County ECHO
 - Volusia County Forever 2014 Limited Tax Obligation Bond

SCHEDULE 9
COUNTY OF VOLUSIA, FLORIDA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		
	General Obligation Bonds	Revenue Bonds	Notes Payable
2016	\$ 15,510,000	\$ 105,071,585	\$ 26,610,000
2015	21,314,242	128,207,486	13,486,711
2014	23,050,626	139,939,919	15,679,100
2013	25,482,807	155,834,935	17,823,236
2012	27,810,897	162,907,333	19,921,376
2011	29,790,737	171,227,196	22,010,000
2010	31,926,562	179,478,929	25,230,000
2009	33,986,696	194,493,979	33,829,000
2008	35,976,186	201,616,394	22,005,000
2007	37,895,054	211,325,167	29,488,343

Source: County of Volusia, Accounting Division

Note:

- (1) Beginning with fiscal year 2012, debt issuance costs are no longer included in the calculation of long-term debt in accordance with GASB Statement No.65, *Items Previously as Assets and Liabilities*.

Business-type Activities

Airport System Revenue Bonds	Water/Sewer Revenue Bonds	Parking Facility Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 15,280,000	\$ 2,415,000	\$ -	\$ 16,148,886	\$ 181,035,471	0.88	\$ 349.57
20,305,000	3,960,000	-	18,238,509	205,511,948	1.06	402.57
22,577,864	4,710,000	-	20,266,361	226,223,870	1.23	448.99
24,766,131	5,450,000	8,300,000	13,730,173	251,387,282	1.43	503.80
26,199,398	5,450,000	8,820,000	15,086,599	266,195,603	1.53	535.45
27,804,259	6,382,789	9,287,168	16,106,438	282,608,587	1.65	570.47
29,535,717	6,930,842	9,750,342	15,078,801	297,931,193	1.80	602.38
31,099,583	7,447,911	9,968,515	9,405,880	320,231,564	2.01	645.04
32,562,556	7,938,983	10,391,689	10,677,506	321,168,314	1.89	643.27
33,928,861	8,408,707	-	11,930,352	332,976,484	2.00	667.98

SCHEDULE 10
COUNTY OF VOLUSIA, FLORIDA
Ratios Of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Limited Tax General Obligation Bonds	Less: Amounts Restricted to Principal Payments	Net General Bonded Debt Outstanding	Percentage of Personal Income	Percentage of Assessed Value of Taxable Property	Per Capita
2016	\$ 15,510,000	\$ -	\$ 15,510,000	0.08	0.03	\$ 29.98
2015	21,314,242	2,860,000	18,454,242	0.10	0.04	36.15
2014	23,050,626	2,500,000	20,550,626	0.11	0.05	40.79
2013	25,482,807	2,405,000	23,077,807	0.13	0.06	46.25
2012	27,810,897	2,320,000	25,490,897	0.15	0.07	51.27
2011	29,790,737	2,235,000	27,555,737	0.16	0.08	55.62
2010	31,926,562	2,160,000	29,766,562	0.18	0.08	60.18
2009	33,986,696	2,085,000	31,901,696	0.20	0.07	64.26
2008	35,976,186	2,015,000	33,961,186	0.20	0.06	38.02
2007	37,895,054	1,945,000	35,950,054	0.22	0.06	72.12

Source: County of Volusia, Accounting Division

Note:

- (1) During fiscal year 2006, the County of Volusia issued \$39,875,000 Volusia Forever Limited Tax general obligation bonds to provide resources to acquire environmentally sensitive lands. This bond issue was approved in a referendum in November 2000, providing for a tax levy of up to \$0.20 per \$1,000 of taxable value for a twenty year period.

SCHEDULE 11
COUNTY OF VOLUSIA, FLORIDA
Legal Debt Margin

The Constitution of the State of Florida, Florida Statute 200.181, and the Charter of the County of Volusia set no legal debt margin.

Source: County of Volusia, Accounting Division

SCHEDULE 12
COUNTY OF VOLUSIA, FLORIDA
Pledged Revenue Coverages
Last Ten Fiscal Years

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Governmental activities				
Revenue bonds - Sales Tax Improvement:				
Local government half-cent sales tax	\$ 19,152,921	\$ 18,097,510	\$ 15,873,606	\$ 14,909,149
Interest revenue	82,782	55,619	64,522	48,460
Available revenue	<u>\$ 19,235,703</u>	<u>\$ 18,153,129</u>	<u>\$ 15,938,128</u>	<u>\$ 14,957,609</u>
Debt service:				
Principal	\$ 6,640,000	\$ 6,355,000	\$ 4,685,000	\$ 4,500,000
Interest and fiscal charges	1,125,515	1,428,040	1,651,717	1,782,509
Total debt service	<u>\$ 7,765,515</u>	<u>\$ 7,783,040</u>	<u>\$ 6,336,717</u>	<u>\$ 6,282,509</u>
Coverage	2.48	2.33	2.52	2.38
Revenue bonds - Capital Improvement:				
Local government half-cent sales tax	\$ 1,014,908	\$ 1,018,251	\$ 1,987,466	\$ 1,985,150
Available revenue	<u>\$ 1,014,908</u>	<u>\$ 1,018,251</u>	<u>\$ 1,987,466</u>	<u>\$ 1,985,150</u>
Debt service:				
Principal	\$ 899,000	\$ 876,000	\$ 1,715,000	\$ 1,669,000
Interest and fiscal charges	23,644	49,683	91,787	135,682
Total debt service	<u>\$ 922,644</u>	<u>\$ 925,683</u>	<u>\$ 1,806,787</u>	<u>\$ 1,804,682</u>
Coverage	1.10	1.10	1.10	1.10
Revenue bonds - Tourist Development:				
Resort tax	\$ 10,565,593	\$ 9,646,927	\$ 8,651,907	\$ 7,748,880
Interest revenue	28,698	14,944	19,201	16,965
Available revenue	<u>\$ 10,594,291</u>	<u>\$ 9,661,871</u>	<u>\$ 8,671,108</u>	<u>\$ 7,765,845</u>
Debt service:				
Principal	\$ 1,674,980	\$ 1,571,666	\$ 2,425,000	\$ 2,340,000
Interest and fiscal charges	2,595,448	2,513,597	1,376,177	2,374,438
Total debt service	<u>\$ 4,270,428</u>	<u>\$ 4,085,263</u>	<u>\$ 3,801,177</u>	<u>\$ 4,714,438</u>
Coverage	2.48	2.37	2.28	1.65
Revenue Bonds - Gas Tax:				
Six cent local option fuel tax	\$ 8,048,244	\$ 7,536,450	\$ 7,228,695	\$ 7,171,807
Interest revenue	99,085	213,456	116,826	(136,726)
Available revenue	<u>\$ 8,147,329</u>	<u>\$ 7,749,906</u>	<u>\$ 7,345,521</u>	<u>\$ 7,035,081</u>
Debt service:				
Principal	\$ 3,760,000	\$ 3,685,000	\$ 3,570,000	\$ 3,350,000
Interest and fiscal charges	747,659	824,649	935,038	518,696
Total debt service	<u>\$ 4,507,659</u>	<u>\$ 4,509,649</u>	<u>\$ 4,505,038</u>	<u>\$ 3,868,696</u>
Coverage	1.81	1.72	1.63	1.82

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
\$ 14,055,092	\$ 13,557,185	\$ 13,536,269	\$ 15,477,060	\$ 17,199,118	\$ 18,709,880
43,973	70,578	43,873	140,156	141,371	189,818
<u>\$ 14,099,065</u>	<u>\$ 13,627,763</u>	<u>\$ 13,580,142</u>	<u>\$ 15,617,216</u>	<u>\$ 17,340,489</u>	<u>\$ 18,899,698</u>
\$ 3,900,000	\$ 4,210,000	\$ 2,520,000	\$ 4,625,000	\$ 5,320,000	\$ 4,935,000
1,923,186	2,119,669	2,457,127	2,856,557	2,443,479	3,620,693
<u>\$ 5,823,186</u>	<u>\$ 6,329,669</u>	<u>\$ 4,977,127</u>	<u>\$ 7,481,557</u>	<u>\$ 7,763,479</u>	<u>\$ 8,555,693</u>
2.42	2.15	2.73	2.09	2.23	2.21
\$ 1,984,891	\$ 1,818,563	\$ 1,714,503	\$ 16,083	\$ -	\$ -
<u>\$ 1,984,891</u>	<u>\$ 1,818,563</u>	<u>\$ 1,714,503</u>	<u>\$ 16,083</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,626,000	\$ 1,437,000	\$ 1,308,000	\$ -	\$ -	\$ -
178,446	216,239	250,639	14,621	-	-
<u>\$ 1,804,446</u>	<u>\$ 1,653,239</u>	<u>\$ 1,558,639</u>	<u>\$ 14,621</u>	<u>\$ -</u>	<u>\$ -</u>
1.10	1.10	1.10	1.10	-	-
\$ 7,335,535	\$ 6,854,101	\$ 6,792,353	\$ 6,853,970	\$ 7,666,321	\$ 8,033,455
19,174	24,155	25,016	61,056	89,923	128,743
<u>\$ 7,354,709</u>	<u>\$ 6,878,256</u>	<u>\$ 6,817,369</u>	<u>\$ 6,915,026</u>	<u>\$ 7,756,244</u>	<u>\$ 8,162,198</u>
\$ 2,265,000	\$ 2,190,000	\$ 2,125,000	\$ 2,070,000	\$ 2,015,000	\$ 1,970,000
2,450,732	2,521,756	2,587,850	2,648,188	2,701,838	2,747,956
<u>\$ 4,715,732</u>	<u>\$ 4,711,756</u>	<u>\$ 4,712,850</u>	<u>\$ 4,718,188</u>	<u>\$ 4,716,838</u>	<u>\$ 4,717,956</u>
1.56	1.46	1.45	1.47	1.64	1.73
\$ 7,247,818	\$ 7,190,064	\$ 7,287,264	\$ 7,317,476	\$ 7,348,084	\$ 7,811,794
301,835	204,964	283,391	58,343	77,985	102,107
<u>\$ 7,549,653</u>	<u>\$ 7,395,028</u>	<u>\$ 7,570,655</u>	<u>\$ 7,375,819</u>	<u>\$ 7,426,069</u>	<u>\$ 7,913,901</u>
\$ 2,785,000	\$ 2,705,000	\$ 2,630,000	\$ 2,550,000	\$ 2,485,000	\$ 2,410,000
2,104,348	2,185,498	2,264,398	2,340,898	2,409,235	2,481,535
<u>\$ 4,889,348</u>	<u>\$ 4,890,498</u>	<u>\$ 4,894,398</u>	<u>\$ 4,890,898</u>	<u>\$ 4,894,235</u>	<u>\$ 4,891,535</u>
1.54	1.51	1.55	1.51	1.52	1.62

(continued)

SCHEDULE 12
COUNTY OF VOLUSIA, FLORIDA
Pledged Revenue Coverages (continued)
Last Ten Fiscal Years

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Business-Type activities				
Revenue Bonds - Airport System:				
Revenues available (A) * & (B)				
Net operating income (loss)	\$ (3,916,183)	\$ (5,231,201)	\$ (4,237,402)	\$ (3,827,795)
Add:				
Operating grants	5,262,809	3,807,360	801,205	662,035
Non-cash expenses:				
Depreciation	5,218,467	5,235,509	4,830,630	5,436,321
Cash balance from prior year:				
Operating fund	14,335,357	6,179,986	7,753,528	8,465,116
Debt service fund	-	3,028,883	3,199,811	3,130,828
Total available revenue	<u>\$ 20,900,450</u>	<u>\$ 13,020,537</u>	<u>\$ 12,347,772</u>	<u>\$ 13,866,505</u>
Debt service:				
Principal	\$ 2,580,000	\$ 2,445,000	\$ 2,320,000	\$ 1,545,000
Interest	950,425	1,090,338	1,221,675	1,345,050
Total debt service	<u>3,530,425</u>	<u>3,535,338</u>	<u>3,541,675</u>	<u>2,890,050</u>
Operations and maintenance reserve fund	274,057	(10,848)	97,881	55,165
Total requirement (A) *	<u>\$ *</u>	<u>\$ *</u>	<u>\$ *</u>	<u>\$ *</u>
Total requirement (B)	<u>\$ 3,804,482</u>	<u>\$ 3,524,490</u>	<u>\$ 3,639,556</u>	<u>\$ 2,945,215</u>
Coverage (A)*	*	*	*	*
Coverage (B)	5.49	3.69	3.39	4.71
Revenue Bonds - Water and Sewer:				
Revenues available (A)				
Net operating income (loss)	\$ 4,070,095	\$ 1,370,650	\$ 1,865,672	\$ 1,857,284
Add non-cash expenses:				
Depreciation	3,241,190	3,175,259	2,956,354	2,889,021
Total available revenue (A)	<u>\$ 7,311,285</u>	<u>\$ 4,545,909</u>	<u>\$ 4,822,026</u>	<u>\$ 4,746,305</u>
Revenues available (B) *				
Net operating income (loss)	\$ *	\$ *	\$ *	\$ *
Add:				
Non-cash expenses: depreciation	-	-	-	-
Connection fees & CIAC	-	-	-	-
Total available revenue (B) *	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt service:				
Principal	\$ 780,000	\$ 765,000	\$ 750,000	\$ 740,000
Interest	45,161	63,756	69,794	81,788
Total debt service	<u>\$ 825,161</u>	<u>\$ 828,756</u>	<u>\$ 819,794</u>	<u>\$ 821,788</u>
Coverage (A)	8.86	5.49	5.88	5.78
Coverage (B) *	*	*	*	*

Source: County of Volusia, Accounting Division

Note:

(*) Due to refinancing at the end of fiscal year 2012, coverage requirements changed for 2013 onward.

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
\$ (3,683,306)	\$ (3,125,140)	\$ (4,620,025)	\$ (5,535,228)	\$ (5,112,555)	\$ (5,128,004)
345,756	2,744,030	2,173,936	2,947,738	1,311,453	2,875,577
5,470,196	4,548,487	5,123,200	4,784,017	4,608,467	4,720,275
10,730,966	9,133,930	9,862,904	8,397,133	8,219,228	12,387,890
2,365,982	3,026,121	2,746,013	2,703,738	2,657,587	2,613,712
<u>\$ 15,229,594</u>	<u>\$ 16,327,428</u>	<u>\$ 15,286,028</u>	<u>\$ 13,297,398</u>	<u>\$ 11,684,180</u>	<u>\$ 17,469,450</u>
\$ 1,440,000	\$ 1,925,000	\$ 1,815,000	\$ 1,725,000	\$ 1,635,000	\$ 1,550,000
1,407,172	1,758,840	1,862,025	1,954,475	2,045,175	2,127,425
2,847,172	3,683,840	3,677,025	3,679,475	3,680,175	3,677,425
39,153	(177,204)	(65,618)	30,079	(20,013)	288,166
<u>\$ 2,847,172</u>	<u>\$ 3,683,840</u>	<u>\$ 3,677,025</u>	<u>\$ 3,679,475</u>	<u>\$ 3,680,175</u>	<u>\$ 3,677,425</u>
<u>\$ 2,886,325</u>	<u>\$ 3,506,636</u>	<u>\$ 3,611,407</u>	<u>\$ 3,709,554</u>	<u>\$ 3,660,162</u>	<u>\$ 3,965,591</u>
5.35	4.43	4.16	3.61	3.17	4.75
5.28	4.66	4.23	3.58	3.19	4.41
\$ 2,601,634	\$ 1,281,341	\$ 1,080,453	\$ (296,960)	\$ 116,843	\$ 1,668,565
2,821,538	2,770,769	2,853,233	2,906,826	2,769,974	2,602,050
<u>\$ 5,423,172</u>	<u>\$ 4,052,110</u>	<u>\$ 3,933,686</u>	<u>\$ 2,609,866</u>	<u>\$ 2,886,817</u>	<u>\$ 4,270,615</u>
\$ 2,601,634	\$ 1,281,341	\$ 1,080,453	\$ (296,960)	\$ 116,843	\$ 1,668,565
2,821,538	2,770,769	2,853,233	2,906,826	2,769,974	2,602,050
85,451	169,333	282,627	300,565	736,174	1,771,776
<u>\$ 5,508,623</u>	<u>\$ 4,221,443</u>	<u>\$ 4,216,313</u>	<u>\$ 2,910,431</u>	<u>\$ 3,622,991</u>	<u>\$ 6,042,391</u>
\$ -	\$ 645,000	\$ 625,000	\$ 600,000	\$ 580,000	\$ 565,000
49,722	246,454	270,354	292,559	312,934	332,594
<u>\$ 49,722</u>	<u>\$ 891,454</u>	<u>\$ 895,354</u>	<u>\$ 892,559</u>	<u>\$ 892,934</u>	<u>\$ 897,594</u>
109.07	4.55	4.39	2.92	3.23	4.76
110.79	4.74	4.71	3.26	4.06	6.73

**SCHEDULE 13
COUNTY OF VOLUSIA, FLORIDA
Demographic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Per Capita Income (2)	Personal Income (in thousands) (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (percent) (6)
2016	517,411	\$ 39,545	\$ 20,461,018	47.0	63,043	5.0
2015	510,494	37,802	19,297,694	46.5	62,850	6.0
2014	503,851	36,546	18,413,739	46.6	61,829	7.1
2013	498,978	35,296	17,611,927	46.0	61,234	8.6
2012	497,145	35,092	17,445,812	45.9	61,124	9.9
2011	495,400	34,475	17,078,915	45.3	61,636	11.7
2010	494,593	33,386	16,512,482	44.1	61,684	12.0
2009	496,456	32,115	15,943,684	42.3	62,416	10.1
2008	499,273	33,964	16,957,308	42.3	63,271	5.9
2007	498,480	33,358	16,628,296	42.6	64,696	3.9

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- Sources: (1) Florida Office of Economic & Demographic Research
(2) 2016 - Calculated based on 2015 amount multiplied by statewide personal income change as estimated by the Florida Economic Estimating Conference
2015-2007 - U.S. Department of Commerce, Bureau of Economic Analysis
(3) Calculated (population multiplied by per capita income)
(4) U.S. Census Bureau, American Fact Finder, SO101 Table, American Community Survey 1-Year Estimates
(5) School Board of Volusia County (school enrollment figures are as of the second month of each school year)
(6) Florida Department of Economic Opportunity - Local Area Unemployment Statistics

**SCHEDULE 14
COUNTY OF VOLUSIA, FLORIDA
Principal Employers
Current Year and Nine Years Ago**

Fiscal Year Ended September 30, 2016			Fiscal Year Ended September 30, 2007		
Employer	Number of Employees	Percent of Total Employment	Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	7,443	3.15	Volusia County School Board	9,021	3.55
Florida Hospital - All Divisions	4,690	1.99	Halifax Community Health System	5,172	2.03
Halifax Health	4,384	1.86	County of Volusia	3,278	1.29
County of Volusia	3,447	1.46	Publix Supermarkets Incorporated	2,537	1.00
Publix Supermarkets Incorporated	3,179	1.35	Walmart Associates Incorporated	2,373	0.93
Walmart Stores Incorporated	2,589	1.10	State of Florida	2,219	0.87
State of Florida	2,007	0.85	Florida Hospital Memorial Division	1,574	0.62
Daytona State College	1,416	0.60	Daytona Beach Community College	1,561	0.61
Embry-Riddle Aeronautical University	1,326	0.56	U.S. Government	1,456	0.57
U.S. Government	1,259	0.53	Embry-Riddle Aeronautical University	1,161	0.46
Total	<u>31,740</u>	<u>13.45</u>	Total	<u>30,352</u>	<u>11.93</u>
Estimated total workforce	236,195		Estimated total workforce	254,388	

Sources: County of Volusia, Economic Development Division
Florida Department of Economic Opportunity
Local Area Unemployment Statistics

SCHEDULE 15
COUNTY OF VOLUSIA, FLORIDA
Full-Time Equivalent County Government Employees By Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Governmental activities				
General government	557.75	556.75	558.25	557.25
Public safety	1,650.10	1,634.68	1,631.68	1,635.68
Physical environment	73.47	73.32	74.32	73.32
Transportation	264.35	264.35	264.35	264.35
Economic environment	22.00	22.00	22.00	22.00
Human services	59.75	59.75	60.75	59.75
Culture/recreation	469.04	469.19	469.19	470.19
Business-type activities				
Refuse disposal	66.00	66.00	67.00	69.75
Daytona Beach International Airport	46.00	46.00	46.00	46.00
Water and sewer utilities	61.00	62.00	61.00	61.00
Parking garage	6.00	6.00	6.00	6.00
Garbage collection	3.00	3.00	3.00	2.00
Positions budgeted in the government's internal service funds are charged to the various functions based on their usage of the service				
Vehicle maintenance	51.00	51.00	51.00	51.00
Risk management	12.00	13.00	13.00	14.00
Group insurance	1.00	1.00	1.00	1.00
Total full-time equivalent employees	<u>3,342.46</u>	<u>3,328.04</u>	<u>3,328.54</u>	<u>3,333.29</u>

Source: County of Volusia, Adopted Budget

Notes:

- (1) Only positions budgeted in the adopted budget are reported on this schedule; therefore, grant funded positions are not included above. In addition, no amount for Volusia Transportation Authority is reported in business-type activities above because these positions are not direct employees of the County.
- (2) All prior years have been restated to conform with reclassifications made during fiscal year ended September 30, 2016.
- (3) Staffing increased by 195 full-time equivalents from 2011 to 2012 due to addition of the emergency medical services division and associated accounting section for emergency medical services billing.

Fiscal Year Ended September 30,					
2012	2011	2010	2009	2008	2007
549.87	551.75	553.50	549.50	551.50	563.00
1,633.00	1,447.00	1,468.50	1,500.00	1,510.00	1,557.00
75.32	75.29	74.75	73.00	71.00	71.50
264.75	264.75	264.75	261.50	263.50	257.50
22.00	21.00	21.00	21.00	22.00	22.00
59.75	59.75	62.75	62.50	62.50	62.50
478.25	475.75	480.50	480.50	476.50	491.50
73.75	73.75	74.75	73.80	73.80	73.80
46.00	49.00	50.00	49.00	48.00	53.00
61.00	60.00	59.00	62.00	58.00	58.00
6.00	6.00	6.00	6.00	3.00	-
-	-	-	-	-	-
51.00	49.00	49.00	49.00	49.00	49.00
13.00	13.00	13.00	12.00	12.00	12.00
1.00	1.00	1.00	1.00	1.00	1.00
3,334.69	3,147.04	3,178.50	3,200.80	3,201.80	3,271.80
(3)					

SCHEDULE 16
COUNTY OF VOLUSIA, FLORIDA
Operating Indicators By Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Governmental activities				
General government				
Number of municipal elections conducted	11	3	1	2
Number of invoices/vouchers processed (1)	112,134	116,207	116,054	116,611
Number of employment applications processed (1)	27,029	34,691	35,702	32,840
Public safety				
Number of E-911 calls received in the Office of the Sheriff	364,899	357,400	331,263	315,421
Average daily inmate population for Corrections (2)	1,328	1,379	1,480	1,510
Annual call load for Fire Services (3)	18,089	17,051	16,695	15,727
Number of emergency medical services transports (4)	56,426	54,642	51,468	49,409
Number of deaths investigated by Medical Examiner	1,407	1,101	916	950
Number of building permits issued	7,888	6,599	6,880	6,105
Physical environment				
Number of visitors to the Marine Science Center	106,914	99,310	88,125	82,306
Transportation				
Miles of paved roads	967	968	973	978
Miles of dirt roads	86	86	87	88
Bascule bridges	2	3	3	3
Miles of bike paths and sidewalks	273	274	271	282
Traffic signals & electronic traffic control devices maintained (5)	461	457	464	459
Human services				
Number of clients receiving assistance	1,881	3,099	3,366	2,505
Number of animal licenses sold	3,451	2,949	3,470	4,153
Number of dogs and cats picked up by Animal Control	1,084 ⁽⁶⁾	1,103 ⁽⁶⁾	1,899	2,109
Culture/recreation				
Total library circulation	4,064,690	4,130,550	4,116,575	4,108,609
Number of library users of electronic resources	2,925,590	2,873,399	2,856,346	3,205,513
Number of events held at Ocean Center	104	115	101	97
Number of attendees of events at Ocean Center	258,146	238,510	247,440	268,389
Business-type activities				
Refuse Disposal				
Tons of solid waste processed	501,643	482,989	472,571	476,526
Daytona Beach International Airport				
Number of scheduled flights	3,173	2,919	2,843	2,831
Enplanements (passengers)	346,312	312,483	318,060	301,556
Deplanements (passengers)	343,274	309,811	314,035	296,364
Air Freight (pounds)	164,718	170,873	174,386	213,943
Air Express (pounds)	104,976	115,452	114,586	115,009
Water and Sewer Utilities				
Number of customers: water	15,353	15,062	14,990	15,003
Number of customers: sewer	11,145	10,980	10,943	10,962
Number of new meter installations	170	155	123	111
Volusia Transportation Authority				
Number of fixed route passengers	3,248,466	3,457,344	3,744,921	3,734,117
Number of fixed route miles traveled	2,634,065	2,615,583	2,351,763	2,606,497
Number of fixed routes	27	27	25	38
Percent of on-time performance	92%	92%	95%	88%
Garbage collection				
Number of unincorporated residential units served annually	45,400	45,259	44,981	44,973

Sources: County of Volusia, various departments

Notes:

- (1) The method used to count the number of documents changed in 2010.
- (2) The operating indicator presented for corrections was changed and years prior to 2010 are not available.
- (3) Figures are for calendar year ending December 31st, rather than September 30th for each year presented.
- (4) On October 1, 2011, EVAC Ambulance service began operating as a division of the County.
- (5) Starting with figures for fiscal year ended September 30, 2013, single crossing school flashers counted as one device.
- (6) Includes cats picked up, spayed/neutered, and returned to field.

Fiscal Year Ended September 30,

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
17	10	12	8	21	20
118,988	120,791	115,041	78,147	74,835	81,005
27,084	24,957	14,343	32,432	29,394	24,327
318,525	313,635	298,569	277,082	260,525	263,835
1,466	1,390	1,385	(2)	(2)	(2)
16,335	16,318	16,079	17,327	18,171	17,735
48,618	n/a	n/a	n/a	n/a	n/a
1,021	1,067	1,046	1,075	1,093	1,112
5,188	4,908	5,096	5,985	6,964	7,290
73,825	62,081	51,400	49,249	46,552	50,132
982	984	978	983	1,000	964
93	97	105	109	94	101
3	3	3	3	3	3
281	284	279	289	156	157
593	566	358	505	499	486
2,379	2,769	2,674	2,171	3,404	6,898
4,201	4,933	4,499	5,414	3,933	4,502
2,505	2,564	2,817	2,659	2,976	3,161
4,308,812	4,451,028	4,331,934	4,278,391	4,150,161	4,094,829
3,207,164	2,653,801	2,122,063	568,047	578,752	469,545
103	90	82	62	66	85
307,060	304,030	301,014	274,252	275,685	365,687
467,461	486,305	504,884	539,702	606,548	629,087
2,846	3,058	3,604	3,490	4,728	5,280
297,441	277,751	240,939	212,191	322,120	341,018
281,355	260,821	235,349	210,660	316,621	337,666
203,755	212,776	171,985	165,302	261,108	294,407
31,552	8,269	5,373	25,127	13,904	47,780
14,958	14,485	14,877	14,428	14,391	14,753
10,913	10,849	10,823	10,834	10,793	10,635
49	38	48	64	75	155
3,574,952	3,373,974	3,238,004	2,904,358	3,299,829	2,936,139
2,591,266	2,338,145	2,403,125	2,296,271	2,715,433	2,726,075
38	38	38	38	40	39
89%	88%	90%	91%	86%	88%
44,701	44,351	44,447	44,406	44,221	43,678

SCHEDULE 17
COUNTY OF VOLUSIA, FLORIDA
Capital Asset Statistics By Functional Department
Last Ten Fiscal Years

	Fiscal Year Ended September 30,			
	2016	2015	2014	2013
Governmental activities				
General government				
Number of administrative/office facilities	81	84	84	84
Number of warehouse/industrial facilities	78	78	77	78
Square footage of facilities operated & maintained	3,066,889	3,071,609	3,069,096	3,004,745
Number of light-duty vehicles (1)	573	603	594	621
Number of medium-duty vehicles (1)	61	68	64	49
Number of heavy-duty vehicles (1)	140	164	153	153
Public safety				
Number of ladder trucks	1	1	1	1
Number of pumper trucks	27	27	27	26
Number of fire stations	21	21	21	21
Number of ambulances (2)	47	47	44	52
Number of sheriff vehicles	630	620	615	610
Average age of sheriff vehicles (years)	8	8	7	7
Average annual mileage per sheriff patrol vehicle (thousands)	34	34	34	34
Physical environment				
Number of environmental learning centers	2	2	2	2
Transportation				
Total paved miles	967	968	973	978
Total unpaved miles	86	86	87	88
Culture/recreation				
Park acres	11,822	11,822	11,822	11,220
Park acreage - developed (3)	1,671	1,671	1,671	800
Number of libraries in operation - owned	7	7	7	7
Number of libraries in operation - leased	6	6	6	6
Number of recreation/community centers	6	6	6	5
Number of baseball/softball diamonds	27	27	27	28
Number of playgrounds	26	25	25	24
Number of tennis courts	11	11	11	6
Number of basketball courts	14	14	14	14
Number of soccer/football fields	13	13	13	5
Business-type activities				
Refuse disposal				
Acres of open Class I landfill	77.85	77.85	65.65	65.65
Acres of open Class III landfill	88.06	88.06	88.06	88.06
Airport				
Number of gates under lease	4	3	3	3
Number of gates available for lease	2	3	3	3
Water and sewer utilities				
Water storage capacity (million gallons)	8.37	8.37	8.37	8.37
Miles of distribution mains	248	248	248	233
Number of supply wells	26	26	26	27
Sewer treatment capacity (million gallons per day)	3.49	3.53	3.53	3.13
Miles of sewer lines	191	191	191	187
Number of lift stations	120	120	120	118
Volusia Transportation Authority				
Number of fixed route Votran buses	78	78	67	56
Parking garage				
Number of spaces in parking garage (4)	1,389	1,389	1,389	1,389
Number of spaces in surface lots	679	679	679	679

Sources: County of Volusia, various departments

Notes:

- (1) Vehicle and equipment count revised for fiscal year ended September 30, 2011 and onward to reflect classifications set forth by the American Public Works Association.
- (2) On October 1, 2011, EVAC Ambulance service began operating as a division of the County.
- (3) Acreage numbers revised with use of geographic information systems (GIS) for fiscal year ended September 30, 2014 and onward.
- (4) During fiscal year ended September 30, 2008, the County assumed the operations of the Parking Garage.

Fiscal Year Ended September 30,

2012	2011	2010	2009	2008	2007
84	100	100	100	95	94
79	70	70	71	71	71
2,992,204	2,971,181	2,971,181	2,983,931	1,819,520	1,784,652
617	642	180	186	173	163
52	53	451	414	450	455
161	178	1,006	940	963	885
1	1	0	0	0	1
28	29	30	30	32	33
21	21	23	24	24	24
52	n/a	n/a	n/a	n/a	n/a
604	600	591	581	565	569
7	5	5	6	4	5
34	34	36	33	33	36
2	2	2	1	1	1
982	984	978	983	1,000	964
93	97	105	109	94	101
11,220	11,220	11,220	11,210	11,210	11,210
800	800	800	793	793	793
7	7	7	7	7	7
6	6	7	8	8	8
5	5	5	5	5	5
28	28	28	28	28	28
24	24	24	24	24	24
6	6	6	6	6	6
14	14	14	14	14	14
5	5	5	5	5	5
65.65	65.65	65.65	65.65	65.65	65.65
88.06	88.06	88.06	88.06	88.06	88.06
3	3	3	3	3	3
3	3	3	3	3	3
8.37	8.37	8.37	8.37	8.37	8.37
233	233	233	233	233	233
27	27	28	28	28	27
3.13	3.13	3.13	2.93	2.87	2.39
187	187	187	187	187	187
118	110	107	107	107	107
56	56	56	53	53	56
1,389	1,389	1,389	1,389	1,389	n/a
679	679	679	672	672	672



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COMPLIANCE SECTION:

This section contains the following subsections:

- Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*
- Schedule of Expenditures of Federal Awards and State Financial Assistance
- Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance
- Schedule of Findings and Questioned Costs
- Schedule of Passenger Facility Charges Collected and Expended
- Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Passenger Facility Charge Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance, Chapter 10.550, Rules of the Auditor General, and Passenger Facility Charge Audit Guide for Public Agencies
- Independent Auditors' Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General
- Management Responses to the Auditors' Report on Internal Control over Financial Reporting
- Independent Accountants' Examination Report

COMPLIANCE SECTION



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable County Council Members
of the County of Volusia, Florida:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Volusia, Florida (the County), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 10, 2017. Our report includes a reference to other auditors who audited the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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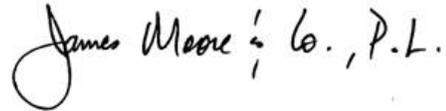
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is contained within a thin black rectangular border.

Daytona Beach, Florida
March 10, 2017

COUNTY OF VOLUSIA, FLORIDA
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2016

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
FEDERAL AGENCY				
Department of Agriculture				
Child Nutrition Cluster:				
Passed through Florida Department of Agriculture and Consumer Services:				
Summer Food Service Program for Children	10.559	18630	\$ 517,222	\$ -
Total Child Nutrition Cluster			<u>517,222</u>	<u>-</u>
Total Department of Agriculture			<u>517,222</u>	<u>-</u>
Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster:				
Direct:				
Community Development Block Grant / Entitlement Grants	14.218	B-14-UC-12-0008	913,084	332,840
Community Development Block Grant / Entitlement Grants	14.218	B-15-UC-12-0008	700,149	165,092
Neighborhood Stabilization Program	14.218	B-08-UN-12-0019	268,976	-
Neighborhood Stabilization Program	14.218	B-11-UN-12-0019	438,787	-
Total CDBG - Entitlement Grants Cluster			<u>2,320,996</u>	<u>497,932</u>
Direct:				
Emergency Solutions Grant Program	14.231	E-14-UC-12-0021	124,314	50,000
Passed through Florida Housing Finance Corporation:				
Home Investment Partnerships Program - Tenant Based Rental Assistance	14.239	036-2016	8,340	-
Home Investment Partnerships Program - Tenant Based Rental Assistance	14.239	2013-2016TBRA	94,601	-
Direct:				
Home Investment Partnerships Program	14.239	M-10-UC-12-0221	7,615	-
Home Investment Partnerships Program	14.239	M-11-UC-12-0221	12,466	-
Home Investment Partnerships Program	14.239	M-12-UC-12-0221	168,772	-
Home Investment Partnerships Program	14.239	M-13-UC-12-0221	402,500	-
Home Investment Partnerships Program	14.239	M-14-UC-12-0221	109,573	6,165
Home Investment Partnerships Program	14.239	M-15-UC-12-0221	156,649	3,822
Total Home Investment Partnerships Program			<u>960,516</u>	<u>9,987</u>
Housing Voucher Cluster:				
Direct:				
Section 8 Housing Choice Vouchers	14.871	FL-113/S-8 ADMIN	278,267	-
Section 8 Housing Choice Vouchers	14.871	FL-113/S-8 PORT-INS	8,796	-
Section 8 Housing Choice Vouchers	14.871	FL-113/S-8 VCHR	1,656,516	-
Total Housing Voucher Cluster			<u>1,943,579</u>	<u>-</u>
Total Department of Housing and Urban Development			<u>5,349,405</u>	<u>557,919</u>
Department of the Interior				
Direct:				
Payments in Lieu of Taxes (PILT)	15.226	2015	126,210	-
Total Department of the Interior			<u>126,210</u>	<u>-</u>
Department of Justice				
Passed through Florida Department of Legal Affairs, Office of the Attorney General:				
Crime Victim Assistance - Victims Advocate	16.575	V004-14015	96,832	-
Direct:				
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0393	16,507	-
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0247	22,091	-
Total State Criminal Alien Assistance Program			<u>38,598</u>	<u>-</u>
Direct:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0111	49,439	-
Passed through Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-VOLU-4-H3-117	9,727	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-VOLU-2-H3-102	26,770	26,770
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-VOLU-4-H3-112	2,500	2,500
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-VOLU-2-H3-120	5,643	5,643
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-VOLU-3-H3-082	90,842	90,842
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>184,921</u>	<u>125,755</u>

(continued)

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2016

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Passed through Florida Department of Law Enforcement: Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	D0136	\$ 3,002	\$ -
Passed through Florida Department of Law Enforcement: Edward Byrne Memorial Competitive Grant Program	16.751	2017-JAGE-VOLU-1-E8-005	9,813	-
Passed through Florida Department of Agriculture: Domestic Cannabis Eradication and Suppression	16.UNK	23269	6,313	-
Total Department of Justice			339,479	125,755
Federal Department of Transportation				
Direct:				
Airport Improvement Program - Airport Rescue and Firefighting Building	20.106	3-12-0017-067-2013	11,253	-
Airport Improvement Program - Wildlife Mitigation	20.106	3-12-0017-069-2014	134,993	-
Airport Improvement Program - Innovative Financing	20.106	3-12-0017-070-2015	2,307,984	-
Airport Improvement Program - Airport Rescue and Firefighting Building	20.106	3-12-0017-071-2015	697,586	-
Airport Improvement Program - Innovative Financing	20.106	3-12-0017-072-2016	2,374,018	-
Total Airport Improvement Program			5,525,834	-
Highway Planning and Construction Cluster:				
Passed through Florida Department of Transportation:				
Highway Planning & Construction - Spring to Spring Trail Phase 3	20.205	AQA60	935,845	-
Highway Planning & Construction - Doyle Road Shoulders	20.205	ARS51	980,424	-
Highway Planning & Construction - Veterans Memorial Bridge Design	20.205	AQK94	43,034	-
Highway Planning & Construction - Veterans Memorial Bridge Construction	20.205	G0256	4,951,511	-
Highway Planning & Construction - Turnbull Creek Bridge - Design	20.205	AQI21	6,569	-
Highway Planning & Construction - ECFRRT Cow Creek to Dale Ave	20.205	AR524	286,792	-
Highway Planning & Construction - ECFRRT Guise Road to Gobbler's Lodge	20.205	ARB61	5,752	-
Highway Planning & Construction - Pioneer Trail at Turnbull Bay Improvements	20.205	ARC99	883,614	-
Highway Planning & Construction - Dunn Avenue Paved Shoulders	20.205	ARI29	19,054	-
Highway Planning & Construction - ECFRRT Overpass at SR 415	20.205	AQ085	25,898	-
Highway Planning & Construction - ECFRRT Overpass at SR 442	20.205	AQ086	48,076	-
Total Highway Planning & Construction			8,186,569	-
Passed through Florida Department of Environmental Protection:				
Recreational Trails Program - ECFRRT S.R. 415 to Guise Rd	20.219	T1006	250,000	-
Total Highway Planning and Construction Cluster			8,436,569	-
Federal Transit Cluster:				
Direct:				
Federal Transit Formula Grants - VOTRAN	20.507	FL90-X663	104,821	-
Federal Transit Formula Grants - VOTRAN	20.507	FL90-X697	591,223	-
Federal Transit Formula Grants - VOTRAN	20.507	FL90-X751	326,127	-
Federal Transit Formula Grants - VOTRAN	20.507	FL90-X788	402,225	-
Federal Transit Formula Grants - VOTRAN	20.507	FL90-X840	5,022,770	-
Federal Transit Formula Grants - VOTRAN	20.507	FL95-X095	336,467	-
Total Federal Transit Cluster			6,783,633	-
Transit Service Program Cluster:				
Direct:				
Job Access and Reverse Commute Program - VOTRAN	20.516	FL37-X079	107,950	-
Total Transit Service Program Cluster			107,950	-
Passed through Florida Department of Transportation:				
Formula Grants for Rural Areas - VOTRAN	20.509	AQQ67	192,168	-
Highway Safety Cluster:				
Passed through Florida Department of Transportation:				
National Priority Safety Programs - DUI Initiative	20.616	G0487	100,000	-
Total Highway Safety Cluster			100,000	-
Total Federal Department of Transportation			21,146,154	-

(continued)

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2016

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
General Services Administration:				
Passed through Florida Department of Management Services:				
Noncash Award - Donation of Federal Surplus Property	39.003	T2-3816	\$ 611	\$ -
Total General Services Administration			611	-
National Endowment for the Arts				
Passed through Arts Midwest:				
Big Read Program	45.024	FY15-2188	9,637	-
Big Read Program	45.024	00017783	4,669	-
Total National Endowment for the Arts			14,306	-
Environmental Protection Agency				
Passed through St. John's River Water Management District:				
National Estuary Program - Water Quality Monitoring Indian River Lagoon	66.456	28025	19,505	-
Total Environmental Protection Agency			19,505	-
Election Assistance Commission (EAC)				
Passed through Florida Department of State:				
Help America Vote Act Requirements Payments	90.401	MOA #2010-2011-0001	5,867	-
Help America Vote Act Requirements Payments	90.401	MOA #2011-2012-0001	1,245	-
Help America Vote Act Requirements Payments	90.401	MOA #2012-2013-0001	19,550	-
Total Election Assistance Commission (EAC)			26,662	-
Department of Health and Human Services				
Passed through Florida Department of Economic Opportunity:				
Low-Income Home Energy Assistance	93.568	15EA-0F-06-74-01-031	723,728	-
Low-Income Home Energy Assistance	93.568	16EA-0F-06-74-01-031	790,023	-
Passed through Area Agency on Aging of Northeast Florida:				
Low-Income Home Energy Assistance - Emergency Assistance for the Elderly	93.568	PO15CV	66,332	-
Low-Income Home Energy Assistance - Emergency Assistance for the Elderly	93.568	PO16CV	48,479	-
Total Low-Income Home Energy Assistance Program			1,628,562	-
Community Services Block Grant	93.569	16SB-0D-06-74-01-028	434,819	-
Total Department of Health and Human Services			2,063,381	-
Executive Office of the President				
Direct:				
High Intensity Drug Trafficking Areas Program	95.001	G14CF0003A	73	-
High Intensity Drug Trafficking Areas Program	95.001	G15CF0003A	51,819	-
High Intensity Drug Trafficking Areas Program	95.001	G16CF0003A	133,521	-
Total Executive Office of the President			185,413	-
Department of Homeland Security				
Passed through Executive Office of the Governor:				
Emergency Management Performance Grants	97.042	DEM-16-FG-5A-06-74-01-131	131,949	-
Emergency Management Performance Grants	97.042	DEM-17-FG-P9-06-74-01-138	58,450	-
Total Emergency Management Performance Grants			190,399	-
Passed through Executive Office of the Governor:				
Homeland Security Grant - Local Planning, Training & Exercise	97.067	DEM-15-DS-P4-06-74-01-339	9,647	-
Homeland Security Grant - Marine Unit Water Borne Operating Facility	97.067	DEM-16-DS-T9-06-74-23-321	168,207	-
Passed through Orange County Sheriff's Office:				
Homeland Security Grant - Urban Areas Security Initiative	97.067	CFIX MOU	23,788	-
Total Homeland Security Grant			201,642	-
Total Department of Homeland Security			392,041	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 30,180,389	\$ 683,674

(continued)

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2016

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
STATE AGENCY				
Executive Office of the Governor				
Emergency Management Programs - EMPA Base Grant	31.063	DEM-16-BG-83-06-74-01-064	\$ 70,053	\$ -
Emergency Management Projects - Hazard Analysis	31.067	DEM-16-CP-11-06-71-01-165	8,274	-
Total Executive Office of the Governor			78,327	-
Florida Department of Environmental Protection				
Direct:				
Local Government Cleanup Contracting - Super ACT Administration '90	37.024	GC60	8,801	-
Local Government Cleanup Contracting - Petroleum Contamination Site Cleanup	37.024	S0490 TA#7	375,855	-
Total Local Government Cleanup Contracting			384,656	-
Passed Through St. Johns River Water Management District:				
Florida Springs Grant Program - Blue Springs	37.052	28459	1,623,915	-
Total Florida Department of Environmental Protection			2,008,571	-
Florida Department of State				
State Aid to Libraries	45.030	16-ST-91	456,234	-
Total Florida Department of State			456,234	-
Florida Housing Finance Corporation				
State Housing Incentives Partnership (SHIP) Program	52.901	SHIP FY14	71,715	-
State Housing Incentives Partnership (SHIP) Program	52.901	SHIP FY15	871,185	11,935
State Housing Incentives Partnership (SHIP) Program	40.901	SHIP FY16	496,770	750
Total Florida Housing Finance Corporation			1,439,670	12,685
Florida Department of Transportation				
Equipment Grant Program - VOTRAN	55.001	G0C12	297,651	-
Equipment Grant Program - VOTRAN	55.001	G0201	784,800	-
Total CTD Trip and Equipment Grant Program			1,082,451	-
Highway Beautification Grants - Keep Florida Beautiful	55.003	G0697	15,000	-
Aviation Grant Programs - Aircraft Rescue Firefighting Facility	55.004	AR339	36,732	-
Aviation Grant Programs - Apron Drainage Improvements	55.004	AR318	24,017	-
Aviation Grant Programs - Airport Roof Replacement	55.004	AQU36	8,512	-
Aviation Grant Programs - Fuel Farm System Improvements	55.004	ARG64	112,010	-
Aviation Grant Programs - Terminal Emergency Generators	55.004	ARG67	32,777	-
Aviation Grant Programs - Concrete Joint Rehabilitation	55.004	AR317	27,854	-
Aviation Grant Programs - Parking Lot Improvements	55.004	ARG68	27,071	-
Aviation Grant Programs - Taxiway Sierra	55.004	G0B65	51,748	-
Aviation Grant Programs - Innovative Financing	55.004	ASO75	131,890	-
Total Aviation Grant Programs			452,611	-
County Incentive Grant Program - Orange Avenue Reconstruction	55.008	ARB31	2,351,918	2,351,918
Public Transit Block Grant Program - VOTRAN	55.010	AQT97	2,002,113	-
Public Transit Service Development Program - VOTRAN	55.012	ARD76	246,891	-
Transit Corridor Development Program - VOTRAN	55.013	AQX10	646,013	-
Transit Corridor Development Program - VOTRAN	55.013	ARD75	314,846	-
Total Transit Corridor Development Program			960,859	-
Transportation Regional Incentive Program - Construction Four-Laning of LPGA	55.026	ARC50	196,292	-
Transportation Regional Incentive Program - Construction Four-Laning of Howland	55.026	ARO54	2,241,606	-
Transportation Regional Incentive Program - South Williamson Extension	55.026	ARU78	5,500,000	-
Total Transportation Regional Incentive Program			7,937,898	-
Total Florida Department of Transportation			15,049,741	2,351,918

(continued)

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2016

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Florida Department of Health				
County Grant Awards - EMS Trust Fund	64.005	C8064	\$ 16,815	\$ -
Total Florida Department of Health			<u>16,815</u>	<u>-</u>
Florida Department of Highway Safety & Motor Vehicles				
Florida Arts License Plate Project	76.041	N/A	31,989	-
Passed through Sea Turtle Conservancy:				
Sea Turtle License Plate Project	76.070	15-009E	6,705	-
Total Florida Department of Highway Safety & Motor Vehicles			<u>38,694</u>	<u>-</u>
Florida Fish and Wildlife Conservation Commission				
Artificial Reef Grant Program	77.007	15236	60,000	-
Total Florida Fish and Wildlife Conservation Commission			<u>60,000</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 19,148,052</u>	<u>\$ 2,364,603</u>

The notes to the schedule of expenditures of federal awards describes the significant accounting policies and other financial standards used in preparation of this schedule.

COUNTY OF VOLUSIA, FLORIDA
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance
September 30, 2016

NOTE 1.
BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule) includes federal award and state financial assistance activity of the County of Volusia, Florida, under programs of the federal and state governments for the year ended September 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the County of Volusia, Florida, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County of Volusia, Florida.

NOTE 2.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* or the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available. Amounts passed through by the County to its subrecipients during the fiscal year ended September 30, 2016 are reported on the Schedule in a separate column.

The County of Volusia, Florida, has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3.
FEDERAL LOAN PROGRAMS

The accompanying Schedule includes a Federal loan the County has through the U.S. Department of Environmental Protection, under CFDA Number 66.458. There were no expenditures incurred during the fiscal year ended September 30, 2016 and the County has a total outstanding loan amount of \$9,573,887 as of September 30, 2016.

**COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X none reported

Auditee qualified as a low-risk auditee? X yes _____ no

Dollar threshold used to distinguish between type A and type B programs: \$905,412

Identification of major Federal programs:

CFDA Number	Program Name
14.239	HOME Investment Partnerships Program
20.106	Airport Improvement Program
93.568	Low Income Home Energy Assistance Program

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major State projects:

Unmodified

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

Dollar threshold used to distinguish between type A and type B programs:

\$574,442

Identification of major State projects:

<u>CSFA Number</u>	<u>Project Name</u>
37.052	Florida Springs Grant Program
55.008	County Incentive Grant Program
55.026	Transportation Regional Incentive Program

II. **Financial Statement Findings:** None

III. **Federal Awards Programs Findings and Questioned Costs:** None

IV. **State Financial Assistance Projects Findings and Questioned Costs:** None

V. **Prior Audit Findings:**

2015-001 Airport Fund Prior Period Adjustment: Corrective action taken.

VI. **Corrective Action Plan:** Not applicable as no current year findings have been reported.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Passenger Facility Charges (PFC) Collected and Expended
For the Fiscal Year Ended September 30, 2016

	<u>Quarter Ended 12/31/15</u>	<u>Quarter Ended 03/31/16</u>	<u>Quarter Ended 06/30/16</u>	<u>Quarter Ended 09/30/16</u>	<u>Year Ended</u>
PFC Revenues Received	\$ 289,425	\$ 302,882	\$ 427,688	\$ 316,012	\$ 1,336,007
Interest Earned	3,145	2,943	3,358	3,948	13,394
Total	<u>\$ 292,570</u>	<u>\$ 305,825</u>	<u>\$ 431,046</u>	<u>\$ 319,960</u>	1,349,401
Expenditures	<u>\$ (292,570)</u>	<u>\$ (305,825)</u>	<u>\$ (431,046)</u>	<u>\$ (319,960)</u>	(1,349,401)
PFC Cash Available at September 30, 2015					1,400,000
PFC Cash Available at September 30, 2016					<u>\$ 1,400,000</u>

Reconciliation to Restricted Net Assets for PFC Program as of September 30, 2016:

PFC Cash Available	\$ 1,400,000
PFC Due From Airlines	239,065
Restricted Net Assets for PFC Program *	<u>\$ 1,639,065</u>

* The restricted net assets totaling \$1,639,065 can be used for debt service on the terminal facility. Of the total approved expenditures as of September 30, 2016 of \$29,469,817, \$6,942,527 remains to be spent for financing and interest under applications 2 and 3 (96-02-C-03-DAB).

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND PASSENGER FACILITY CHARGE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE, CHAPTER 10.550, RULES OF THE AUDITOR GENERAL, AND PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES

To the Honorable County Council Members
of the County of Volusia, Florida:

Report on Compliance

We have audited the County of Volusia, Florida's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement*, the *Florida Department of Financial Services State Projects Compliance Supplement*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide) that could have a direct and material effect on each of the County's major federal programs, major state projects, or the passenger facility charge program, for the year ended September 30, 2016. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs, state projects, and its passenger facility charge program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs, major state projects, and the passenger facility charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, Rules of the Florida Auditor General; and the Guide. Those standards, the Uniform Guidance, Chapter 10.550, and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program, major state project, or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program, each major state project, and the passenger facility charge program. However, our audit does not provide a legal determination of the County's compliance.

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Opinion on Each Major Federal Program, Each Major State Project, and the Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, major state projects, and the passenger facility charge program for the year ended September 30, 2016.

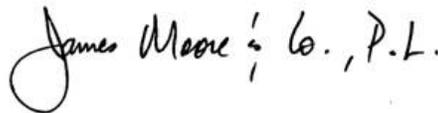
Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program, major state project, or the passenger facility charge program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program, major state project, and the passenger facility charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance; Chapter 10.550, Rules of the Florida Auditor General; and the Guide; but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program, major state project, or the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state project, or the passenger facility charge program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, state project, or the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance; Chapter 10.550, Rules of the Florida Auditor General; and the Guide. Accordingly, this report is not suitable for any other purpose



Daytona Beach, Florida
March 10, 2017

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable County Council Members
of the County of Volusia, Florida:

Report on the Financial Statements

We have audited the basic financial statements of the County of Volusia, Florida (the County), as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 10, 2017. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida which represents ninety-three percent and ninety-six percent of the assets and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Clerk of the Circuit Court, County of Volusia, Florida, is based on the reports of the other auditors.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, Rules of the Florida Auditor General; and *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Passenger Facility Charges Program and Report on Internal Control over Compliance in accordance with the Uniform Guidance and Chapter 10.500 Rules of the Auditor General, and Passenger Facility Charge Audit Guide for Public Agencies; Schedule of Findings and Questioned Costs; and Independent Accountant's Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 10, 2017, should be considered in conjunction with this management letter.

In addition, separate audits were performed on the Halifax Area Advertising Authority, Southeast Volusia Advertising Authority, and West Volusia Advertising Authority, which comprise the nonmajor Convention Development Tax special revenue fund. Management comments in those reports should be considered in conjunction with this management letter.

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Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No finding or recommendations remain uncorrected from the second preceding fiscal year. The following is a summary of prior year recommendations:

2015-001 Airport Fund Prior Period Adjustment – Corrective action taken.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and component units of the reporting entity is disclosed in Note 1 of the basic financial statements.

Financial Condition

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Sections 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the County for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined these two reports were in agreement.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted the following recommendation:

2016-001 Volunteer Firefighters' Pension Plan Investments: During our testing of the Volunteer Firefighters Pension Plan (the Plan) investments, we noted one investment within the portfolio made up 31% of the portfolio value at year-end. While no purchases or sales occurred during the year and this increase was solely due to the strong performance of the investment, the Plan's policy states that investments "will be diversified with no more than 30% of its value invested in the securities of any single issuer or instrument". We recommend the Plan assess the portfolio composition and potential need for rebalancing of investments.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

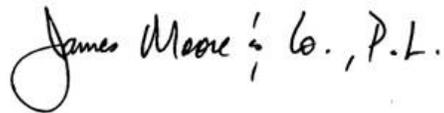
County of Volusia, Florida's Response to Findings

The County's responses to the findings identified in our audit are described in the response as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, County Council, management, others within the County, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida
March 10, 2017

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is enclosed within a thin black rectangular border.

COUNTY OF VOLUSIA
Management Responses to the Auditors' Management
Letter Required by Chapter 10.550, Rules of the State of
Florida Office of the Auditor General

2016-001 **Volunteer Firefighters' Pension Plan Investments**

As noted in the auditor's report, strong performance caused the identified investment's value to exceed the Volunteer Firefighters Pension Plan (the Plan) policy limits for diversification. Since the end of the fiscal year, management has sold a portion of the identified investment to reduce its percentage of the portfolio and bring it into compliance with the Plan's policy.

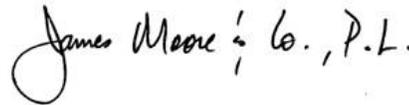
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable County Council Members
of the County of Volusia, Florida:

We have examined the County of Volusia, Florida's (the County) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, and Section 365.173, Florida Statutes, *Communications Number E911 System Fund* for the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County of Volusia, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.



Daytona Beach, Florida
March 10, 2017

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