

COUNTY OF VOLUSIA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2007

Prepared By:

CHARLENE WEAVER, CPA
DEPUTY COUNTY MANAGER /
CHIEF FINANCIAL OFFICER

DONNA de PEYSTER, 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 staff is commended for their expertise and perpetual efforts put forth in the research, analysis, and compilation of this report.

Mary Felton, Assistant Accounting Director
Melinda Edwards, Senior Accountant
Patricia Kehr, Senior Accountant
Richard McGarity, Senior Accountant
Natalia Eckroth, Accountant
Brittany Hardin, Accountant
Joan Fisher, Administrative Coordinator II

Other Acknowledgements:
Sally Bruner, Fiscal Resource Manager
Kathleen Dodd, Assistant Management and Budget Director
Doug Krueger, Management and Budget Director
Rick Michael, Economic Development Director
Rhonda Orr, Revenue Director

COUNTY OF VOLUSIA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2007

TABLE OF CONTENTS

INTRODUCTORY SECTION

Title Page	iii
Acknowledgements	iv
Table of Contents	v
Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	12
Principal County Officials	13
Organizational Chart	15

FINANCIAL SECTION

Independent Auditors' Report.....	17
Management's Discussion and Analysis	19
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	36
Statement of Activities	38
Fund Financial Statements:	
Balance Sheet – Governmental Funds	40
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	44
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	48
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Municipal Service District.....	50
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Federal and State Grants	52
Statement of Net Assets – Proprietary Funds	54
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	58
Statement of Cash Flows – Proprietary Funds	60
Statement of Fiduciary Net Assets – Fiduciary Funds	64
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds.....	65
Statement of Net Assets – Component Units	67
Statement of Activities – Component Units	68
Notes to the Financial Statements	71
Required Supplementary Information:	
Volunteer Firefighters Pension Plan	116
Other Post-Employment Benefit Plan.....	117
Supplementary Information:	
Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue Funds.....	124
Debt Service Funds	130
Capital Projects Funds.....	132
Combining Balance Sheet – All Nonmajor Governmental Funds	134

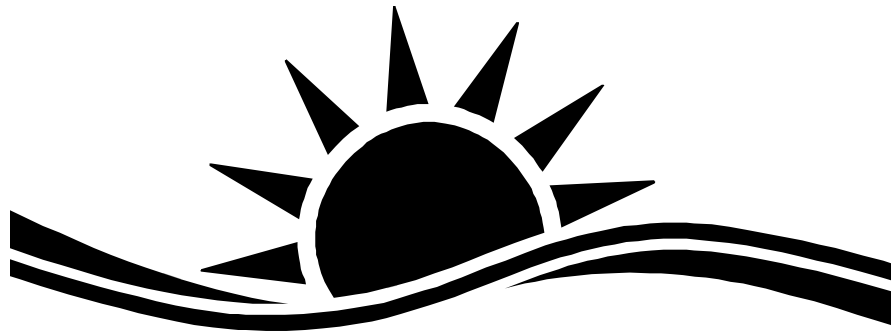
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Nonmajor Governmental Funds –	
Special Revenue Funds	136
Debt Service Funds.....	142
Capital Projects Funds	144
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – All Nonmajor Governmental Funds.....	146
Schedule of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual –	
Special Revenue Funds:	
County Transportation Trust	147
Library	148
East Volusia Mosquito Control District.....	149
Resort Tax	150
Sales Tax Trust.....	151
Convention Development Tax	152
Ponce Inlet Port Authority	153
E-911 Emergency Telephone System	154
Special Lighting Districts.....	155
Ocean Center	156
Manatee Conservation.....	157
Road Impact Fees	158
Park Impact Fees.....	159
Fire Services.....	160
Fire Impact Fees.....	161
Silver Sands/Bethune Beach Municipal Service District.....	162
Gemini Springs Addition	163
Stormwater Utility.....	164
Volusia ECHO.....	165
Volusia Forever.....	166
Law/Beach Enforcement Trust	167
Federal Forfeiture Sharing.....	168
State Housing Incentive Program (S.H.I.P.)	169
Hurricane Housing Recovery Program (H.H.R.P.)	170
Debt Service Funds:	
Limited Tax General Obligation Bonds	171
Subordinate Lien Sales Tax Revenue Bonds	172
Gas Tax Revenue Bonds.....	173
Tourist Development Tax Refunding Revenue Bonds.....	174
Lease Purchase Agreements	175
Schedule of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – From Inception –	
Capital Projects Funds:	
Volusia Forever.....	176
Volusia County Courthouse Construction.....	177
Beach	178
Parks.....	179
Trails	180
Information Technology	181
Deltona Library Expansion.....	182
Other	183
Major Capital Project Funds:	
Ocean Center Expansion.....	186
Bond Funded Road Program.....	187
Combining Statement of Net Assets – Internal Service Funds.....	190
Combining Statement of Revenues, Expenses, and Changes in	
Fund Net Assets – Internal Service Funds	192
Combining Statement of Cash Flows – Internal Service Funds	194
Schedule of Changes in Assets and Liabilities – All Agency Funds.....	200

STATISTICAL SECTION

Schedule 1	Primary Government Net Assets By Component – Last Seven Fiscal Years.....	204
Schedule 2	Changes in Net Assets – Last Seven Fiscal Years	206
Schedule 3	Fund Balances – Governmental Funds – Last Ten Fiscal Years	210
Schedule 4	Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	212
Schedule 5	Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years.....	214
Schedule 6	Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	216
Schedule 7	Principal Property Taxpayers – Current Year and Nine Years Ago.....	218
Schedule 8	Property Tax Levies and Collections – Last Ten Fiscal Years	219
Schedule 9	Ratios of Outstanding Debt By Type – Last Ten Fiscal Years.....	220
Schedule 10	Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years	222
Schedule 11	Computation of Direct And Overlapping Debt – September 30, 2007	223
Schedule 12	Legal Debt Margin Information – September 30, 2007	224
Schedule 13	Pledged Revenue Coverages – Last Ten Fiscal Years	226
Schedule 14	Demographic Statistics – Last Ten Fiscal Years	232
Schedule 15	Principal Employers – Current Year And Four Years Ago.....	233
Schedule 16	Full-Time Equivalent County Government Employees by Function/Program Last Eight Fiscal Years	234
Schedule 17	Operating Indicators By Function/Program – Last Four Fiscal Years.....	236
Schedule 18	Capital Asset Statistics By Functional Department – Last Four Fiscal Years.....	238

COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	239
Schedule of Expenditures of Federal Awards and State Financial Assistance	242
Schedule of Findings and Questioned Costs	247
Schedule of Passenger Facility Charges (PFC) Collected and Expended.....	250
Report on Compliance with Requirements Applicable to Each Major Federal Program, Each Major State Project, and Passenger Facility Charge Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133, Chapter 10.550, Rules of the Auditor General, and Passenger Facility Charge Audit Guide for Public Agencies	251
Management Letter of Independent Auditors' Required by Chapter 10.550, Rules of the Auditor General	253
Management Responses to the Auditors on Internal Control Over Financial Reporting.....	257



Volusia County
FLORIDA



Financial and Administrative Services

March 17, 2008

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, 2007.

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, 2007.

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, 2007, 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 unqualified opinion that the County's financial statements for the fiscal year ended September 30, 2007, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

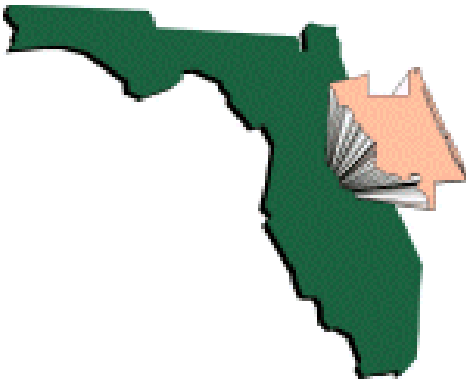
The independent audit of the financial statements of the County was part of a broader, federal and state mandated single audit and passenger facility charge audit designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent 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.

Florida



Volusia County



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 welfare assistance; and recreational activities and cultural events. In addition, the County operates a water and sewer system, an international airport, a public transportation system, a garbage collection program, and a refuse disposal system. The legally separate Clerk of the Circuit Court, Volusia County Law Library, and Emergency Medical Foundation, Inc. are reported separately within the County's financial statements as discretely presented component units. Additional information on all three of these legally separate entities can be found in Note 1.A.1. of the Notes to the Financial Statements, page 72.

INFORMATION USEFUL IN ASSESSING THE COUNTY'S ECONOMIC CONDITION

While the Volusia County economy in 2007 attracted thousands of new residents and millions of tourism visitors, the county's economy continued to remain diversified.

Although Volusia County's economy slowed somewhat during 2007, largely due to the pullback in the housing construction market, it remained relatively strong with moderate growth. While most economic indicators continued to post gains over 2006, those gains reflected an overall slowdown being experienced throughout Central Florida.

The moderate cooling in the Volusia County economy should not be seen as a reversal in the overall economic health of the community but rather as an adjustment to the earlier rapid growth experienced during the 2004 and 2005 period. Personal income and the area's gross metropolitan product output continued to post positive gains while employment continued to diversify across the board away from the traditional perception of a community dominated by the hospitality and retail sectors.

Population and resident migration trends

In 2007, Volusia County's population count slowed to 1 percent growth or a total of 508,014 residents. This compared to the 2 percent growth the county experienced in 2006. Early population indicators projected a 2.2 percent increase for 2008. Those estimates have been adjusted to reflect a more moderate growth rate of 1.9 percent projection for the coming year.

Population increases continue to be influenced by the in-migration of new residents. In 2007, the county became home to up to 30,000 new arriving residents. Again, as in previous years just over 20-percent of these new residents were Floridians relocating from the greater Orlando metropolitan market. However, while Floridians remain an important influence on the local population, an estimated 45 percent of all new residents arriving in Volusia County came from other communities outside of Florida.

The county's out-migration of residents, those moving away, rose sharply to a new level of approximately 23,000 residents according to the latest data available from the U.S. Internal Revenue Service. This gap between the number of new individuals arriving and those leaving the county continued to fuel the need for new housing capable of supporting a net gain of approximately 7,000 new residents - down from the earlier levels of 8,500 and 8,800 new residents experienced over the past few years.

Capital investment trends in real estate

Wealth generation through the appreciation of values of land, residential and commercial real estate softened in 2007. According to the Florida Association of Realtors and the University of Florida's Real Estate Research Center, Volusia County's single-family average values for existing single-family homes fell on average 9 percent from \$217,700 to \$197,300 per home. Statewide the average single-family home resale value fell by an average of 5 percent. This new trend reverses the 7 percent increase that was experienced in 2006.

However, the trend in existing condominium home sales rose by 2 percent in Volusia County, reversing a two year trend of declining values. Condominium sales rose from an average of \$244,500 in 2006 to an average level of \$249,800. The Volusia County trend bucked the statewide trend in existing condominium sales which continued to decline at an average overall rate of 3 percent.

Investments in Volusia County real estate have dominated the market for the past several years. The county had experienced a steady increase in new residential home permits beginning in 2001. The residential market peaked in 2005 with an estimated 6,856 new residential permits issued at a reported value of over \$1.29 billion.

While in-migration of new residents continue to drive the new single-family housing market, the interest on the part of investors and developers continued their 2006 trend downward with declining quarterly measures throughout the year. The fall back in the number of new residential permits issued countywide declined from 3,463 units in 2006 to 1,938 permits issued countywide in 2007 – a drop of approximately 44 percent as compared to permits issued in 2006. The total financial value of new residential permits fell for the second straight year from \$774.74-million generated in 2006 to a 2007 level of \$495.80 million. This

performance was significantly lower than the market's highest level in 2005 when new residential permitting values hit \$1.29-billion.

While residential permitting for new housing softened in 2007, capital investments in new commercial projects countywide reported a steady and consistent level by investors and developers in the long-term investment of capital into the Volusia County market. New permit values posted for industrial and commercial projects countywide in 2007 reported \$334.55-million as compared to \$341.46-million recorded in 2006 and well ahead of the \$231.07-million reported in 2005.

Although not at the robust level of the \$1.524-billion experienced in 2005, the local new construction market still managed to attract a reported \$830.35-million in new permitted values. This level of capital investment for a community with a population of just over 500,000 is still a significant generator of construction related expenditures and employment for the local economy.

While the number of construction permits issued for 2007 were down, the number of workers employed within the construction industry remained nearly unchanged at a level of 14,600 – down .07 percent or 100 jobs over 2006 averages. However, the softer market indicated by the level of 2007 permits will most likely carry over well into 2008 and is expected to cause the number of layoffs in the construction trades and related retail areas to increase significantly. This decline will be a direct result of the pullback in the overall residential and commercial markets along with the slowdown in capital projects being bid by local and state government. Construction employment accounts for approximately 8 percent of the county's employed workforce.

Employment and the infusion of personal income

Volusia County's workforce grew by 4.0 percent in 2007 as compared to 3.1 percent in 2006. The County's workforce has grown by 15.2 percent over the past 5 years as compared to 14.1 percent for the State of Florida and is well outpacing the national trend of only 5.7 percent. The size of the County's workforce grew in 2007 to a new level of 254,388 available workers as compared to 244,648 a year earlier.

Local employment growth slowed to 3,090 new jobs down from the robust growth level of 8,320 new jobs added to the county's economy in 2006. Average annual wages of the Volusia County workforce rose to \$31,200; up over the past 5 years by 17.3 percent.

Influencing much of the county's economic engine is the annual impact of personal income that experienced a dynamic level of growth to 6.8 percent in 2007 producing a fresh infusion of a reported \$15.8-billion into the local market. This trend should continue into 2008 with another 6.6 percent level of growth projected for the year.

The county's workforce of 254,388 generated \$5.9-billion in wages and salaries with the amount of personal income generated from non-waged sources of interest, royalties and other investment vehicles topping \$9.9-billion in new capital.

Evident within the statistical data collected to review Volusia County's migratory patterns is the fact that new arriving residents, statistically on average, had higher annual income levels than those families leaving the community to go elsewhere. As an influencing group, new arrivals to the county represent greater influence in financial buying power than those they are replacing. Increased in-migration supports the growth and need for commercial and professional services and stimulates continued job opportunities within the market.

While job growth in business and professional services, healthcare and the service sector continues to influence the creation of new jobs within the Volusia economy, work is being done by the county's economic development efforts to further diversify the local workforce and mitigate the number of workers that are commuting outside the immediate market for work. However, the county is increasingly influenced by its geographical location within the central Florida metropolitan market and rapidly becoming part of and influenced by the growth of the greater metro Orlando MSA.

Nearly 22 percent of the county's new residents over the past 5 years have relocated to Volusia County as the result of the out growth of residential and commercial activities from the more urbanized areas of Seminole and Orange counties, located to the southwest of county's western border. There is no doubt that Volusia County has become more integrated as part of a regional metropolitan economy and is now impacted by the economic trends of the region and less impacted by its own individual strengths and weaknesses.

According to the county's Department of Economic Development, about 55,000 Volusia County residents commute to jobs in surrounding counties. Many of these individuals moved to Volusia County as a result of the competitive cost values presented by Volusia County's housing market while maintaining jobs near their former residence. These individuals comprise the bulk of the county's daily commuters.

Workforce trends and U.S. Government entitlements

Employment trends continued their upward momentum in 2007 as Volusia County increased its overall average workforce population from 244,648 in 2006 to 254,388 for 2007 according to the LAUS Report issued by the Florida Agency for Workforce Innovation. While the number of new jobs in Volusia County slowed in 2007, more than 35,000 new jobs have been added to the county's economy during the past 5 years.

Unemployment rates reversed their earlier downward trends and began to increase gradually throughout 2007 as the market adjusted to a general slowdown in the regional economy. Volusia County's 3.9 percent average for unemployed workers remained on par with the State of Florida's average of 3.8 percent and well below the U.S. national average of 4.6 percent for the same period.

While unemployment levels rose moderately during 2007, the size of the workforce grew by 4.0 percent. This growth was influenced by the continued in-migration of new workers and their spouses and by first time entrants into the workforce. The number of new jobs created within the market grew by 1.3 percent as compared to 3.6 percent the previous year.

Approximately 21.1 percent of Volusia County's population is aged 65 or over. This population is the primary recipient of Federal entitlement payments generated from the U.S. Social Security Administration. Overall Social Security benefits paid to Volusia County residents of all ages topped \$1.47-billion in 2007. According to the Social Security Administration, more than 117,363 Volusia County residents received benefits in 2007, up 4.2 percent over the previous year.

Volusia County's Gross Metro Product (GMP)

The overall Gross Metro Product (GMP) for Volusia County's economy increased in 2007 from \$13.40-billion in 2006 to \$13.80-billion. Although this increase accounted for an additional infusion of \$400-million to the local economy, it grew at a slower pace than the \$709.9-million increase generated the previous year. The GMP is an annual measurement of the total economic output and sales of goods and services provided within the Metropolitan Statistical Area (MSA) that comprises all of Volusia County and its 16 cities.

A GMP of \$13.80-billion represents a significant circulation of new capital resources in an economy populated by just over 508,000 residents. Local consumer confidence and a continued in-migration of an estimated 30,000 new residents, new capital investments for new construction exceeding \$830-million and the steady growth of professional and healthcare services continued to drive much of the County's economic viability.

Volusia County's manufacturing sector maintained a steady and stable position within the local economy contrary to the declining trends being experienced elsewhere within the State of Florida. Volusia County's manufacturing sector has grown by 10.4 percent over the past 5 years as compared to a 4.3 percent loss statewide and an 8.0 percent loss nationwide.

The overall number of manufacturers present within the county increased to over 435 in 2007 and accounted for a large portion of the county's GMP. Manufacturing provides the second highest of all average wage levels within the county and generates a higher rate of circulation of economic impact than any other business sector that comprises the local economy.

Volusia County's manufacturing sector generated an average annual wage of \$39,135 in 2007, well above the county's average annual wages estimated at \$31,200 for all workers.

Economic development related impacts

The Volusia County economy added 3,090 new jobs in 2007. This moderate growth in new jobs is less than half of the 8,320 jobs added in 2006. The majority of the employment growth came in the healthcare sector with an estimated 1,100 new positions followed by the business and professional services sector with 400. Gains in new employment were offset by losses in the construction, retail, financial services and leisure and hospitality sectors.

The majority of economic development work in 2007 was dedicated to the retention of existing employment. Influences from other states continued to pressure local manufacturers to consider relocating local employment and production activities.

Driven by the acquisition of two new boat manufacturing companies, Brunswick Corporation's Saltwater Boat Group announced just before the first of the year the consolidation of the company's Divisional Headquarters unit to the greater Edgewater area. This consolidation will include the management, engineering/design and sales personnel from the Division's seven manufacturing companies. The move is expected to increase Brunswick's local presence by 65 additional professional positions.

Edgewater Power Boats located in the City of Edgewater underwent a series of relocation reviews in 2007 influenced by the aggressive marketing efforts of both North and South Carolina. Through a series of local initiatives, the county's economic development team was able to muster economic incentives including employment performance funding and low-interest tax-exempt financing from the county's Industrial Development Authority to combat the impacts being offered by North Carolina. In late 2007, the company committed to remaining and expanding within the community retaining a total of 100 jobs with the plan to expand their employment by 50 percent over the next 3 years. The retention of Edgewater's production facility will generate an additional \$6-million in capital construction to accommodate the company's expansion.

In the spring of 2007, efforts to attract additional manufacturing employment to the southwest area of the county were successful with the recruitment of Nelson LLC, a manufacturer of modular classroom facilities. This project has selected a site for constructing up to 120,000 square feet of production space within the City of DeBary. The company is expected to be in operation by 2009 bringing with it up to 200 new manufacturing jobs and a new capital investment in excess of \$8-million.

Growth of manufacturing within Volusia County has encouraged several expansion projects that are resulting in upwards to \$50-million in new construction to accommodate the demand for additional space. Developments in Daytona Beach, Ormond Beach, DeLand and DeBary have recently been completed or are under way to provide additional manufacturing capacity.

Manufacturing employment, which accounts for over \$403-million in local wages, was also impacted in 2007 by a renewed round of federal military procurement opportunities. U.S. Navy contracts with Sparton Electronics of DeLeon Springs, a U.S. Marines contract with parachute maker Complete Parachutes Solutions of DeLand, and government contracts for marine patrol craft from Boston Whaler's Commercial and Government Products Division in Edgewater led the way.

Raydon Corporation's military simulation products exceeded \$25-million in sales to government with 2008 projections estimated at levels beyond \$30-million. Acquisition of Ocean Design Inc. of Daytona Beach by

Teledyne Inc. will further strengthen the role of local Volusia County manufacturers in supplying critical procurement needs for the United States Government.

Emphasis on future employment centers

The Volusia County Council has continued to emphasize the importance of future employment centers throughout the county. The DeLand Crossings Industrial Park along I-4 near the S.R. 44 interchange is designed to accommodate up to 300,000 square feet of manufacturing space and is expected to generate a capital investment in excess of \$35-million. DeLand Crossings saw the first of several planned industrial projects break ground in 2007.

The County's economic development team continues to lead development plans for the construction of additional industrial acreage and supporting infrastructure through financial partnerships with area cities. During the summer of 2007, the City of Ormond Beach began the construction of new industrial properties within the city's Airport Industrial Park. Similarly, engineering and permitting of additional industrial acreage continued to be performed by the cities of DeLand, Daytona Beach, Port Orange and others to support the countywide effort to create future permitted "shovel ready" sites to support the growth of manufacturing and technology within the community.

The county's aggressive economic development initiative is leveraging local government resources to maximize the community's ability to provide developed and fully permitted sites to accommodate future employers. This strategic move by the County Council has improved the community's ability to secure competitive projects resulting in the capture of hundreds of millions of dollars in new capital investment and tax base as well as a growing number of higher skilled and higher waged jobs.

While residential construction was further curtailed in 2007, commercial and industrial permitting and construction continued to attract new capital investments at levels in excess of \$335.5-million.

Work continued in 2007 for planning and designing the future use of nearly 2,000 acres that comprise the lands associated with the Daytona Beach International Airport. Among the more advanced projects, the Airport Corporate Center has been entitled for the future development of up to 312,000 square feet of manufacturing technology based facilities along with 296,000 square feet of technology based offices capable of supporting in excess of 2,000 new jobs. This project alone is expected to attract up to \$100-million in new tax base.

Just to the west of the Daytona Beach International Airport, the County Council approved the construction of a 130-acre industrial park known as the Tomoka Industrial Park. A \$2.4-million construction contract was approved by the County Council in August to build the first of two phases of this project that is expected to provide up to 1,000,000 square feet of additional industrial space in future years.

Creative investment partnerships between Volusia County and Consolidated Tomoka Land Development Company along the Mason Avenue extension in Daytona Beach have continued to encourage the construction of industrial space to accommodate new capital investment and improved employment opportunities. In 2007, 100,000 square feet of new production space was completed and commitments have already been made for more than 150,000 square feet of additional manufacturing facilities for 2008.

Similar private-sector partnerships were created in 2007. The County received a contribution of \$1,000,000 in land purchasing credits from the Halifax Plantation LLC to support a joint marketing effort to attract future manufacturers to the company's 55-acre industrial property located along I-95 north of the City of Ormond Beach. The Halifax Plantation Industrial Center is capable of supporting upwards of 750,000 square feet of new production space and attracting more than \$75-million in new capital investments.

The county's Industrial Development Authority (IDA) reported more than \$36,000,000 in new industrial revenue bond financing in 2007 – up nearly 30-percent over 2006. By year's end an additional \$60,000,000 in bonds were being prepared to support both new industrial and qualifying medical and housing projects planned for 2008. The adjustment of interest rates during 2007 supported the improved popularity and

interest in utilizing the County's industrial bond program as a cost effective alternative for project financing.

Investments in convention and air passenger services

Construction of Volusia County's convention facilities continued on schedule and within budget during 2007. This \$76-million capital expansion of the Ocean Center's convention and meeting facility will provide an additional 164,000 square feet of interior exhibit space and 300,000 square feet of exterior exhibit space that will reposition the Ocean Center as the fifth largest convention facilities in the State of Florida.

The expansion of the Ocean Center represents the single largest public works project currently underway by Volusia County government. This \$76-million public works project has encouraged private-sector capital investments in the immediate areas around the convention center. Several new full-service hotels and support facilities are being planned for future construction. The completion of the Ocean Center project is expected to attract several hundred million dollars in new construction and capital investments to meet the future needs of conventioners.

The County has also invested to enhance the market's ability to attract new commercial airline services to Daytona Beach International Airport. During 2007 and the opening months of 2008, the market welcomed the arrival of AirTran Airways and the return of US Airways with daily commercial flights to Atlanta, Charlotte and New York. The county's marketing investment in new air services to Daytona Beach International Airport will strengthen the community's ability to attract a growing number of conventional venues that will compliment the expansion of the County's convention facilities.

In 2007, the growth in air passenger traffic at Daytona Beach International Airport increased by 29.86 percent. Passenger traffic grew from a level of 543,000 in 2006 to over 705,000 by the end of 2007 - the highest level of passenger volume since 1997. The increase in commercial air carriers to the Daytona Beach market has also enhanced the ability of business travelers to access the market. This trend should lead to an enhancement in business related investments.

The market is home to several major "special events" including the world famous Daytona 500 and other premier racing events, two major motorcycle events and spring break venues. Annually, these events attract millions of visitors that infuse an estimated \$2-billion into the local and regional economy.

The County's biggest capital investment project in years was announced in 2007 by the International Speedway Corporation. The project referred to as "Daytona Live" will encompass a 40 acre entertainment complex highlighted by the construction of a new 200,000 square foot corporate headquarters facility for International Speedway Corporation and NASCAR. This project will be surrounded by new hotels, restaurants, retail, entertainment venues and housing and will be a great addition to the community. The project will generate a new capital investment of more than \$480 million.

Volusia County's traditional and eco-tourism markets continue to gain recognition as visiting destinations. Orbitz.com has named Daytona Beach the fastest growing beach winter destination second only to Maui, Hawaii. The ranking is based on percentage growth of hotel bookings during the winter months over the past three years.

Eco-tourism venues along the St. Johns River and throughout Volusia County combined with the importance of more than 50 miles of Atlantic beachfront continue to make Volusia County a diversified tourism destination. Hotel improvements and the future completion of the County's convention facilities will only strengthen the position the community will have as a future tourism and business convention market destination.

LONG-TERM FINANCIAL PLANNING

The County takes a planned approach to the management of debt, funding from internally generated capital, where appropriate, and financing when appropriate. Conservative financial strategies and management practices help to minimize exposure to sudden economic shocks or unexpected volatility. Quarterly monitoring and evaluation of factors that can affect the financial condition of the County help to identify any emerging financial concerns. The practice of multi-year forecasting enables management to take corrective action long before budgetary gaps develop into a crisis. The planning process also includes an examination of new capital and/or operating initiatives in relationship to their related impact on the County's financial position. The following is a brief discussion of these projects.

800 MHz

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

Branch Jail Expansion

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

Commuter Rail

Volusia County has been evaluating the possibility of rail service linking Volusia County and the Orlando metropolitan area since 1997. Volusia County has pledged \$12.5 million, which will pay for a train station in DeBary and for a portion of the cost to extend Saxon Boulevard to reach the station. The county has been tentatively approved for a loan from Florida Department of Transportation (FDOT) for \$12.5 million. The state DOT is considering whether to fund local annual operating costs for the first four years.

East Side Service Center

The consolidation of the eastside operations of Mosquito Control, Road and Bridge and Traffic Engineering is on the planning horizon. This \$15 million, 60,000 square foot facility will provide office space, equipment and supply storage, a fuel depot, and helicopter hangar. A portion of the facility will serve as an emergency field operations center for eastside field response and recovery teams. Funding for the project is under review. The next step will be to seek approval from council to prepare and advertise a request for proposal (RFP) to select an architect to prepare construction documents.

RELEVANT FINANCIAL INFORMATION

Cash Management Policies And Practices

Cash balances of all County funds are pooled and invested pursuant to the following criteria: safety, liquidity, yield, and term. The County's formal investment policy allows the County to invest in the State of Florida Local Government Surplus Funds Trust Fund; negotiable direct obligations which are unconditionally guaranteed by the United States Government; bonds, debentures, notes, and other indebtedness guaranteed by United States Government agencies; money market mutual funds regulated by the Securities and Exchange Commission; bankers acceptances; commercial paper; non-negotiable interest-bearing time certificates of deposit or saving accounts; repurchase agreements; and state and/or local government taxable and tax-exempt debt. Additionally, the County may invest Volunteer Firefighters Pension funds in equities.

During fiscal year 2007, the County's cash resources were primarily invested in the State of Florida Local Government Surplus Funds Trust Fund, U.S. Treasury and Agency issues, and repurchase agreements. The County did not invest in any derivatives or similar debt and investment instruments. In November 2007, after the close of the County's fiscal year, the Florida Local Government Surplus Funds Trust Fund held securities in its portfolio that were invested in asset-backed commercial paper that had been downgraded due to the severe down turn in the sub-prime mortgage market. Because the investments no longer met the criteria of safety and liquidity, the County withdrew, on November 21, all funds invested in the trust fund. No further investments will be made in the trust fund until the criteria for safety and liquidity are met. The interest rates received from individual securities for the fiscal year ranged from 2.200 percent to 6.000 percent. For additional information concerning the investment of surplus funds, refer to Notes 5 and 17 of the Notes to the Financial Statements on pages 82 and 112.

Risk Management

The Personnel Division manages the self-insurance and loss-control programs of the County. The County self-insures its worker's compensation, general liability, and physical damage risks. To meet potential losses related to these risks, funding is generated from user charges to the various funds that participate in the program. Each year, an actuarial review is conducted to estimate claims costs and funding levels to cover these costs. These funds are accumulated in the Insurance Fund. In addition, the County sponsors a loss-control program requiring frequent inspections of County buildings to identify hazards and on-going loss prevention training classes to lessen the frequency and severity of accident-related losses.

Group Insurance

The County provides medical, dental, pharmaceutical, and behavioral health services to its employees and their dependants through a self-insured program called the Health Partnership Plan. The plan's goal is to provide quality services at the lowest price. The County has contracted with various hospital, pharmaceutical, and health networks to meet this goal. In addition, the plan's design is regularly reviewed to find ways to improve efficiency and lower or stabilize costs. Funding to pay claims associated with the plan comes from both the County and its employees. Employees pay \$5.00 per pay period towards their own premium costs and the County contributes the remainder. Employees pay their dependent premium costs. Premiums are accumulated in the Group Insurance Fund. Excess reserves continue to grow within the Group Insurance Fund at least equal to 2 months of claims, as required by Section 112.08 Florida Statutes. Unrestricted net assets have increased in each of the past four fiscal years, ensuring continued coverage of County employees during times of rising medical costs. For additional information concerning the Group Insurance Fund, refer to Note 16 of the Notes to the Financial Statements on page 110.

Pension Plan

The County contributes to the Volunteer Firefighters Pension Plan, a single employer defined benefit plan. Each year, an independent actuary, engaged by the pension plan, calculates the amount of the annual contribution the County must make to the pension plan to ensure the plan will be able to fully meet its obligations to retired volunteers. As a matter of policy, the County fully funds each year's annual required contribution to the pension plan as determined by the actuary. As a result of its funding policy, the actuarial value of the plan's assets exceeds the accrued value of the projected benefits by 108%. The overfunded amount is being systematically amortized over a 15-year period as part of the annual required contribution calculated by the actuary.

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, 2006. 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 Accounting Director, each member of the Accounting Division, the Management and Budget Director, the Economic Development Director, and the Revenue Director 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.

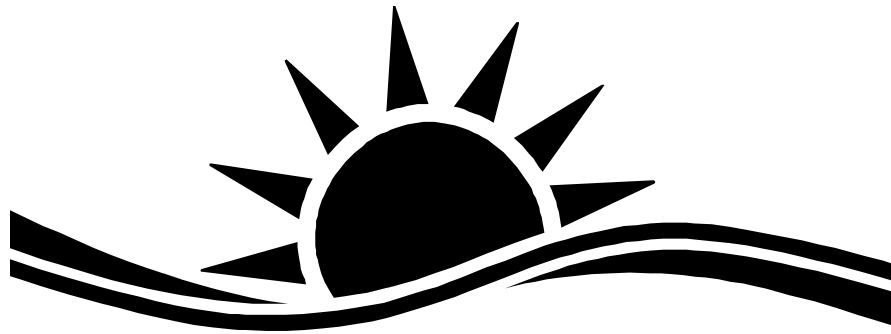
USE OF THIS REPORT

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

Sincerely,



Charlene Weaver, CPA
Deputy County Manager/
Chief Financial Officer



Volusia County
FLORIDA

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, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Charles S. Cox

President

Jeffrey R. Emer

Executive Director

COUNTY OF VOLUSIA, FLORIDA

PRINCIPAL COUNTY OFFICIALS

September 30, 2007

COUNTY COUNCIL

Frank T. Bruno, Jr., County Chair

Joie Alexander, Vice-Chair

Andy Kelly

Arthur E. Giles

Jack Hayman

Carl G. Persis

Patricia Northey

Council Member At-Large

District No. 1

District No. 2

District No. 3

District No. 4

District No. 5

COUNTY MANAGER

James Dinneen

ELECTED COUNTY OFFICIALS

Ben F. Johnson

Ann McFall

Morgan B. Gilreath, Jr.

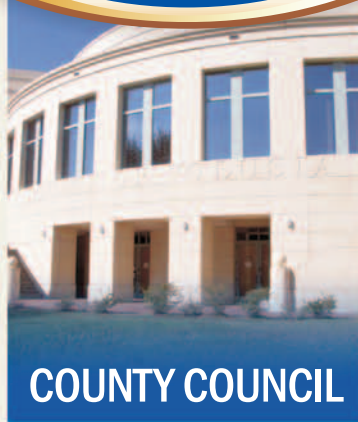
Sheriff

Supervisor of Elections

Property Appraiser



FRANK BRUNO JR.
COUNTY CHAIR



COUNTY COUNCIL



JOIE ALEXANDER
VICE-CHAIR, AT LARGE



ANDY KELLY
DISTRICT 1



ART GILES
DISTRICT 2



JACK H. HAYMAN
DISTRICT 3



CARL G. PERSIS
DISTRICT 4

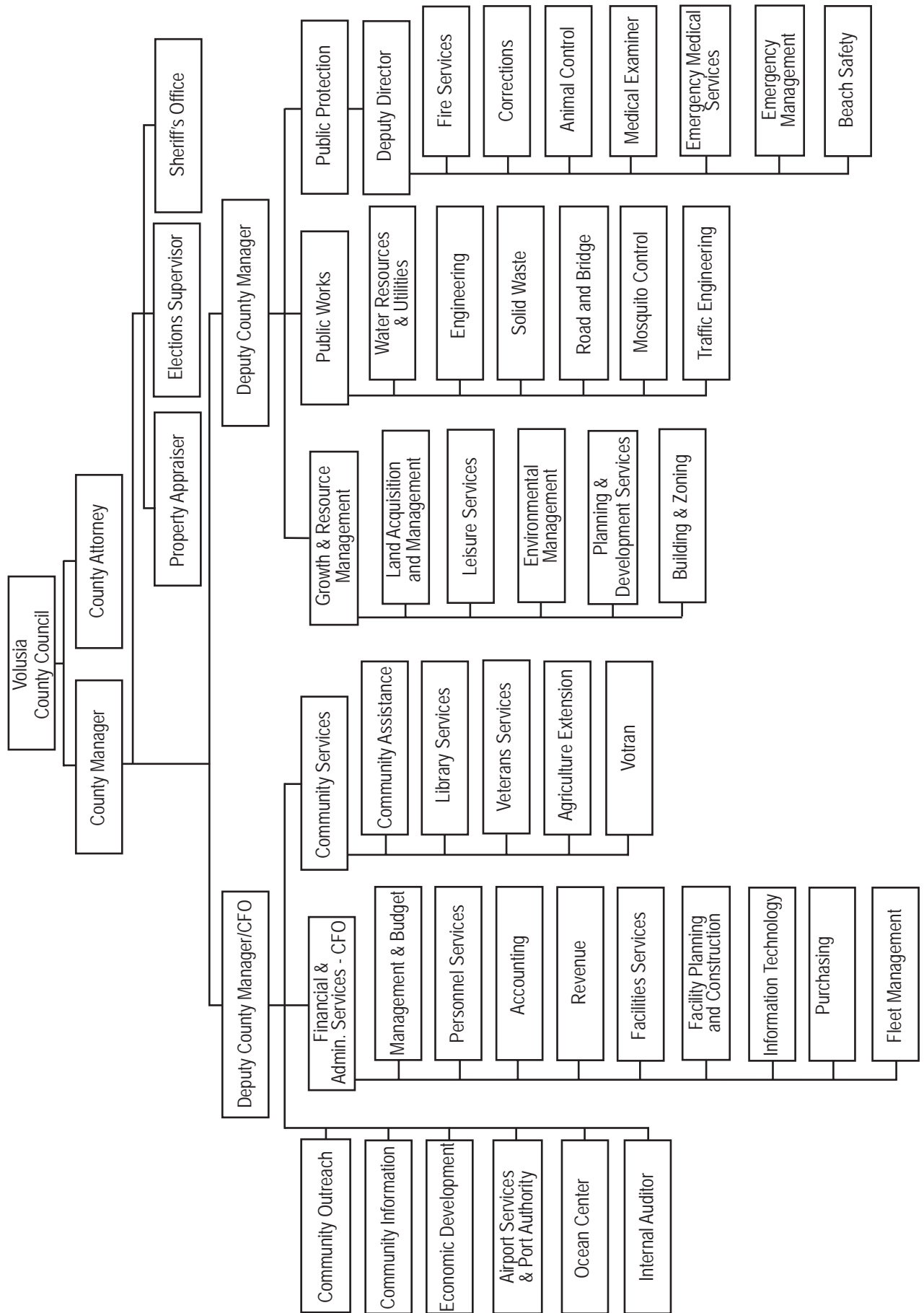


PATRICIA NORTHEY
DISTRICT 5



JAMES DINNEEN
COUNTY MANAGER

Volusia County Organizational Chart



JAMES MOORE & CO., P.L.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

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

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, as of and for the year ended September 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Volusia, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida or Emergency Medical Foundation, Inc., which represent ninety-eight percent and ninety-eight 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 and Emergency Medical Foundation, Inc., is based on the reports 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County of Volusia, Florida's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of 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 the County of Volusia, Florida, as of September 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, Municipal Service District, and Federal and State Grants funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2008, on our consideration of the County of Volusia, Florida'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* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Volusia, Florida's basic financial statements. The combining statements and individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance and schedule of passenger facility charges are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Section 215.97, Florida Statutes, *Florida Single Audit Act*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and are not a required part of the basic financial statements. The combining statements and individual fund financial schedules, schedule of expenditures of federal awards and state financial assistance, and schedule of passenger facility charges have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section are presented for additional analysis and are not a required part of the basic financial statements. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

James Moore & Co.

Daytona Beach, Florida
March 17, 2008

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, 2007. Please read it in conjunction with the letter of transmittal, beginning on page 1, and the County's financial statements beginning on page 36.

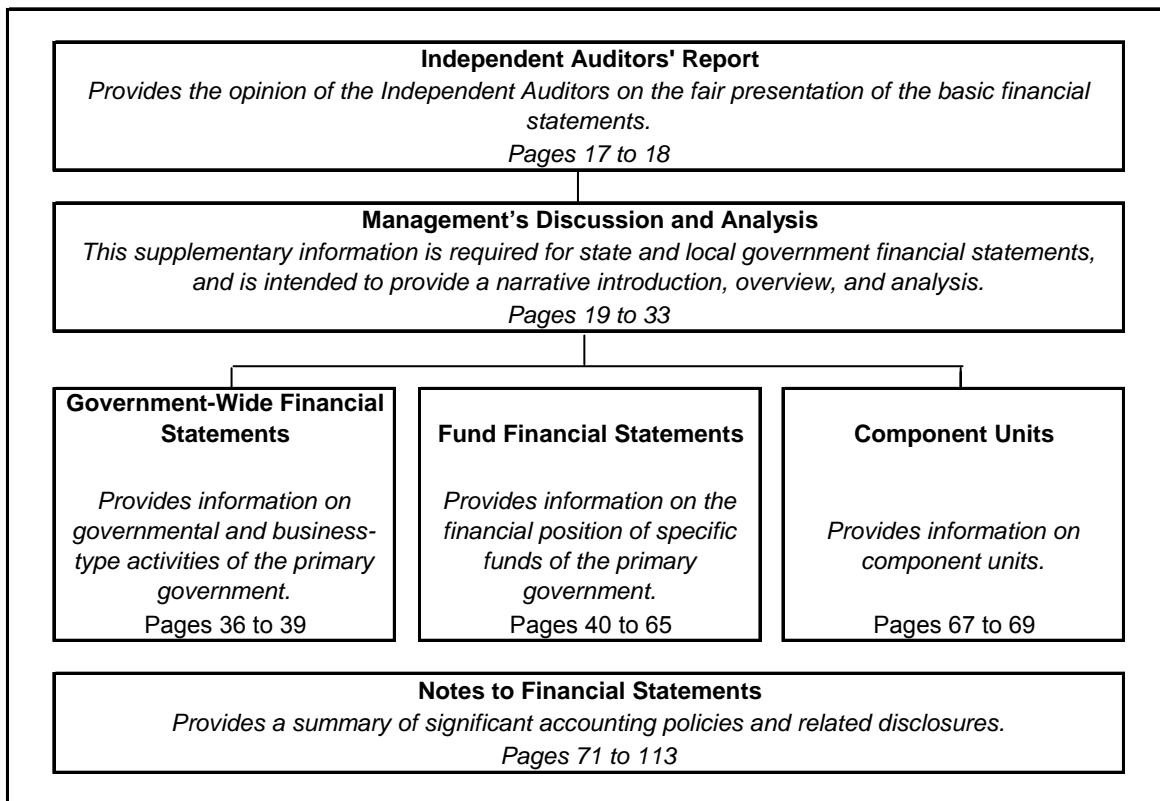
Financial Highlights

- The assets of the County exceeded its liabilities at the close of fiscal year 2007 by \$804,789,080 (*net assets*). Of this amount, \$157,068,633 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- At September 30, 2007, the County's governmental funds reported combined ending fund balances of \$328,463,736, a decrease of \$14,816,595.
- At September 30, 2007, unreserved fund balance for the General Fund was \$49,317,763, a decrease of 14.4 percent from the prior fiscal year.
- Governmental funds revenues increased \$6,393,685 or 1.5 percent over the prior fiscal year.
- The County's outstanding notes payable, capital lease, and bonded debt decreased by \$5,757,737 or 1.6 percent during fiscal year 2007. The principal retirements of its notes payable, capital lease, and bonded debt totaling \$19,765,028 offset increases in its notes payable and capital lease totaling \$14,007,291.

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



Government-wide financial statements

The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during fiscal year 2007. All changes in net assets 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).

Both of these 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, 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, Volusia County Law Library, and Emergency Medical Foundation, Inc. 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 36-39 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 maintains 44 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, ocean center expansion, bond funded road program, and federal and state grant funds, which are considered to be major funds. Data from the other 39 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, budgeted 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 40-52 of this report.

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 primarily to the public at large 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, 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 54-63 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 64-65 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 71-113 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its obligation to provide pension benefits to its volunteer firefighters. Required supplementary information can be found on pages 116-117 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, major capital project, 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 119-201 of this report.

**Financial Analysis Of County Of Volusia, Florida:
Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$804,789,080 at the close of the fiscal year ended September 30, 2007.

At the end of fiscal year 2007, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

County of Volusia, Florida						
Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 426,829,052	\$ 426,772,047	\$ 70,371,814	\$ 70,051,050	\$ 497,200,866	\$ 496,823,097
Capital assets	562,708,531	478,860,441	201,006,171	194,158,257	763,714,702	673,018,698
Total assets	989,537,583	905,632,488	271,377,985	264,209,307	1,260,915,568	1,169,841,795
Long-term liabilities outstanding	321,086,507	322,190,381	79,504,597	77,264,891	400,591,104	399,455,272
Other liabilities	48,988,993	45,032,412	6,546,391	11,595,303	55,535,384	56,627,715
Total liabilities	370,075,500	367,222,793	86,050,988	88,860,194	456,126,488	456,082,987
Net Assets:						
Invested in capital assets, net of related debt	375,461,228	327,130,617	146,738,251	136,946,061	522,199,479	464,076,678
Restricted	118,742,463	115,703,697	6,778,505	6,333,106	125,520,968	122,036,803
Unrestricted	125,258,392	95,575,381	31,810,241	32,069,946	157,068,633	127,645,327
Total net assets	\$ 619,462,083	\$ 538,409,695	\$ 185,326,997	\$ 175,349,113	\$ 804,789,080	\$ 713,758,808

The largest portion of the County's net assets (64.9 percent) reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related outstanding debt used to acquire those assets. 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 assets (15.6 percent) represents resources that are subject to external restrictions on how they may be used. For governmental activities, restricted assets increased \$3,038,766 over last year primarily due to an increase in funds for road construction and repair, mosquito control activities, endangered land purchases, and debt service. The restricted net assets of the County's business-type activities increased by \$445,399 primarily due to the upward adjustment of the airport fund's maintenance and operations reserve amount in order to comply with bond covenants. The remaining balance of *unrestricted net assets* (\$157,068,633) for both governmental and business-type activities may be used to meet the government's ongoing obligations to citizens and creditors.

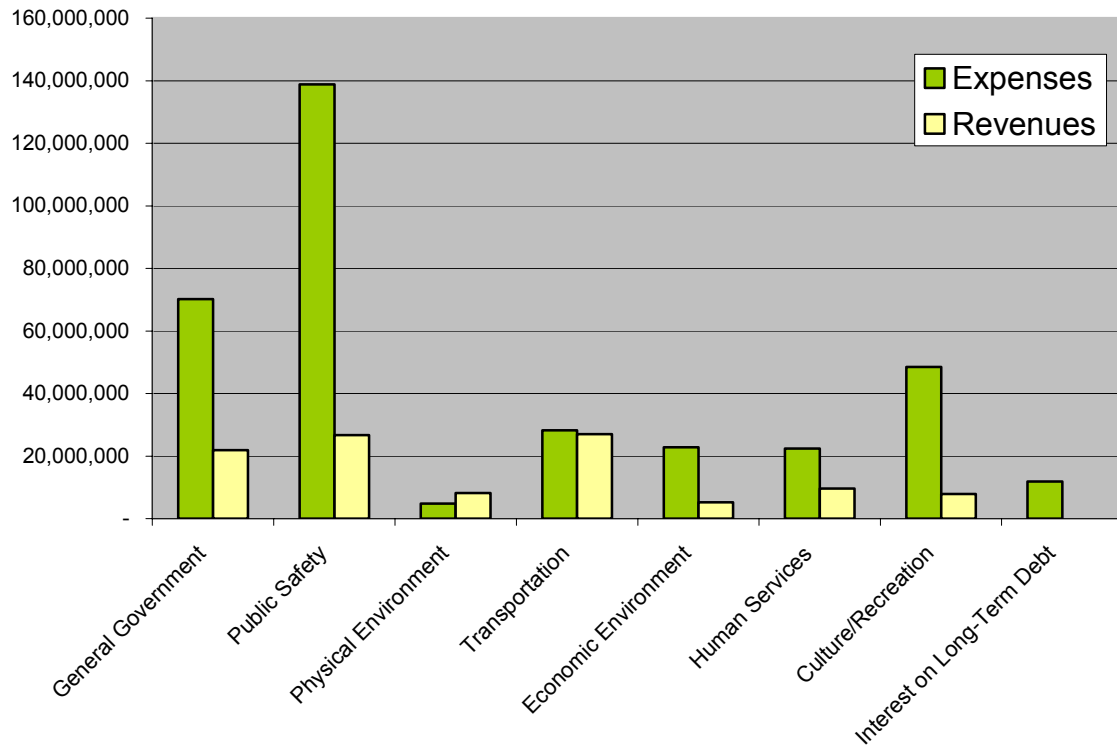
Governmental activities

Governmental activities increased the County's net assets by \$81,052,388 thereby accounting for 89.0 percent of the total growth in the net assets of the County. Key elements of this increase are as follows:

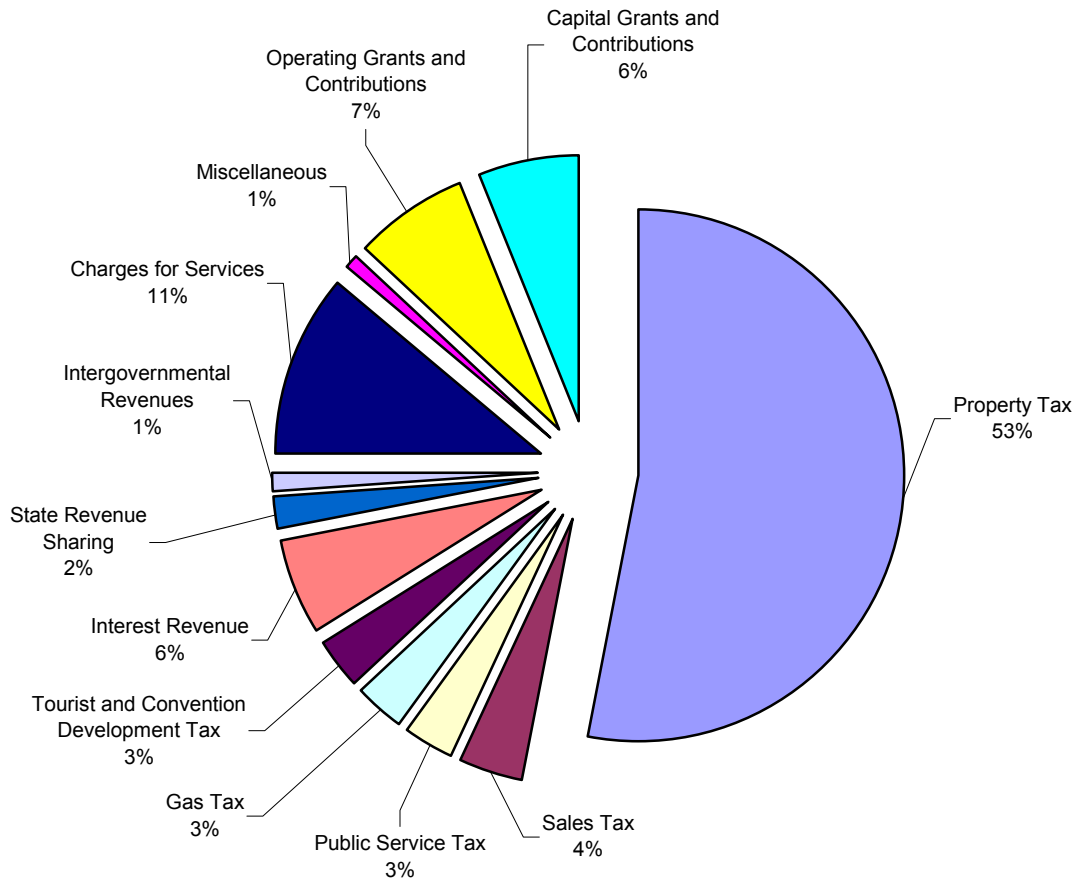
County of Volusia, Florida Changes in Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program Revenues:						
Charges for services	\$ 51,144,010	\$ 53,303,010	\$ 50,939,894	\$ 49,507,069	\$ 102,083,904	\$ 102,810,079
Operating grants and contributions	29,950,519	25,163,448	8,435,992	8,047,720	38,386,511	33,211,168
Capital grants and contributions	25,518,670	34,278,269	12,380,427	21,168,331	37,899,097	55,446,600
General Revenues:						
Property taxes	232,285,247	220,695,273	-	-	232,285,247	220,695,273
Other taxes	62,420,750	62,908,922	-	-	62,420,750	62,908,922
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	36,572,600	32,251,465	3,294,282	2,584,367	39,866,882	34,835,832
Total revenues	437,891,796	428,600,387	75,050,595	81,307,487	512,942,391	509,907,874
Expenses:						
General government	70,228,570	63,570,846	-	-	70,228,570	63,570,846
Public safety	138,869,352	140,169,412	-	-	138,869,352	140,169,412
Physical environment	4,788,992	5,294,803	-	-	4,788,992	5,294,803
Transportation	28,270,664	34,706,556	-	-	28,270,664	34,706,556
Economic environment	22,771,836	24,962,203	-	-	22,771,836	24,962,203
Human services	22,402,203	19,002,622	-	-	22,402,203	19,002,622
Culture/recreation	48,458,527	47,169,456	-	-	48,458,527	47,169,456
Interest on long-term debt	11,886,552	11,947,707	-	-	11,886,552	11,947,707
Refuse disposal	-	-	17,984,653	14,222,458	17,984,653	14,222,458
Daytona Beach International Airport	-	-	16,174,175	15,343,982	16,174,175	15,343,982
Volusia Transportation Authority	-	-	22,396,148	19,821,457	22,396,148	19,821,457
Water and sewer utilities	-	-	11,076,104	10,551,462	11,076,104	10,551,462
Garbage collection	-	-	6,604,343	6,568,672	6,604,343	6,568,672
Total expenses	347,676,696	346,823,605	74,235,423	66,508,031	421,912,119	413,331,636
Increase in net assets before transfers	90,215,100	81,776,782	815,172	14,799,456	91,030,272	96,576,238
Transfers in (out)	(9,162,712)	(9,435,184)	9,162,712	9,435,184	-	-
Increase in net assets	81,052,388	72,341,598	9,977,884	24,234,640	91,030,272	96,576,238
Net assets - beginning of year, restated	538,409,695	461,828,075	175,349,113	159,372,380	713,758,808	621,200,455
Net assets - end of year	\$ 619,462,083	\$ 534,169,673	\$ 185,326,997	\$ 183,607,020	\$ 804,789,080	\$ 717,776,693

- Property tax revenue increased \$11,589,974, an increase of 5.25 percent, over the prior fiscal year.
- Interest revenue increased by \$6,370,694, an increase of 33.7 percent, over the prior fiscal year.
- Public safety operating grants and contributions increased \$4,551,711 due to tornado and hurricane reimbursement grants and a one time confiscation award.

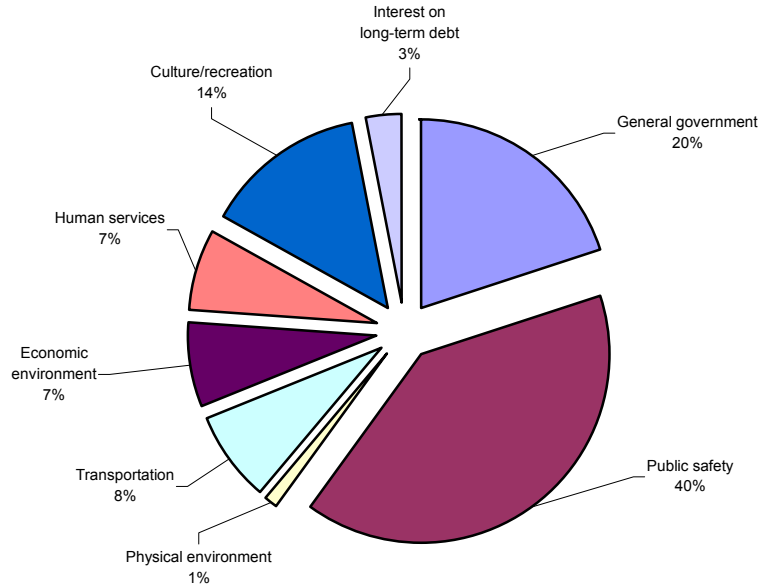
Expenses and Program Revenues – Governmental Activities



Revenue by Source – Governmental Activities



Expenses by Function/Program – Governmental Activities

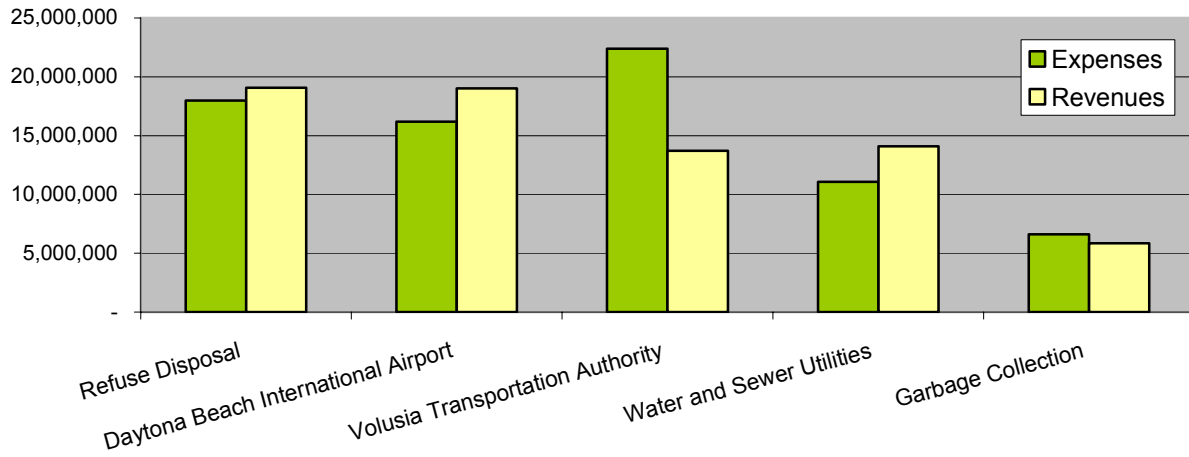


Business-type activities

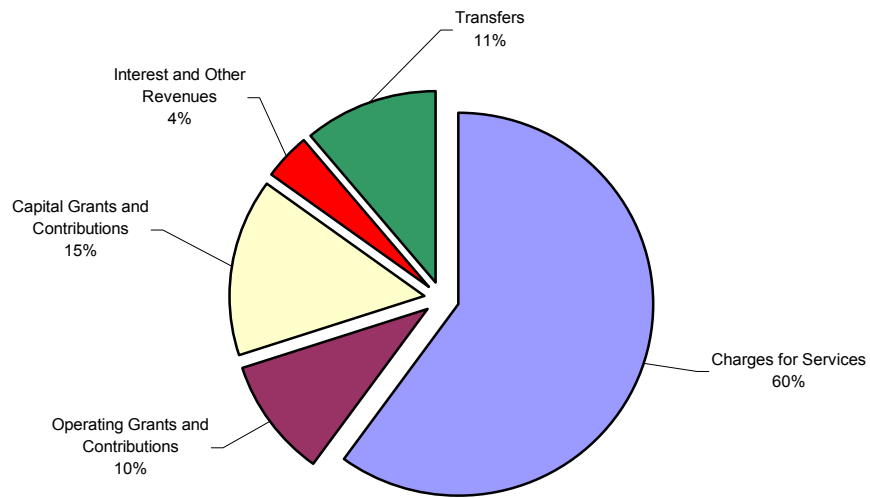
Business-type activities increased the County's net assets by \$9,977,884, accounting for 11.0 percent of the total growth in the government's net assets. Key elements of this increase are as follows:

- The Refuse Disposal fund and Water and Sewer Utilities fund generated \$1.3 million and \$3.6 million respectively, in net assets due to the net effect of an established budgeted operating surplus necessary to cover anticipated future capital asset costs and the stabilization of operating expenses.
- During the fiscal year, Daytona Beach International Airport (DBIA) received \$2.3 million from a Federal Aviation Administration (FAA) innovative financing grant.
- The FAA provided \$2 million funding assistance towards the construction of condo hangars at DBIA.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis Of The County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2007, the County's governmental funds reported combined ending fund balances of \$328,463,736, a decrease of \$14,816,595 from the prior year. *Unreserved, undesignated fund balance* of \$118,183,215 is available for spending at the County's discretion; \$18,040,767 is designated as emergency reserves and \$48,859,425 is designated for capital projects. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders of the prior period (\$95,340,807), 2) for inventories (\$1,690,588), 3) for advances to other funds (\$3,442,275), 4) to pay debt service (\$2,702,237), 5) for capital projects (\$36,209,030), 6) for employee receivables (\$182,418), 7) for long-term notes receivable (\$3,215,663), and 8) other long-term receivables (\$597,311). The general, municipal service district, federal and state grants, Ocean Center expansion, and bond funded road program are reported as major funds in the basic financial statements.

The general fund is the chief operating fund of the County. At the end of fiscal year 2007, unreserved fund balance of the general fund was \$49,317,763, while total fund balance reached \$56,340,692. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 27.8 percent of the total general fund expenditures, while total fund balance represents 31.7 percent of that same amount.

The fund balance of the County's general fund decreased by \$7,017,551 during the current fiscal year. This decrease resulted from the net effect of the following:

- Total revenues generated were \$201,100,780, an increase of \$3,523,595 from the prior fiscal year. An increase in tax revenues accounted for the additional revenues.
- Total expenditures increased by \$8,585,527 to \$177,625,239 during the year, which was primarily attributed to the following:
 - An increase in general government activities of \$2,685,793 resulting primarily from an increase in tax incremental trust funding payments and operating expense increases in judicial and facilities services.
 - An increase in public safety activities of \$5,819,373 resulting primarily from operating expense increases in personal services, fuel costs, and contracted services in the sheriff and corrections operations.

The municipal service district fund accounts for the fiscal activity of the resources generated by any municipal-type services rendered to the citizens and taxpayers of the County's unincorporated areas. Its fund balance of \$10,088,387 is a decrease of \$1,184,718 from the prior fiscal year. Expenditures increased \$4,113,281 over the prior year with the largest increase of \$1,845,351 stemming from transportation projects related to two special assessment improvements the County has undertaken. Public safety expenditures increased by \$1,027,343 despite a reduction of \$1,163,869 within the building inspection/permitting activity. The prior year included equipment and software costs associated with the replacement of the building permit/process tracking system. Revenues were slightly lower than last year by \$172,443 mostly due to a decrease of licenses and permitting

revenue of \$665,902 offset by an increase of \$428,201 in special assessments levied. The remaining component is the changes within the other financing sources and uses from the prior year, an increase of \$1,091,318. The changes in transfers in and out largely offset each other. The County issued \$900,000 in notes payable to provide the long term financing for one of the special assessment projects.

The federal and state grants fund balance of \$4,081,680 represents an increase of \$842,969 from last fiscal year. This 26 percent increase is mainly attributed to funds received from the on-going close out of project worksheets prepared for the 2004 hurricane disaster grants.

The Ocean Center expansion project fund is in its fourth year. In fiscal year 2004, the County issued \$64,710,000 in Tourist Development Tax revenue bonds to provide resources for the construction project. During the 2007 fiscal year, the fund received interest revenues of \$2,486,729 and incurred expenditures of \$23,091,523 in project costs. The ending fund balance is \$30,494,330.

The bond funded road program fund represents a portion of the County's 5-Year Road Program. Its projects were selected based on input from the cities with emphasis on those projects that support or could enhance economic development. During the fiscal year, the fund received interest revenues of \$3,223,036 and incurred \$15,058,046 in project costs. The ending fund balance is \$50,302,374.

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 assets of proprietary funds at the end of the year amounted to:

Proprietary Funds		
Unrestricted Net Assets (restated)		
Proprietary Fund	2007	2006
Enterprise Funds		
Refuse disposal	\$ 557,410	\$ 2,927,046
Daytona Beach International Airport	11,872,338	12,976,147
Volusia Transportation Authority	2,876,488	2,385,958
Water and sewer utilities	13,564,852	11,350,032
Garbage collection	741,503	1,222,802
Total	\$ 29,612,591	\$ 30,861,985
Internal Service Funds	\$ 23,867,430	\$ 13,438,425

The decrease in unrestricted net assets of the refuse disposal fund is due to the increase of the landfill closure costs liability.

Unrestricted net assets of the Internal Service funds increased by \$10,429,005. Claims cost were less than estimated resulting in a surplus in the Insurance and Employee Group Insurance funds.

General Fund Budgetary Highlights

Differences between the general fund's original budget and final amended budgeted expenditures were \$2,672,919. These changes resulted from the following:

- Increase in the general government budget of \$1,869,381, primarily due to the recognition of additional funds available for the law library and an increase in budgeted general government reserves.
- Increase in the public safety budget of \$382,182, primarily necessary to cover additional expenditures associated with: 1) the operation of an emergency vehicle operations course and 2) the processing of 911 calls.
- Increase in the human services budget of \$261,269 due to the establishment of a driver and safety education program.
- Increase in the culture/recreation budget of \$160,087 primarily due to a two-week extension of the summer recreation program.

The variance between the final amended budget and actual expenditures for the general fund for the year was \$31,295,619. Major variances are summarized as follows:

- Facilities services expenditures were \$5,896,343 less than budget. This variance was caused by delays in projects related to the North Beach Street building renovations, paving of the DeLand administrative building parking lot, and the upgrading of countywide security systems.
- General government non-departmental expenditures were \$10,183,039 less than budget which represents reserves for future periods.
- Sheriff expenditures were \$1,522,582 less than budget. The majority of the variance represented a reduction in personal services by allowing positions to remain vacant in anticipation of cutbacks due to voter approved tax reducing legislation.
- Economic development expenditures were \$4,089,560 less than budgeted. Unspent funds for the construction of the DeLand Crossing infrastructure and grants-in-aid available for county businesses which have not been granted, account for this variance.

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, 2007 amounts to \$763,714,702 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, leasehold improvements, equipment, infrastructure, and construction in progress. The total increase in the County's investment in capital assets for the current fiscal year was 13.5 percent (a 17.5 percent increase for governmental activities and a 3.5 percent increase for business-type activities).

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

- Construction continued on several of the County's capital projects including the Ocean Center expansion, Lake Beresford Park, Spring to Spring Trail development, Lighthouse Point Park improvements, Deltona Library expansion, beach headquarters renovations, off-beach parking, and DeLand Crossings Business Park. When combined, construction in progress for governmental activities, not related to infrastructure increased to \$57,220,310.
- During the fiscal year, the County purchased conservation lands for \$15,626,358. This included 2,251 acres adjacent to the Pioneer Trail Reserve land previously purchased, 696 acres purchased in partnership with St. John's River Water Management District on Spruce Creek Preserve, 21 acres

adjacent to Lake Colby Park, ten acres located in Wiregrass Prairie Preserve, and seven acres of land eligible for the National Register of Historical Places within the Doris Leeper Spruce Creek Preserve.

- The County purchased a residential treatment facility for \$2,819,503.
- Completion of several of the County's road projects for expansion resulted in a net increase of \$4,960,638 to infrastructure capital assets. Five of the major ongoing infrastructure projects are: 1) widening Williamson Blvd. to 4 lanes from US 92 to Dunn Ave. in Daytona Beach; 2) widening Tenth St. from Tatum Blvd. to Myrtle St. in New Smyrna Beach; 3) widening Clyde Morris Blvd. from Aberdeen to Falls Way Blvd. west of Ormond Beach; 4) widening Saxon Blvd. to five lanes from Normandy Blvd. to Sumatra Ave. in southwest Volusia County; and 5) widening Howland Blvd. to four lanes from Elkcarn Blvd. to Newmark Drive in Deltona.
- Perimeter road construction activities at the Daytona Beach International Airport totaled \$2,818,854.

County of Volusia, Florida Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 111,388,939	\$ 95,485,715	\$ 48,203,943	\$ 48,567,947	\$ 159,592,882	\$ 144,053,662
Land - infrastructure	37,224,644	26,525,670	-	-	37,224,644	26,525,670
Buildings	143,902,745	143,848,958	12,854,509	13,794,866	156,757,254	157,643,824
Improvements other than buildings	10,524,885	9,858,856	118,152,762	106,315,091	128,677,647	116,173,947
Leasehold improvements	131,610	158,157	-	-	131,610	158,157
Equipment	42,537,882	40,699,912	16,989,629	16,170,981	59,527,511	56,870,893
Infrastructure	110,055,175	105,094,537	-	-	110,055,175	105,094,537
Construction in progress	57,220,310	26,136,756	4,805,328	9,309,372	62,025,638	35,446,128
Construction in progress - infrastructure	49,722,341	31,051,880	-	-	49,722,341	31,051,880
Total	\$ 562,708,531	\$ 478,860,441	\$ 201,006,171	\$ 194,158,257	\$ 763,714,702	\$ 673,018,698

Additional information on the County's capital assets can be found in Note 7 on pages 88-90 of this report.

Long-term bonded debt

At the end of fiscal year 2007, the County's total bonded debt outstanding amounted to \$303,650,000. This amount represents bonds secured by specified revenue sources (i.e., revenue bonds), and bonds secured by a property tax levy of 0.20 mills on all taxable property in the County (general obligation bonds).

County of Volusia, Florida Outstanding Bonded Debt Revenue and General Obligation Bonds						
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenue bonds	\$ 220,950,000	\$ 230,130,000	\$ 44,510,000	\$ 46,525,000	\$ 265,460,000	\$ 276,655,000
General obligation bonds	38,190,000	39,875,000	-	-	38,190,000	39,875,000
Total	\$ 259,140,000	\$ 270,005,000	\$ 44,510,000	\$ 46,525,000	\$ 303,650,000	\$ 316,530,000

The County's outstanding bonded debt decreased by \$12,880,000 or 4.1 percent during fiscal year 2007. The key factor in this decrease was scheduled principal retirements.

Additional information on the County's debt can be found in Note 8 on pages 91-100 of this report.

Economic Factors And Next Year's Budgets And Rates

At September 30, 2007, the unemployment rate for the County increased from 3.1 percent to 3.4 percent.

Population increased approximately 1 percent from the prior fiscal year to 508,014 at September 30, 2007.

At September 30, 2007, the general fund unreserved and undesignated fund balance amounted to \$38,324,402. The County has appropriated \$29,041,155 of this amount for spending in the 2008 fiscal year budget. The ad valorem tax rate for the general fund was set at 3.89564 mills, a decrease of .20503 mills, which represents a 5% reduction from the rolled back rate of 4.10067 mandated by the State Legislature. This mandate represents a reduction of \$3.02 million in ad valorem tax revenue for the general fund's 2008 fiscal year budget.

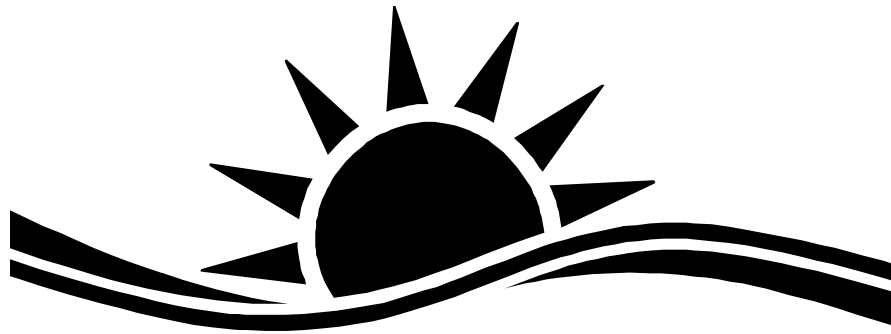
On January 29, 2008, the Florida electorate approved an amendment (referred to as Amendment 1) to the Florida Constitution relative to property taxation. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Since the new \$25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$15,000 increase to the existing homestead exemption. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

- With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.
- Amendment 1 becomes effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which becomes effective on January 1, 2009.

Because of a slower economy, it is anticipated that sales tax revenues for 2007-08 will not equal or exceed the amount collected in 2006-07. As a result, the amount of estimated sales tax to be collected in fiscal year 2007-08 is \$18.5 million compared to \$18.7 million received in fiscal year 2006-07.

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. Additional financial information can be found on our web-site <http://www.volusia.org/finance>.



Volusia County
FLORIDA

BASIC FINANCIAL STATEMENTS

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Assets
September 30, 2007

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Equity in pooled cash and investments	\$ 394,699,301	\$ 42,375,692	\$ 437,074,993	\$ 16,572,753
Restricted:				
Cash and cash equivalents	-	15,197,561	15,197,561	-
Receivable	-	171,169	171,169	-
Receivables:				
Accounts - net	1,722,443	3,915,622	5,638,065	1,254,396
Accrued interest	2,669,355	-	2,669,355	-
Employee	182,418	-	182,418	73,710
Taxes	1,638,847	-	1,638,847	-
Notes	3,215,663	-	3,215,663	-
Special assessments:				
Current receivable	164,135	14,429	178,564	-
Deferred receivable	967,975	90,644	1,058,619	-
Interest receivable	54,417	4,859	59,276	-
Due from component units	2,782,056	-	2,782,056	-
Due from primary government	-	-	-	205,196
Due from other governments	18,329,143	5,644,620	23,973,763	78,751
Internal balances	(2,197,650)	2,197,650	-	-
Inventories	1,952,260	759,568	2,711,828	318,294
Prepaid items/expenses	293,055	-	293,055	450,662
Capital assets:				
Land	148,613,583	48,203,943	196,817,526	142,502
Buildings	225,430,799	23,953,087	249,383,886	320,633
Improvements other than buildings	19,320,102	206,164,694	225,484,796	-
Leasehold improvements	497,125	-	497,125	606,772
Equipment	114,877,864	40,946,711	155,824,575	13,978,553
Accumulated depreciation	(418,339,424)	(123,067,592)	(541,407,016)	(10,436,353)
Infrastructure	365,365,831	-	365,365,831	-
Construction in progress	57,220,310	4,805,328	62,025,638	-
Construction in progress -				
Infrastructure	49,722,341	-	49,722,341	-
Deposits	355,634	-	355,634	340
Total assets	989,537,583	271,377,985	1,260,915,568	23,566,209
LIABILITIES				
Accounts payable	16,695,093	2,925,331	19,620,424	1,415,936
Contracts payable	3,686,318	311,360	3,997,678	-
Accrued interest payable	4,708,400	-	4,708,400	-
Accrued liabilities	12,745,200	354,588	13,099,788	460,525
Due to component units	204,889	307	205,196	-
Due to primary government	-	-	-	2,782,056
Due to other governments	1,749,012	1,038,052	2,787,064	781,150
Current liabilities payable				
from restricted assets:				
Landfill closure costs payable	-	84,820	84,820	-
Accrued interest payable	86	1,296,791	1,296,877	-

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Assets
September 30, 2007

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES - Continued				
Deposits	87,153	535,142	622,295	72,729
Unearned revenue	9,112,842	-	9,112,842	-
Non-current liabilities:				
Due within one year:				
Bonds payable	11,305,000	2,115,000	13,420,000	-
Advance rents	-	79,045	79,045	-
Notes payable	7,345,327	1,252,846	8,598,173	260,832
Capital lease	7,133	-	7,133	-
Compensated absences payable	6,983,264	655,597	7,638,861	331,626
Estimated claims payable	2,578,632	-	2,578,632	-
Due in more than one year:				
Bonds payable	237,915,221	40,222,568	278,137,789	-
Advance rents	-	2,924,665	2,924,665	-
Notes payable	22,143,016	10,677,506	32,820,522	90,251
Compensated absences payable	18,785,241	1,769,546	20,554,787	1,002,128
Estimated claims payable	12,297,667	-	12,297,667	-
Landfill closure costs payable	-	19,807,824	19,807,824	-
Net OPEB obligation	1,726,006	-	1,726,006	-
Total liabilities	370,075,500	86,050,988	456,126,488	7,197,233
NET ASSETS				
Invested in capital assets, net of related debt	375,461,228	146,738,251	522,199,479	4,261,024
Restricted for:				
Public safety	4,257,892	-	4,257,892	-
Physical environment	30,628,358	-	30,628,358	-
Transportation	45,703,200	-	45,703,200	-
Culture/recreation	5,931,460	-	5,931,460	-
Debt service	11,992,237	3,226,190	15,218,427	-
Capital projects	10,498,597	-	10,498,597	219,948
Passenger facility charges program	-	1,571,169	1,571,169	-
Equipment replacement	-	350,000	350,000	10,553,511
Maintenance and operations	-	1,631,146	1,631,146	-
Other purposes	9,730,719	-	9,730,719	-
Unrestricted	125,258,392	31,810,241	157,068,633	1,334,493
Total net assets	\$ 619,462,083	\$ 185,326,997	\$ 804,789,080	\$ 16,368,976

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
For the Year Ended September 30, 2007

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 70,228,570	\$ 17,109,033	\$ 4,790,644	\$ 29,663
Public safety	138,869,352	18,687,290	7,403,690	597,921
Physical environment	4,788,992	5,058,992	892,164	2,276,595
Transportation	28,270,664	2,226,950	8,311,989	16,427,964
Economic environment	22,771,836	293,284	1,911,053	3,063,251
Human services	22,402,203	1,648,997	6,473,300	1,509,036
Culture/recreation	48,458,527	6,119,464	167,679	1,614,240
Interest on long-term debt	11,886,552	-	-	-
Total governmental activities	347,676,696	51,144,010	29,950,519	25,518,670
Business-type activities:				
Refuse disposal	17,984,653	19,068,791	-	1,000
Daytona Beach International Airport	16,174,175	8,868,233	2,875,577	7,265,837
Volusia Transportation Authority	22,396,148	4,964,817	5,560,415	3,189,863
Water and sewer utilities	11,076,104	12,177,352	-	1,923,727
Garbage collection	6,604,343	5,860,701	-	-
Total business-type activities	74,235,423	50,939,894	8,435,992	12,380,427
Total primary government	\$ 421,912,119	\$ 102,083,904	\$ 38,386,511	\$ 37,899,097
Component Units:				
Clerk of the Circuit Court	\$ 20,665,690	\$ 21,099,210	\$ 475,875	\$ -
Volusia County Law Library	525,909	12,572	-	-
Emergency Medical Foundation, Inc.	14,596,748	14,743,012	63,629	232,821
Total component units	\$ 35,788,347	\$ 35,854,794	\$ 539,504	\$ 232,821

General Revenues:

- Property tax
- Sales tax
- Public service tax
- Gas tax
- Tourist and convention development taxes
- State revenue sharing not restricted to specific programs
- Intergovernmental revenues not restricted to specific programs
- Interest revenue
- Miscellaneous
- Grants and contributions not restricted to specific programs
- Transfers
- Total general revenues, contributions, and transfers
- Change in net assets
- Net assets - beginning, restated
- Net assets - ending

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

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total		
\$ (48,299,230)	\$ -	\$ (48,299,230)		
(112,180,451)	-	(112,180,451)		
3,438,759	-	3,438,759		
(1,303,761)	-	(1,303,761)		
(17,504,248)	-	(17,504,248)		
(12,770,870)	-	(12,770,870)		
(40,557,144)	-	(40,557,144)		
(11,886,552)	-	(11,886,552)		
<u>(241,063,497)</u>	<u>-</u>	<u>(241,063,497)</u>		
-	1,085,138	1,085,138		
-	2,835,472	2,835,472		
-	(8,681,053)	(8,681,053)		
-	3,024,975	3,024,975		
-	(743,642)	(743,642)		
<u>-</u>	<u>(2,479,110)</u>	<u>(2,479,110)</u>		
<u>(241,063,497)</u>	<u>(2,479,110)</u>	<u>(243,542,607)</u>		
			\$	909,395
				(513,337)
				<u>442,714</u>
				<u>838,772</u>
232,285,247	-	232,285,247	-	
18,709,880	-	18,709,880	-	
11,903,133	-	11,903,133	-	
15,892,687	-	15,892,687	-	
15,915,050	-	15,915,050	-	
7,979,478	-	7,979,478	-	
775,965	-	775,965	-	
25,260,222	2,634,851	27,895,073	823,752	
2,556,935	659,431	3,216,366	135,279	
-	-	-	586,552	
<u>(9,162,712)</u>	<u>9,162,712</u>	<u>-</u>	<u>-</u>	
<u>322,115,885</u>	<u>12,456,994</u>	<u>334,572,879</u>	<u>1,545,583</u>	
81,052,388	9,977,884	91,030,272	2,384,355	
538,409,695	175,349,113	713,758,808	13,984,621	
<u>\$ 619,462,083</u>	<u>\$ 185,326,997</u>	<u>\$ 804,789,080</u>	<u>\$ 16,368,976</u>	

COUNTY OF VOLUSIA, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2007

	<u>General</u>	<u>Municipal Service District</u>	<u>Federal and State Grants</u>
ASSETS			
Equity in pooled cash and investments	\$ 56,936,461	\$ 8,187,044	\$ 4,625,440
Receivables:			
Accounts - net	975,963	670,772	-
Accrued interest	2,669,355	-	-
Employee	182,418	-	-
Taxes	647,777	31,433	-
Notes	-	-	1,361,383
Special assessments:			
Current receivable	-	164,135	-
Deferred receivable	-	967,975	-
Interest receivable	-	54,417	-
Due from other funds	8,070,430	1,515,537	112,769
Due from component units	2,782,056	-	-
Due from other governments	1,188,994	1,033,045	7,492,076
Advances to other funds	-	-	-
Inventories	145,713	-	-
Deposits	276,150	-	-
Total assets	<u><u>\$ 73,875,317</u></u>	<u><u>\$ 12,624,358</u></u>	<u><u>\$ 13,591,668</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,841,202	\$ 425,035	\$ 946,605
Contracts payable	35,150	158,854	-
Accrued liabilities	12,133,285	-	611,915
Due to other funds	112,769	890,000	5,779,250
Due to component units	199,230	398	196
Due to other governments	565,212	62,276	936,975
Notes payable	-	-	-
Bonds payable - current	-	-	-
Accrued interest payable	-	-	-
Deposits	-	-	81,377
Advances from other funds	-	-	-
Deferred revenue	647,777	999,408	1,153,670
Total liabilities	<u><u>17,534,625</u></u>	<u><u>2,535,971</u></u>	<u><u>9,509,988</u></u>
Fund Balances:			
Reserved for:			
Encumbrances	6,097,487	1,549,549	1,642,070
Inventories	145,713	-	-
Advances	-	-	-
Debt service - principal	-	-	-
Debt service - interest	-	-	-
Capital projects	-	-	-
Employee receivables	182,418	-	-
Long-term notes receivable	-	-	1,361,383
Other long-term receivables	597,311	-	-
Unreserved:			
Designated - reported in:			
General fund	10,993,361	-	-
Special revenue funds	-	3,808,393	-
Capital projects funds	-	-	-
Undesignated (deficit) - reported in:			
General fund	38,324,402	-	-
Special revenue funds	-	4,730,445	1,078,227
Capital projects funds	-	-	-
Total fund balances	<u><u>56,340,692</u></u>	<u><u>10,088,387</u></u>	<u><u>4,081,680</u></u>
Total liabilities and fund balances	<u><u>\$ 73,875,317</u></u>	<u><u>\$ 12,624,358</u></u>	<u><u>\$ 13,591,668</u></u>

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

Ocean Center Expansion	Bond Funded Road Program	Nonmajor Governmental Funds	Total Governmental Funds
\$ 35,509,243	\$ 53,580,777	\$ 194,699,811	\$ 353,538,776
-	-	75,708	1,722,443
-	-	-	2,669,355
-	-	-	182,418
-	-	959,637	1,638,847
-	-	1,854,280	3,215,663
-	-	-	164,135
-	-	-	967,975
-	-	-	54,417
-	-	872,434	10,571,170
-	-	-	2,782,056
-	-	8,551,342	18,265,457
-	-	3,442,275	3,442,275
-	-	1,544,875	1,690,588
-	-	79,484	355,634
<u>\$ 35,509,243</u>	<u>\$ 53,580,777</u>	<u>\$ 212,079,846</u>	<u>\$ 401,261,209</u>
\$ 3,567,265	\$ 2,236,672	\$ 5,099,474	\$ 16,116,253
1,447,597	1,041,367	1,003,350	3,686,318
-	-	-	12,745,200
-	-	3,789,151	10,571,170
-	364	4,701	204,889
51	-	184,498	1,749,012
-	-	131,474	131,474
-	-	9,290,000	9,290,000
-	-	3,799,834	3,799,834
-	-	5,776	87,153
-	-	3,442,275	3,442,275
-	-	8,173,040	10,973,895
<u>5,014,913</u>	<u>3,278,403</u>	<u>34,923,573</u>	<u>72,797,473</u>
30,923,230	14,093,344	41,035,127	95,340,807
-	-	1,544,875	1,690,588
-	-	3,442,275	3,442,275
-	-	1,679,167	1,679,167
-	-	1,023,070	1,023,070
-	36,209,030	-	36,209,030
-	-	-	182,418
-	-	1,854,280	3,215,663
-	-	-	597,311
-	-	-	10,993,361
-	-	3,239,013	7,047,406
-	-	48,859,425	48,859,425
-	-	-	38,324,402
-	-	79,185,725	84,994,397
(428,900)	-	(4,706,684)	(5,135,584)
<u>30,494,330</u>	<u>50,302,374</u>	<u>177,156,273</u>	<u>328,463,736</u>
<u>\$ 35,509,243</u>	<u>\$ 53,580,777</u>	<u>\$ 212,079,846</u>	<u>\$ 401,261,209</u>

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Assets
as of September 30, 2007

Total fund balances of governmental funds \$ 328,463,736

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$961,893,060 and the accumulated depreciation is \$408,466,964. 553,426,096

The cumulative effect of overfunding the actuarial required contributions to a pension fund does not represent a financial asset in the governmental funds. In the statement of net assets, which is presented on the accrual basis, an asset is reported since the adjustment to expense is fully recognized in the statement of activities. 200,176

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 governmental activities in the statement of net assets.

Total net assets	33,142,732	
Less: Amount attributable to business-type activities	(2,197,650)	30,945,082

Because some property taxes (\$893,078) and special assessment revenues (\$967,975) 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, reported as deferred revenues. In the statement of net assets, which is presented on the accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities. 1,861,053

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Assets
as of September 30, 2007

Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net assets. Long-term liabilities at year-end consist of:

Bonds payable	249,850,000	
Less: Deferred charge on refunding (to be amortized as interest expense)	(701,904)	
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(3,119,582)	
Less: Issuance discount (to be amortized as interest expense)	(8,250,396)	
Plus: Issuance premium (to be amortized as interest expense)	2,152,103	
Notes payable	29,356,869	
Compensated absences payable	25,238,404	
Accrued interest payable	908,566	(295,434,060)
Total net assets of governmental activities		\$ 619,462,083

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
Governmental Funds
For the Year Ended September 30, 2007

	<u>General</u>	<u>Municipal Service District</u>	<u>Federal and State Grants</u>
REVENUES			
Taxes	\$ 156,323,736	\$ 23,163,483	\$ -
Licenses and permits	592,736	1,754,326	-
Intergovernmental revenues	9,439,235	169,825	22,625,942
Charges for services	21,331,309	11,620,850	317,422
Fines and forfeitures	4,875,658	220,903	-
Interest revenues	6,700,098	651,787	56,973
Miscellaneous revenues	1,838,008	102,922	66,004
Special assessments			
levied/impact fees	-	464,608	-
Total revenues	<u>201,100,780</u>	<u>38,148,704</u>	<u>23,066,341</u>
EXPENDITURES			
Current:			
General government	56,821,737	8,106,813	2,444,266
Public safety	79,874,456	29,288,002	2,093,469
Physical environment	3,818,320	559,996	783,995
Transportation	-	2,530,162	7,901,403
Economic environment	1,930,485	-	5,736,215
Human services	14,315,008	1,085,676	2,096,979
Culture/recreation	20,865,233	2,735,462	536,054
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>177,625,239</u>	<u>44,306,111</u>	<u>21,592,381</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,475,541</u>	<u>(6,157,407)</u>	<u>1,473,960</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	7,727,593	5,820,289	1,270,872
Transfers (out)	(41,320,685)	(1,747,600)	(1,901,863)
Issuance of notes/bonds payable	3,100,000	900,000	-
Total other financing sources and (uses)	<u>(30,493,092)</u>	<u>4,972,689</u>	<u>(630,991)</u>
Net change in fund balances	(7,017,551)	(1,184,718)	842,969
Fund balances - beginning	<u>63,358,243</u>	<u>11,273,105</u>	<u>3,238,711</u>
Fund balances - ending	<u>\$ 56,340,692</u>	<u>\$ 10,088,387</u>	<u>\$ 4,081,680</u>

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

Ocean Center Expansion	Bond Funded Road Program	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 96,900,625	\$ 276,387,844
-	-	105,000	2,452,062
-	-	34,201,646	66,436,648
-	-	11,744,841	45,014,422
-	-	423,106	5,519,667
2,486,729	3,223,036	9,842,433	22,961,056
-	-	4,137,203	6,144,137
-	-	8,437,885	8,902,493
<u>2,486,729</u>	<u>3,223,036</u>	<u>165,792,739</u>	<u>433,818,329</u>
-	-	107,156	67,479,972
-	-	30,114,770	141,370,697
-	-	707,371	5,869,682
-	-	39,089,159	49,520,724
-	-	14,871,007	22,537,707
-	-	5,323,474	22,821,137
-	-	23,680,200	47,816,949
-	-	16,254,320	16,254,320
-	-	11,217,426	11,217,426
<u>23,091,523</u>	<u>15,058,046</u>	<u>28,659,029</u>	<u>66,808,598</u>
<u>23,091,523</u>	<u>15,058,046</u>	<u>170,023,912</u>	<u>451,697,212</u>
<u>(20,604,794)</u>	<u>(11,835,010)</u>	<u>(4,231,173)</u>	<u>(17,878,883)</u>
494,540	-	66,874,843	82,188,137
-	-	(47,555,701)	(92,525,849)
-	-	9,400,000	13,400,000
<u>494,540</u>	<u>-</u>	<u>28,719,142</u>	<u>3,062,288</u>
(20,110,254)	(11,835,010)	24,487,969	(14,816,595)
<u>50,604,584</u>	<u>62,137,384</u>	<u>152,668,304</u>	<u>343,280,331</u>
<u>\$ 30,494,330</u>	<u>\$ 50,302,374</u>	<u>\$ 177,156,273</u>	<u>\$ 328,463,736</u>

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For The Year Ended September 30, 2007

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

Net change in fund balances - total governmental funds	\$ (14,816,595)
--	-----------------

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. This is the amount by which capital purchases (\$102,532,048) exceeds depreciation (\$19,777,665) in the current period.	82,754,383
--	------------

In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold/disposed.	(604,237)
--	-----------

Donations/contributions of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	1,187,977
---	-----------

In the governmental funds, contributions made to a pension fund in excess of the actuarial required contribution amount are reported as an expenditure. In the statement of net assets, this amount is reported as an asset. Thus, the change in net assets differs from the change in fund balance by the amount contributed in excess of the actuary's requirement.	(8,290)
---	---------

Because some property taxes and special assessment revenues will not be collected for several months after the close of the County's fiscal year end, they are not considered as "available" revenues in the governmental funds. In the statement of activities, presented on the accrual basis, these revenues are recognized.	904,281
---	---------

The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:

COUNTY OF VOLUSIA, FLORIDA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For The Year Ended September 30, 2007

Debt issued or incurred:		
Notes payable	(13,400,000)	
Principal repayments:		
Revenue bonds	9,290,000	
General obligation bonds	1,970,000	
Notes payable	<u>4,994,320</u>	2,854,320

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. This adjustment is as follows:

Compensated absences payable	(699,972)	
Accrued interest on debt	13,955	
Amortization of deferred charge on refunding	(242,896)	
Amortization of issuance costs	(276,479)	
Amortization of issuance discounts	(373,283)	
Amortization of bond premiums	<u>229,676</u>	(1,348,999)

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 governmental activities in the statement of net assets.

	<u>10,129,548</u>
Change in net assets of governmental activities	<u>\$ 81,052,388</u>

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

COUNTY OF VOLUSIA, FLORIDA
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Taxes	\$ 156,595,098	\$ 156,595,098	\$ 156,323,736
Licenses and permits	479,700	479,700	592,736
Intergovernmental revenues	10,085,523	10,085,523	9,439,235
Charges for services	18,431,704	18,591,004	21,331,309
Fines and forfeitures	4,450,235	4,479,826	4,875,658
Interest revenues	2,875,000	2,875,000	6,700,098
Miscellaneous revenues	1,640,571	1,639,358	1,838,008
Total revenues	194,557,831	194,745,509	201,100,780
EXPENDITURES			
Current:			
General government			
County council	623,904	623,904	678,994
County manager	2,168,068	2,168,068	1,599,195
County attorney	1,617,145	1,617,145	1,442,895
Elections	4,225,008	4,225,008	3,367,615
Internal auditing	119,670	119,670	84,401
Property appraiser	6,814,262	6,814,262	6,659,381
Growth management commission	343,943	343,943	301,343
Judicial	8,185,065	8,274,381	7,969,178
Financial services	7,525,358	7,525,358	6,728,650
Facilities services	14,304,374	14,304,374	8,408,031
Information technology	9,767,148	9,767,148	7,836,223
Nondepartmental	20,148,805	21,928,870	11,745,831
Total general government	75,842,750	77,712,131	56,821,737
Public safety			
Building, zoning, and code administration	617,615	617,615	525,679
Sheriff	35,923,516	36,290,113	34,767,531
Corrections	37,708,130	37,708,130	37,649,234
Emergency management	1,723,160	1,723,160	989,328
Fire services	1,445,426	1,445,426	1,339,823
Medical examiner	2,009,741	2,009,741	1,577,222
Emergency medical services	3,016,415	3,032,000	3,024,887
Nondepartmental	50,000	50,000	752
Total public safety	82,494,003	82,876,185	79,874,456
Physical environment			
Environmental management	1,673,874	1,673,874	1,451,532
Land management/acquisition	2,177,531	2,177,531	1,549,033
Agriculture	943,797	943,797	763,649
Nondepartmental	26,800	26,800	54,106
Total physical environment	4,822,002	4,822,002	3,818,320

COUNTY OF VOLUSIA, FLORIDA

General Fund

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

For the Year Ended September 30, 2007

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final	
EXPENDITURES - continued			
Current - continued:			
Economic environment			
Veterans services	619,981	619,981	55,967
Economic development	5,412,017	5,412,017	4,089,560
Nondepartmental	1,000	1,000	(43,014)
Total economic environment	6,032,998	6,032,998	4,102,513
Human services			
Children's services	2,268,182	2,268,182	77,628
Community assistance	8,955,496	9,216,765	250,173
Public health	3,163,307	3,163,307	5,445
Total human services	14,386,985	14,648,254	333,246
Culture/recreation			
Leisure services	12,971,815	13,131,902	1,453,166
Beach management	9,067,386	9,067,386	766,402
Nondepartmental	630,000	630,000	(255,513)
Total culture/recreation	22,669,201	22,829,288	1,964,055
Total expenditures	206,247,939	208,920,858	31,295,619
Excess (deficiency) of revenues over (under) expenditures	(11,690,108)	(14,175,349)	37,650,890
OTHER FINANCING SOURCES (USES)			
Transfers in	8,059,843	8,717,440	(989,847)
Transfers (out)	(43,127,653)	(44,683,019)	3,362,334
Issuance of notes/bonds payable	11,422,568	11,422,568	(8,322,568)
Total other financing sources and (uses)	(23,645,242)	(24,543,011)	(5,950,081)
Net change in fund balances	(35,335,350)	(38,718,360)	31,700,809
Fund balances - beginning	47,044,693	49,711,721	52,238,900
Fund balances - ending	<u>\$ 11,709,343</u>	<u>\$ 10,993,361</u>	<u>\$ 56,340,692</u>
			<u>\$ 83,939,709</u>

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

COUNTY OF VOLUSIA, FLORIDA
Municipal Service District
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 23,555,083	\$ 23,555,083	\$ 23,163,483	\$ (391,600)
Licenses and permits	2,597,996	2,597,996	1,754,326	(843,670)
Intergovernmental revenues	147,500	147,500	169,825	22,325
Charges for services	11,896,549	11,896,549	11,620,850	(275,699)
Fines and forfeitures	160,000	160,000	220,903	60,903
Interest revenues	400,000	400,000	651,787	251,787
Miscellaneous revenues	192,000	192,000	102,922	(89,078)
Special assessments				
levied/impact fees	-	1,626,392	464,608	(1,161,784)
Total revenues	38,949,128	40,575,520	38,148,704	(2,426,816)
EXPENDITURES				
Current:				
General government				
Growth and resource management	392,477	414,552	371,098	43,454
Building, zoning, and code administration	1,489,688	1,541,444	1,275,418	266,026
Planning and development services	2,241,614	2,566,757	1,803,005	763,752
Financial services	41,683	41,683	-	41,683
Nondepartmental	10,109,279	9,064,692	4,657,292	4,407,400
Total general government	14,274,741	13,629,128	8,106,813	5,522,315
Public safety				
Building, zoning, and code administration	3,861,673	4,856,586	3,286,970	1,569,616
Sheriff	25,237,069	26,011,465	25,540,977	470,488
Fire services	458,106	477,147	460,055	17,092
Total public safety	29,556,848	31,345,198	29,288,002	2,057,196
Physical environment				
Environmental management	909,474	928,503	559,996	368,507
Total physical environment	909,474	928,503	559,996	368,507
Transportation				
Construction	-	2,538,371	2,530,162	8,209
Total transportation	-	2,538,371	2,530,162	8,209
Human services				
Animal control services	1,208,846	1,237,670	1,085,676	151,994
Total human services	1,208,846	1,237,670	1,085,676	151,994

COUNTY OF VOLUSIA, FLORIDA

Municipal Service District

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

For the Year Ended September 30, 2007

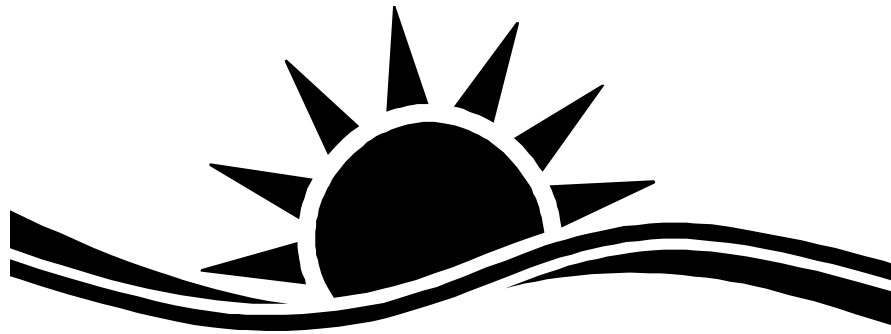
	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES - continued				
Current - continued:				
Culture/recreation				
Leisure services	2,872,801	2,878,613	2,735,462	143,151
Total culture/recreation	2,872,801	2,878,613	2,735,462	143,151
Total expenditures	48,822,710	52,557,483	44,306,111	8,251,372
Excess (deficiency) of revenues				
over (under) expenditures	(9,873,582)	(11,981,963)	(6,157,407)	5,824,556
OTHER FINANCING SOURCES (USES)				
Transfers in	6,901,766	6,922,384	5,820,289	(1,102,095)
Transfers (out)	(1,735,114)	(1,747,600)	(1,747,600)	-
Issuance of notes/bonds payable	-	-	900,000	900,000
Total other financing				
sources and (uses)	5,166,652	5,174,784	4,972,689	(202,095)
Net change in fund balances	(4,706,930)	(6,807,179)	(1,184,718)	5,622,461
Fund balances - beginning	8,515,323	10,615,572	11,273,105	657,533
Fund balances - ending	<u>\$ 3,808,393</u>	<u>\$ 3,808,393</u>	<u>\$ 10,088,387</u>	<u>\$ 6,279,994</u>

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

COUNTY OF VOLUSIA, FLORIDA
Federal and State Grants
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental revenues	\$ 17,464,150	\$ 46,081,813	\$ 22,625,942	\$ (23,455,871)
Charges for services	-	824,993	317,422	(507,571)
Interest revenues	-	22,279	56,973	34,694
Miscellaneous revenues	-	63,801	66,004	2,203
Total revenues	<u>17,464,150</u>	<u>46,992,886</u>	<u>23,066,341</u>	<u>(23,926,545)</u>
EXPENDITURES				
Current:				
General government	239,669	6,387,089	2,444,266	3,942,823
Public safety	1,707,046	3,787,169	2,093,469	1,693,700
Physical environment	903,486	1,776,746	783,995	992,751
Transportation	6,858,224	17,386,975	7,901,403	9,485,572
Economic environment	5,297,181	10,692,416	5,736,215	4,956,201
Human services	907,085	3,658,864	2,096,979	1,561,885
Culture/recreation	2,504,730	4,281,403	536,054	3,745,349
Total expenditures	<u>18,417,421</u>	<u>47,970,662</u>	<u>21,592,381</u>	<u>26,378,281</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(953,271)</u>	<u>(977,776)</u>	<u>1,473,960</u>	<u>2,451,736</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	144,346	1,748,840	1,270,872	(477,968)
Transfers (out)	-	(1,901,863)	(1,901,863)	-
Total other financing sources and (uses)	<u>144,346</u>	<u>(153,023)</u>	<u>(630,991)</u>	<u>(477,968)</u>
Net change in fund balances	<u>(808,925)</u>	<u>(1,130,799)</u>	<u>842,969</u>	<u>1,973,768</u>
Fund balances - beginning	<u>808,925</u>	<u>1,130,799</u>	<u>3,238,711</u>	<u>2,107,912</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,081,680</u>	<u>\$ 4,081,680</u>

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



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Refuse Disposal</u>	<u>Daytona Beach International Airport</u>	<u>Volusia Transportation Authority</u>
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 13,061,010	\$ 12,387,890	\$ 2,320,902
Restricted:			
Cash and cash equivalents	7,293,434	5,894,858	-
Receivable	-	171,169	-
Receivables:			
Accounts - net	1,971,524	386,327	35,596
Special assessments:			
Current receivable	-	-	-
Interest receivable	-	-	-
Due from other governments	69,316	3,475,970	2,098,826
Inventories	-	-	759,568
Prepaid expenses	-	-	-
Total current assets	<u>22,395,284</u>	<u>22,316,214</u>	<u>5,214,892</u>
Noncurrent assets:			
Receivables:			
Special assessments:			
Deferred receivable	-	-	-
Capital assets:			
Land	10,042,478	34,818,861	1,047,524
Buildings	7,099,751	7,561,922	9,142,088
Improvements other than buildings	23,616,463	117,209,897	953,430
Equipment	12,491,898	4,724,210	22,010,894
Construction in progress	188,005	877,035	3,706,227
Less: accumulated depreciation	(18,898,613)	(64,961,703)	(19,087,637)
Total capital assets (net of accumulated depreciation)	<u>34,539,982</u>	<u>100,230,222</u>	<u>17,772,526</u>
Total noncurrent assets	<u>34,539,982</u>	<u>100,230,222</u>	<u>17,772,526</u>
Total assets	<u>56,935,266</u>	<u>122,546,436</u>	<u>22,987,418</u>

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Nonmajor Proprietary Fund	Totals	Governmental Activities - Internal Service Funds
	Garbage Collection		
\$ 13,490,068	\$ 1,115,822	\$ 42,375,692	\$ 41,160,525
2,009,269	-	15,197,561	-
-	-	171,169	-
1,522,175	-	3,915,622	-
14,429	-	14,429	-
4,859	-	4,859	-
508	-	5,644,620	63,686
-	-	759,568	261,672
-	-	-	92,879
<u>17,041,308</u>	<u>1,115,822</u>	<u>68,083,520</u>	<u>41,578,762</u>
90,644	-	90,644	-
2,295,080	-	48,203,943	-
149,326	-	23,953,087	1,915,516
64,384,904	-	206,164,694	458,733
1,537,539	182,170	40,946,711	16,780,646
34,061	-	4,805,328	-
<u>(19,940,428)</u>	<u>(179,211)</u>	<u>(123,067,592)</u>	<u>(9,872,460)</u>
<u>48,460,482</u>	<u>2,959</u>	<u>201,006,171</u>	<u>9,282,435</u>
<u>48,551,126</u>	<u>2,959</u>	<u>201,096,815</u>	<u>9,282,435</u>
<u>65,592,434</u>	<u>1,118,781</u>	<u>269,180,335</u>	<u>50,861,197</u>

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2007

Business-type Activities - Enterprise Funds

	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
LIABILITIES			
Current liabilities:			
Accounts payable	1,105,646	496,792	560,760
Contracts payable	-	223,272	-
Accrued liabilities	22,925	-	329,355
Due to component units	-	-	-
Due to other governments	18	15,470	1,017,760
Advance rents	-	79,045	-
Notes payable	416,000	224,000	-
Capital lease	-	-	-
Accrued interest payable	-	-	-
Compensated absences payable	219,693	164,031	116,673
Estimated claims payable	-	-	-
Payable from restricted assets:			
Notes payable	-	-	-
Revenue bonds payable	-	1,550,000	-
Landfill closure costs payable	84,820	-	-
Accrued interest payable	-	1,063,712	-
Total current liabilities	1,849,102	3,816,322	2,024,548
Noncurrent liabilities:			
Deposits	-	33,325	-
Advance rents	-	2,924,665	-
Notes payable	520,000	1,809,000	-
Compensated absences payable	596,948	441,249	313,856
Estimated claims payable	-	-	-
Revenue bonds payable	-	32,378,861	-
Landfill closure costs payable	19,807,824	-	-
Net OPEB obligation	-	-	-
Total noncurrent liabilities	20,924,772	37,587,100	313,856
Total liabilities	22,773,874	41,403,422	2,338,404
NET ASSETS			
Invested in capital assets, net of related debt	33,603,982	64,268,361	17,772,526
Restricted:			
Debt service	-	1,550,000	-
Passenger facility charges program	-	1,571,169	-
Equipment replacement	-	250,000	-
Maintenance and operations	-	1,631,146	-
Unrestricted	557,410	11,872,338	2,876,488
Total net assets	\$ 34,161,392	\$ 81,143,014	\$ 20,649,014

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net assets of business-type activities

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Nonmajor Proprietary Fund	Totals	Governmental Activities - Internal Service Funds
	Garbage Collection		
389,244	372,889	2,925,331	578,840
88,088	-	311,360	-
2,308	-	354,588	-
307	-	307	-
3,374	1,430	1,038,052	-
-	-	79,045	-
-	-	640,000	-
-	-	-	7,133
-	-	-	86
155,200	-	655,597	143,657
-	-	-	2,578,632
612,846	-	612,846	-
565,000	-	2,115,000	-
-	-	84,820	-
233,079	-	1,296,791	-
<u>2,049,446</u>	<u>374,319</u>	<u>10,113,737</u>	<u>3,308,348</u>
501,817	-	535,142	-
-	-	2,924,665	-
8,348,506	-	10,677,506	-
417,493	-	1,769,546	386,444
-	-	-	12,297,667
7,843,707	-	40,222,568	-
-	-	19,807,824	-
-	-	-	1,726,006
<u>17,111,523</u>	<u>-</u>	<u>75,937,251</u>	<u>14,410,117</u>
<u>19,160,969</u>	<u>374,319</u>	<u>86,050,988</u>	<u>17,718,465</u>
31,090,423	2,959	146,738,251	9,275,302
1,676,190	-	3,226,190	-
-	-	1,571,169	-
100,000	-	350,000	-
-	-	1,631,146	-
<u>13,564,852</u>	<u>741,503</u>	<u>29,612,591</u>	<u>23,867,430</u>
<u>\$ 46,431,465</u>	<u>\$ 744,462</u>	<u>183,129,347</u>	<u>\$ 33,142,732</u>
		<u>2,197,650</u>	
		<u>\$ 185,326,997</u>	

COUNTY OF VOLUSIA, FLORIDA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For The Year Ended September 30, 2007

	Business-type Activities - Enterprise Funds		
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
Operating Revenues:			
Charges for services	\$ 18,704,720	\$ 8,752,547	\$ 4,946,527
Miscellaneous revenues	364,071	115,686	18,290
Total operating revenues	19,068,791	8,868,233	4,964,817
Operating Expenses:			
Personal services	3,986,290	3,780,978	10,298,953
Contracted services	2,410,886	2,818,928	4,995,873
Supplies and materials	2,101,353	198,198	2,318,716
Repairs and maintenance	2,382,394	482,403	1,452,309
Utilities	102,444	1,063,791	161,963
Other services and charges	4,424,343	931,664	719,696
Depreciation	3,117,289	4,720,275	2,400,514
Claims and other accrued expenses	-	-	-
Total operating expenses	18,524,999	13,996,237	22,348,024
Operating income (loss)	543,792	(5,128,004)	(17,383,207)
Nonoperating Revenues (Expenses):			
Operating grants	-	2,875,577	5,560,415
Passenger facility charges	-	1,535,046	-
Interest revenues	1,098,745	748,461	(41,451)
Interest expense	(49,592)	(2,220,121)	-
Bond issuance costs	-	(198,286)	-
Net gain (loss) on disposal of capital assets	584,287	73,555	(48,124)
Miscellaneous revenues	-	-	-
Total nonoperating revenues (expenses)	1,633,440	2,814,232	5,470,840
Income (loss) before contributions and transfers	2,177,232	(2,313,772)	(11,912,367)
Capital contributions	1,000	5,730,791	3,189,863
Transfers in	-	-	9,891,432
Transfers (out)	(848,720)	-	-
Change in net assets	1,329,512	3,417,019	1,168,928
Total net assets - beginning, restated	32,831,880	77,725,995	19,480,086
Total net assets - ending	\$ 34,161,392	\$ 81,143,014	\$ 20,649,014

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net assets of business-type activities

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Nonmajor Proprietary Fund	Totals	Governmental Activities - Internal Service Funds
	Garbage Collection		
\$ 11,877,758	\$ 5,745,046	\$ 50,026,598	\$ 54,909,247
299,594	115,655	913,296	83,406
<u>12,177,352</u>	<u>5,860,701</u>	<u>50,939,894</u>	<u>54,992,653</u>
3,216,462	-	21,282,683	3,439,114
1,901,503	4,852,055	16,979,245	3,234,852
603,773	33,469	5,255,509	5,197,493
818,077	3,716	5,138,899	2,999,851
1,038,608	-	2,366,806	38,647
328,314	1,711,389	8,115,406	2,222,250
2,602,050	3,714	12,843,842	2,633,791
-	-	-	27,674,739
<u>10,508,787</u>	<u>6,604,343</u>	<u>71,982,390</u>	<u>47,440,737</u>
<u>1,668,565</u>	<u>(743,642)</u>	<u>(21,042,496)</u>	<u>7,551,916</u>
-	-	8,435,992	-
-	-	1,535,046	-
690,467	138,629	2,634,851	2,299,169
(614,878)	-	(2,884,591)	(20,099)
(111,721)	-	(310,007)	-
1,589	-	611,307	27,812
-	-	-	25,039
<u>(34,543)</u>	<u>138,629</u>	<u>10,022,598</u>	<u>2,331,921</u>
1,634,022	(605,013)	(11,019,898)	9,883,837
1,923,727	-	10,845,381	60,400
-	120,000	10,011,432	1,175,000
-	-	(848,720)	-
<u>3,557,749</u>	<u>(485,013)</u>	<u>8,988,195</u>	<u>11,119,237</u>
<u>42,873,716</u>	<u>1,229,475</u>		<u>22,023,495</u>
<u>\$ 46,431,465</u>	<u>\$ 744,462</u>		<u>\$ 33,142,732</u>
		<u>989,689</u>	
		<u>\$ 9,977,884</u>	

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows
Proprietary Funds
For The Year Ended September 30, 2007

	Business-type Activities - Enterprise Funds		
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 18,409,943	\$ 9,048,510	\$ 4,946,527
Payments to suppliers	(8,870,273)	(5,585,597)	(10,670,378)
Payments to employees	(3,940,370)	(3,730,949)	(10,275,260)
Other operating revenue	364,071	-	18,290
Net cash provided (used) by operating activities	5,963,371	(268,036)	(15,980,821)
Cash Flows from Noncapital Financing Activities			
Transfers to other funds	(848,720)	-	-
Transfers from other funds	-	-	9,891,432
Subsidy from federal/state grants	-	2,882,378	5,560,415
Net cash provided (used) by noncapital financing activities	(848,720)	2,882,378	15,451,847
Cash Flows from Capital and Related Financing Activities			
Capital contributions	-	-	3,189,863
Acquisition and construction of capital assets	(7,251,424)	(8,474,987)	(3,163,938)
Principal paid on capital debt	(416,000)	(1,699,000)	-
Interest paid on capital debt	(49,592)	(2,262,129)	-
Proceeds from sale of capital assets	1,330,486	85,025	41,207
Proceeds from insurance	-	-	21,619
Receipts from capital grants	-	9,788,622	2,296,670
Net cash provided (used) by capital and related financing activities	(6,386,530)	(2,562,469)	2,385,421
Cash Flows from Investing Activities			
Interest revenues	1,098,745	748,461	(41,451)
Net cash provided (used) by investing activities	1,098,745	748,461	(41,451)
Net increase (decrease) in cash and cash equivalents	(173,134)	800,334	1,814,996
Cash and cash equivalents at beginning of year	20,527,578	17,482,414	505,906
Cash and cash equivalents at end of year	\$ 20,354,444	\$ 18,282,748	\$ 2,320,902
Cash and Cash Equivalents Classified As:			
Current assets	\$ 13,061,010	\$ 12,387,890	\$ 2,320,902
Restricted assets	7,293,434	5,894,858	-
Total cash and cash equivalents	\$ 20,354,444	\$ 18,282,748	\$ 2,320,902

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

Business-type Activities - Enterprise Funds (cont'd)

Water and Sewer Utilities	Nonmajor Proprietary Fund	Totals	Governmental Activities - Internal Service Funds
	Garbage Collection		
\$ 11,925,822	\$ 5,745,317	\$ 50,076,119	\$ 54,941,580
(4,729,446)	(6,606,900)	(36,462,594)	(41,218,182)
(3,191,350)	-	(21,137,929)	(3,476,408)
-	115,655	498,016	83,406
4,005,026	(745,928)	(7,026,388)	10,330,396
-	-	(848,720)	-
-	120,000	10,011,432	1,175,000
-	-	8,442,793	-
-	120,000	17,605,505	1,175,000
1,943,733	-	5,133,596	-
(2,903,169)	-	(21,793,518)	(3,402,578)
(1,162,016)	-	(3,277,016)	(787,555)
(622,729)	-	(2,934,450)	(56,512)
4,122	-	1,460,840	248,200
-	-	21,619	-
-	-	12,085,292	-
(2,740,059)	-	(9,303,637)	(3,998,445)
690,467	138,629	2,634,851	2,299,169
690,467	138,629	2,634,851	2,299,169
1,955,434	(487,299)	3,910,331	9,806,120
13,543,903	1,603,121	53,662,922	31,354,405
<u>\$ 15,499,337</u>	<u>\$ 1,115,822</u>	<u>\$ 57,573,253</u>	<u>\$ 41,160,525</u>
\$ 13,490,068	\$ 1,115,822	\$ 42,375,692	\$ 41,160,525
2,009,269	-	15,197,561	-
<u>\$ 15,499,337</u>	<u>\$ 1,115,822</u>	<u>\$ 57,573,253</u>	<u>\$ 41,160,525</u>

COUNTY OF VOLUSIA, FLORIDA
Statement of Cash Flows
Proprietary Funds
For The Year Ended September 30, 2007

	Business-type Activities - Enterprise Funds		
	Refuse Disposal	Daytona Beach International Airport	Volusia Transportation Authority
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ 543,792	\$ (5,128,004)	\$ (17,383,207)
Depreciation	3,117,289	4,720,275	2,400,514
Accrual of landfill closure costs	2,120,339	-	-
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(298,476)	256,855	36,647
Decrease in due from other funds	-	-	-
Decrease in due from other governments	3,699	2,467	-
(Increase) in inventories	-	-	(93,743)
(Increase) in prepaid expenses	-	-	-
Increase (decrease) in accounts payable	426,734	(32,082)	(1,942,332)
Increase (decrease) in due to component units	-	-	-
Increase (decrease) in due to other governments	(37)	(58,531)	951,389
Increase (decrease) in accrued liabilities	4,111	-	26,218
(Decrease) in deposits payable	-	-	-
(Decrease) in unearned revenue	-	(79,045)	-
(Decrease) in estimated claims payable	-	-	-
Increase (decrease) in compensated absences payable	45,920	50,029	23,693
Increase in net OPEB obligation	-	-	-
Total adjustments	5,419,579	4,859,968	1,402,386
Net cash provided (used) by operating activities	\$ 5,963,371	\$ (268,036)	\$ (15,980,821)
Noncash Investing, Capital, and Financing Activities:			
Contributions of capital assets from government	\$ 1,000	\$ -	\$ 3,189,863
Borrowing under capital lease	-	-	-
Capital asset purchases on account	105,788	290,322	25,925

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

Business-type Activities - Enterprise Funds (cont'd)			
Water and Sewer Utilities	Nonmajor Proprietary Fund	Totals	Governmental Activities - Internal Service Funds
	Garbage Collection		
<u>\$ 1,668,565</u>	<u>\$ (743,642)</u>	<u>\$ (21,042,496)</u>	<u>\$ 7,551,916</u>
2,602,050	3,714	12,843,842	2,633,791
-	-	2,120,339	-
(155,495)	271	(160,198)	6,532
-	-	-	27,388
7,892	266	14,324	4,927
-	-	(93,743)	(34,976)
-	-	-	(90,171)
(32,633)	1,526	(1,578,787)	189,964
307	-	307	(257)
(8,368)	(8,063)	876,390	-
1,523	-	31,852	-
(103,927)	-	(103,927)	-
-	-	(79,045)	-
-	-	-	(1,647,430)
25,112	-	144,754	(37,294)
-	-	-	1,726,006
<u>2,336,461</u>	<u>(2,286)</u>	<u>14,016,108</u>	<u>2,778,480</u>
<u>\$ 4,005,026</u>	<u>\$ (745,928)</u>	<u>\$ (7,026,388)</u>	<u>\$ 10,330,396</u>
 \$ 3,000	 \$ -	 \$ 3,193,863	 \$ 60,400
-	-	-	607,291
134,947	-	556,982	-

COUNTY OF VOLUSIA, FLORIDA
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2007

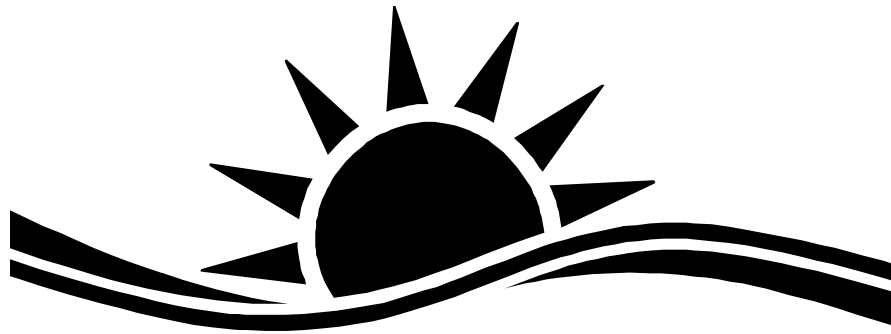
	Volunteer Firefighters Pension Trust Fund	Agency Funds
ASSETS		
Equity in pooled cash and investments	\$ 1,789,334	\$ 11,835,050
Pension investments:		
Mutual funds	2,000,205	-
Common stock	1,243,937	-
Receivables:		
Accounts - net	-	196,081
Special assessments:		
Current receivable	-	46,404
Deferred receivable	-	109,411
Interest receivable	-	24,398
Total assets	5,033,476	12,211,344
LIABILITIES		
Accounts payable	-	38,367
Due to other governments	-	9,492,754
Deposits	-	2,680,223
Total liabilities	-	12,211,344
NET ASSETS		
Held in trust for:		
Pension benefits	5,033,476	-
Total net assets	\$ 5,033,476	\$ -

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2007

	Volunteer Firefighters Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ -
Total contributions	<u>-</u>
Investment earnings:	
Net increase in fair value of investments	47,497
Interest	87,957
Dividends	74,521
Total investment earnings	<u>209,975</u>
Total additions	<u>209,975</u>
 DEDUCTIONS	
Benefits	58,551
Administrative expenses	2,250
Total deductions	<u>60,801</u>
 Change in net assets	 149,174
 Net assets - beginning of year	 <u>4,884,302</u>
 Net assets - end of year	 <u><u>\$ 5,033,476</u></u>

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



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Statement of Net Assets
Component Units
September 30, 2007

	Clerk of the Circuit Court	Volusia County Law Library	Emergency Medical Foundation, Inc.	Total
ASSETS				
Equity in pooled cash and investments	\$ 14,899,860	\$ 343,209	\$ 1,329,684	\$ 16,572,753
Receivables:				
Accounts - net	24,765	-	1,229,631	1,254,396
Employee	-	-	73,710	73,710
Due from primary government	4,987	89,315	110,894	205,196
Due from other governments	78,751	-	-	78,751
Inventories	-	-	318,294	318,294
Prepaid items/expenses	12,440	-	438,222	450,662
Land	-	-	142,502	142,502
Buildings	-	-	320,633	320,633
Leasehold improvements	-	39,436	567,336	606,772
Equipment	5,407,488	150,953	8,420,112	13,978,553
Accumulated depreciation	(3,902,755)	(165,009)	(6,368,589)	(10,436,353)
Deposits	-	-	340	340
Total assets	16,525,536	457,904	6,582,769	23,566,209
LIABILITIES				
Accounts payable	39,206	-	1,376,730	1,415,936
Accrued liabilities	460,525	-	-	460,525
Due to primary government	2,782,056	-	-	2,782,056
Due to other governments	781,150	-	-	781,150
Deposits	72,729	-	-	72,729
Non-current liabilities:				
Due within one year:				
Notes payable	-	-	260,832	260,832
Compensated absences payable	331,626	-	-	331,626
Due in more than one year:				
Notes payable	-	-	90,251	90,251
Compensated absences payable	1,002,128	-	-	1,002,128
Total liabilities	5,469,420	-	1,727,813	7,197,233
NET ASSETS				
Invested in capital assets (net of related debt)	1,504,733	25,380	2,730,911	4,261,024
Restricted:				
Public record modernization	10,553,511	-	-	10,553,511
Capital acquisitions	-	-	219,948	219,948
Unrestricted (deficit)	(1,002,128)	432,524	1,904,097	1,334,493
Total net assets	\$ 11,056,116	\$ 457,904	\$ 4,854,956	\$ 16,368,976

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

COUNTY OF VOLUSIA, FLORIDA
Statement of Activities
Component Units
For the Year Ended September 30, 2007

		Program Revenues		
		Charges for	Operating	Capital Grants
	Expenses	Services	Grants and	and
			Contributions	Contributions
Clerk of the Circuit Court				
Operations	\$ 20,665,690	\$ 21,099,210	\$ 475,875	\$ -
Total Clerk of the Circuit Court	<u>20,665,690</u>	<u>21,099,210</u>	<u>475,875</u>	<u>-</u>
Volusia County Law Library				
Operations	525,909	12,572	-	-
Total Volusia County Law Library	<u>525,909</u>	<u>12,572</u>	<u>-</u>	<u>-</u>
Emergency Medical Foundation, Inc.				
Operations	14,596,748	14,743,012	63,629	232,821
Total Emergency Medical Foundation, Inc.	<u>14,596,748</u>	<u>14,743,012</u>	<u>63,629</u>	<u>232,821</u>
Total component units	<u>\$ 35,788,347</u>	<u>\$ 35,854,794</u>	<u>\$ 539,504</u>	<u>\$ 232,821</u>

General Revenues:

Interest revenue

Miscellaneous

Payment from County of Volusia

Total general revenues and payment from County of Volusia

Change in net assets

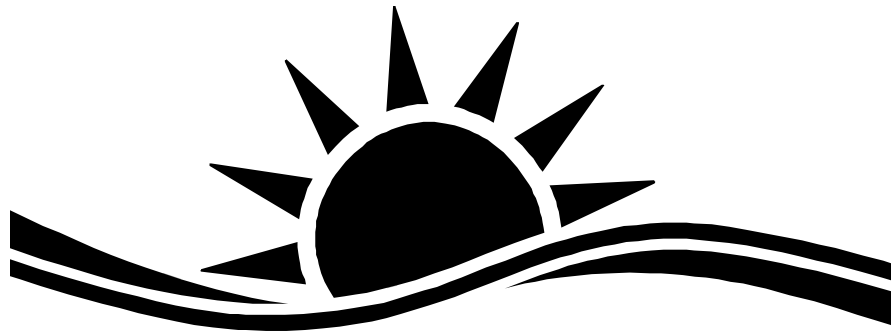
Net assets - beginning

Net assets - ending

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

Net (Expense) Revenue and Changes in Net Assets

Clerk of the Circuit Court	Volusia County Law Library	Emergency Medical Foundation, Inc.	Totals
\$ 909,395	\$ -	\$ -	\$ 909,395
909,395	-	-	909,395
-	(513,337)	-	(513,337)
-	(513,337)	-	(513,337)
-	-	442,714	442,714
-	-	442,714	442,714
909,395	(513,337)	442,714	838,772
766,169	8,274	49,309	823,752
4,519	4,007	126,753	135,279
-	586,552	-	586,552
770,688	598,833	176,062	1,545,583
1,680,083	85,496	618,776	2,384,355
9,376,033	372,408	4,236,180	13,984,621
\$ 11,056,116	\$ 457,904	\$ 4,854,956	\$ 16,368,976



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

TABLE OF CONTENTS

Note 1. Summary of significant accounting policies	72
Note 2. Restatement of net assets.....	80
Note 3. Budgets and budgetary accounting	80
Note 4. Property taxes	82
Note 5. Cash and investments	82
Note 6. Interfund receivables, payables, and transfers	85
Note 7. Capital assets	88
Note 8. Long-term debt	91
Note 9. Conduit debt obligations	100
Note 10. Employee receivables.....	101
Note 11. Pension plans.....	101
Note 12. Other post-employment benefits (OPEB).....	105
Note 13. Special assessments receivable.....	108
Note 14. Airport leasing arrangements with tenants and property held for lease	108
Note 15. Closure and postclosure care cost	109
Note 16. Commitment and contingencies	110
Note 17. Subsequent events.....	112

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 governmental 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 more than 508,000 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 Financial and Administrative Services Department. 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. The Clerk of the Circuit Court 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 three centralized and consolidated law libraries for the County. A Board of Trustees manages the Law Library. However, 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.*)
- **Emergency Medical Foundation, Inc.** – Emergency Medical Foundation, Inc., is a not-for-profit corporation created to provide emergency medical care and transportation services within Volusia County. The foundation is managed by a board of directors, but is included as a component unit because its exclusion from the financial reporting entity would render the County's financial

statements misleading. (*Florida Statutes, Chapter 401; by-laws of the Emergency Medical Foundation, Inc.*)

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, Room 208
Daytona Beach, FL 32114

Emergency Medical Foundation, Inc.
P. O. Box 6045
Daytona Beach, FL 32122

2. Related Organizations

The County is responsible for appointing members of boards to other organizations, but is not accountable for these organizations. The following related organizations are not included in the reporting entity:

- Volusia County Health Facilities Authority
- Housing Finance Authority of Volusia County
- Volusia County Industrial Development Authority
- 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.

4. Jointly Governed Organizations

The County, in conjunction with all municipalities within the County, has created the Water Authority of Volusia, formally Volusia Water Alliance, whose purpose is to protect the area's future water supply. The Water Authority of Volusia is composed of one member from the governing board of each of the municipalities and the County. In fiscal year 2007, the County contributed \$131,376 towards funding the alliance's operations.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or activity. *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

1. Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are 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.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, except those gas taxes imposed by the County in which case they are reported as program revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Fund Financial Statements

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 revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgements, 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.

Property taxes, franchise fees, licenses, 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.

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.
- 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 *Ocean Center Expansion Fund*, a capital projects fund, accounts for the fiscal activity relating to the construction of additional exhibition space and meeting rooms in the Ocean Center.
- The *Bond Funded Road Program Fund*, a capital projects fund, accounts for the fiscal activity relating to the construction of roads and transportation improvements with an emphasis on projects that support economic development.

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 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 to expenditure 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 *Volunteer Firefighters 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Based on the accounting and reporting standards set forth in GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County has opted to apply only the accounting and reporting pronouncements issued by the Financial Accounting Standards Board (FASB) on or before November 30, 1989 for business-type activities and enterprise funds.

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 then unrestricted resources.

D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are Equity in Pooled Cash and Investments and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased. In addition, because the investment pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

E. INVESTMENTS

Investments for the County are reported at fair value. The Local Government Surplus Funds Trust Fund that is administered by the State Board of Administration is a "2A-7 like" pool which has the characteristics of a money market fund. The reported value of the pool is the same as the fair value of the pool shares.

F. 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 reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. 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. Deferred/Unearned Revenue

Deferred revenues are recorded on the governmental fund balance sheet in the amount of \$10,973,895. Of this amount, \$1,861,053 represents amounts that are deferred solely because they are not yet considered to be available. Therefore, \$9,112,842 is shown as unearned revenue on the government-wide Statement of Net Assets.

4. Advance Rents

The County entered into a long-term lease agreement with the Volusia County School Board at the Daytona Beach International Airport. As a result of this agreement, advance rents are recorded on the proprietary funds statement of net assets in the total amount of \$3,003,710, of which \$79,045 represents the current portion of this advance.

G. ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 180 days comprises the allowance for uncollectibles. The allowance for doubtful accounts is as follows:

Allowance For Doubtful Accounts	
General fund	\$ 146,727
Special revenue funds	53,494
Enterprise funds	372,274
Internal service funds	16,695
Total	\$ 589,190

H. 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.

I. RESTRICTED ASSETS

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

- provide a reserve for debt service.
- provide a reserve for capital projects.
- provide a reserve for passenger facility charges program.
- acquire capital assets (land and equipment replacement).
- provide a reserve for maintenance and operating expenses.

- provide funding for public safety, physical environment, transportation, culture/recreation, and other legally restricted activities, based upon specific state and local legislative requirements.

J. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, 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. Property, plant, 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. 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.

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.

Property, plant, equipment, and infrastructure assets of the primary government, as well as the component units, are depreciated using the straight line method based upon the following estimated useful lives:

Estimated Useful Lives	
Assets	Years
Buildings	15 - 40
Improvements other than buildings	5 - 30
Infrastructure	35
Equipment	3 - 20

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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

The County has adopted the following policy for current refundings and advance refundings resulting in defeasance of debt reported in proprietary funds: The difference between the reacquisition price and the net carrying amount of the old debt, as well as the related bond issuance costs, 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 balance sheet, the deferred amount and bond issuance costs are reported as a deduction from or an addition to the new debt liability.

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. FUND BALANCE

In the governmental fund financial statements, fund balance consists of reserved and unreserved amounts. Reservations of fund balance represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use.

Fund balance reservations include:

- Encumbrances – to reflect outstanding contractual obligations for goods and services which have not been received.
- Inventories – to reflect that inventory of consumable supplies does not represent available spendable resources.
- Advances – to reflect amounts due from other funds that are long-term in nature and do not represent available spendable resources.
- Debt service – to reflect resources legally restricted for the payment of long-term debt principal and interest amounts maturing in future years.
- Capital projects – to reflect resources legally restricted for capital projects.
- Employee receivables – to reflect balances due from employees that are long-term in nature and do not represent available spendable resources.
- Long-term notes receivable – to reflect balance due from notes receivable that are long-term in nature and do not represent available spendable resources.
- Other long-term receivables – to reflect balance due from other receivables that are long-term in nature and do not represent available spendable resources.

The remaining portion is unreserved; however, a portion of unreserved fund balance is designated. Designations include capital projects and emergency reserves.

N. 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, that 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.

O. RECLASSIFICATIONS

Certain September 30, 2006 account balances have been reclassified in this report to conform with the financial statement presentation used in 2007.

NOTE 2. RESTATEMENT OF NET ASSETS

A. GOVERNMENTAL ACTIVITIES NET ASSETS

The net assets of the governmental activities have been restated to include infrastructure assets not previously capitalized. The affect of the restatement is as follows:

	Balance 09/30/06	Change	Restated Balance 09/30/06
<u>Assets</u>			
Land associated with infrastructure	\$ -	\$ 4,240,022	\$ 4,240,022
<u>Net Assets</u>			
Total	534,169,673	4,240,022	538,409,695

B. PROPRIETARY NET ASSETS

The prior year net assets of the Refuse Disposal have been restated to reflect the underreporting of landfill closure costs payable. The affect of the restatement is as follows:

	Balance 09/30/06	Change	Restated Balance 09/30/06
<u>Liabilities</u>			
Landfill closure costs payable	\$ 9,514,398	\$ 8,257,907	\$ 17,772,305
<u>Net Assets</u>			
Unrestricted	41,089,787	(8,257,907)	32,831,880

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING

- Not later than fifteen days after the certification of value by the Property Appraiser, the County Manager shall have prepared and submit to the County Council, a proposed budget estimate of the revenues and expenditures of all County divisions, departments, offices, agencies, and special and municipal taxing districts for the ensuing fiscal year. The proposed budget estimate of revenue shall include not less than 95 percent of all receipts reasonably to be anticipated from all sources.
- Not earlier than sixty-five days nor later than eighty days after certification of value by the Property Appraiser, the County Council shall hold a public hearing on the tentative budget and proposed millage rates.
- Public hearings are conducted and summary statements are available to obtain taxpayer comments pursuant to Chapters 129 and 200 of the Florida Statutes.

- Prior to October 1, the budget is legally enacted.
- It is unlawful to expend or transfer funds in any fiscal year more than the amount budgeted in each fund's budget pursuant to Volusia County Code of Ordinances, Section 2-241(J), and Chapter 129.07 of the Florida Statutes.
- Transfers of appropriations up to and including \$25,000 among activities within a division need only the division director's or his or her designee's approval if the transfer is not between funds. Transfers over \$25,000 require the approval of the department director. Transfers between two divisions require the approval of both division directors, or the County Manager or Deputy County Manager. Transfers between funds require County Council approval. The Supervisor of Elections, Property Appraiser, Sheriff, Chief Judge, County Attorney, and Internal Auditor have the same transfer authority as the department directors for their budgets.
- The County Council legally adopts budgets for the General, budgeted Special Revenue, and Debt Service funds. Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Capital Projects funds adopt a project-length budget. Formal budgetary integration is not employed for Enterprise or Internal Service funds.
- Budgets for the General, budgeted Special Revenue, and Debt Service funds are adopted on a basis consistent with generally accepted accounting principles. The Library Endowment and Corrections - Welfare Trust Special Revenue funds are not budgeted.
- Every appropriation shall lapse at the close of the fiscal year to the extent that it has not been carried forward. An appropriation for a capital program within the General or Special Revenue funds shall be rebudgeted 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 three years pass without any disbursement or encumbrance of the appropriation.
- If during the fiscal year the County Manager certifies that there are available revenues for appropriations in excess of those estimated in the budget, the County Council may make supplemental appropriations for the year up to the amount of such excess revenues.

NOTE 4. PROPERTY TAXES

The property tax calendar is as follows:

Date	Process												
January 1, 2006	Valuation date												
July 1, 2006	Property Appraiser prepares the assessment roll with values as of January 1; submits preliminary roll for approval to the State and notifies each taxing authority of its respective valuations.												
September 2006	Each taxing authority holds two required public hearings and adopts a budget and ad valorem tax millage rates(s) for the coming fiscal year.												
November 1, 2006	Property Appraiser certifies the assessment roll and all real and tangible personal property taxes are due and payable. (Levy date)												
November 1, 2006 through March 31, 2007	A notice of taxes is mailed to each owner on the assessment roll. Taxes may be paid with the following applicable discounts. <table> <tr> <th><u>Month</u></th><th><u>Discount Percentage</u></th></tr> <tr> <td>November</td><td>4</td></tr> <tr> <td>December</td><td>3</td></tr> <tr> <td>January</td><td>2</td></tr> <tr> <td>February</td><td>1</td></tr> <tr> <td>March</td><td>0</td></tr> </table>	<u>Month</u>	<u>Discount Percentage</u>	November	4	December	3	January	2	February	1	March	0
<u>Month</u>	<u>Discount Percentage</u>												
November	4												
December	3												
January	2												
February	1												
March	0												
April 1, 2007	All unpaid taxes on real and tangible personal property become delinquent.												
April 2007 and May 2007	A list of unpaid tangible personal property taxes and a list of unpaid real property taxes are advertised.												
May 31, 2007	Tax certificates are sold on all real estate parcels with unpaid real property taxes. (Lien date)												
August 29, 2007	A court order is obtained authorizing the seizure and sale of personal property if the taxpayer fails to pay the delinquent personal property taxes.												

Collections of county, municipal, and independent taxing district taxes and remittances are accounted for in the Tax Collector's Transfer Fund (Agency Fund) prior to distribution to the various taxing authorities.

NOTE 5. CASH AND INVESTMENTS

The County maintains a cash and investment pool that is used by all funds. This pool consists of a noninterest-bearing checking account, monthly interest earned on surplus balances, and a zero balance checking account. Each fund's portion of this pool is summarized by fund type in the combined balance sheet as "Equity in Pooled Cash and Investments." In addition, investments are separately held by several of the County's funds. Certain investments of the Refuse Disposal, Insurance, and Volunteer Firefighters Pension Trust funds are held separately from those of other County funds. 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 establishes investment guidelines for the County. The investment policy applies to all financial assets held or controlled by the County, with exception of certain pension, trust, or debt related funds which are controlled by ordinances or policies.

Authorized investment instruments include: the Local Government Surplus Funds Trust Fund; negotiable direct obligations which are unconditionally guaranteed by the United States Government; bonds, debentures, notes, or other indebtedness guaranteed by United States Government agencies; 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; and state and/or local government taxable and tax-exempt debt, and intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperative Act. 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 funds investments will be diversified with no more than 30 percent of its value invested in the securities of any single issuer or instrument. This limitation shall not apply to U.S. Government securities, its Agencies or the County's investment pool account.

At the close of the fiscal year, the County held investments in United States Government notes and other federal instrumentalities, mutual funds, stocks, and the Local Government Surplus Trust Fund. County investment policies permit the County to enter into reverse repurchase agreements; however, there were no such investments in fiscal year 2007.

The County's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a-7 like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The State Board of Administration (SBA) has taken the position that participants in the pool are not required to disclose information related to interest rate risk, custodial credit risk, concentration of credit risk, and foreign credit risk. The investment pool was not rated by a nationally recognized statistical rating agency as of September 30, 2007. At September 30, 2007, the County's investments totaled \$167,555,182 in the Local Government Surplus Funds Trust Fund administered by the SBA pursuant to Section 218.405, Florida Statutes and are reported at fair value.

As of September 30, 2007, the County's cash and investments are as follows:

Investments Type	Maturities	Credit Quality	Fair Value
Federal instrumentalities	October 2007 - July 2012	AAA/Aaa	\$ 257,168,681
Mutual funds	N/A	N/A	2,000,205
Stocks	N/A	N/A	1,243,937
Subtotal			260,412,823
Local Government Surplus Funds Trust Fund	N/A	N/A	167,555,182
Carrying value of cash and restricted cash	N/A	N/A	41,173,075
Total			\$ 469,141,080

Interest Rate Risk: is the risk that the market 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.

Credit Risk: is 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. The bank/custodian segregates out assets/investments from those of other bank/custodian clients and their own assets. Commercial Paper is held in a similar fashion at the Depository Trust Corporation (DTC), however the bank /custodian has its own custodian for DTC items.

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 State of Florida's Local Government Surplus Trust Fund and United States government securities.
- 75 percent of its cash in United States government agencies and instrumentalities, and repurchase agreements.

- 50 percent of its cash in commercial paper and intergovernmental investment pools.
- 30 percent in state and local government debt, bankers acceptances, and money market mutual funds.

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.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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 area. In addition, interfund loans are used to fund specific projects or other activities.

The composition of interfund balances as of September 30, 2007 is as follows:

	Due From Other Funds	Advances To Other Funds	Due To Other Funds	Advances From Other Funds
Governmental funds:				
Major funds:				
General Fund	\$ 8,070,430	\$ -	\$ 112,769	\$ -
Municipal Service District	1,515,537	-	890,000	-
Federal and State Grants	112,769	-	5,779,250	-
Nonmajor funds:				
Special Revenue funds:				
Resort Tax	-	-	372,898	-
Sales Tax Trust	-	-	2,876,717	-
Ponce Inlet Port Authority	499,536	3,442,275	-	-
Ocean Center	372,898	-	-	-
Fire Services	-	-	499,536	3,442,275
Capital Projects funds:				
Other	-	-	40,000	-
Total	\$ 10,571,170	\$ 3,442,275	\$ 10,571,170	\$ 3,442,275

Interfund balances at September 30, 2007 are primarily related to:

- a loan from Ponce Inlet Port Authority to Fire Services, with \$499,536 due within the next year, which provided funding for the settlement of a lawsuit. The remaining amount of the outstanding loan of \$3,442,275 will be repaid in annual installments by September 2014.
- interfund transactions in the amount of \$5,779,250 to cover cash deficits due to timing of grant reimbursements.
- other interfund transactions distributing resort and sales tax collections to the appropriate receiving funds.

Due to/from primary government and component units consist of the following:

	Due From Component Units	Due From Primary Government	Due To Component Units	Due To Primary Government
Governmental funds:				
Major funds:				
General Fund	\$ 2,782,056	\$ -	\$ 199,230	\$ -
Municipal Service District	-	-	398	-
Federal and State Grants	-	-	196	-
Bond Funded Road Program	-	-	364	-
Nonmajor funds:				
Special Revenue funds:				
County Transportation Trust	-	-	64	-
Ocean Center	-	-	3,388	-
Road Impact Fees	-	-	345	-
State Housing Incentive Program	-	-	797	-
Hurricane Housing Recovery Program	-	-	107	-
Proprietary funds:				
Water and Sewer Utilities	-	-	307	-
Component units:				
Clerk of the Circuit Court	-	4,987	-	2,782,056
Volusia County Law Library	-	89,315	-	-
Emergency Medical Foundation, Inc.	-	110,894	-	-
Total	\$ 2,782,056	\$ 205,196	\$ 205,196	\$ 2,782,056

Transfers move monies collected by one fund to be expended by another fund in order to meet legal and budgetary requirements.

Interfund transfers consist of the following:

	Transfer Out:					Total
	General Fund	Municipal Service District	Federal and State Grants	Nonmajor governmental funds	Refuse Disposal	
Transfer in:						
General Fund	\$ -	\$ 20,385	\$ -	\$ 6,978,488	\$ 728,720	\$ 7,727,593
Municipal Service District	-	-	-	5,820,289	-	5,820,289
Federal and State grants	629,350	-	-	641,522	-	1,270,872
Ocean Center Expansion	-	-	-	494,540	-	494,540
Nonmajor Governmental Funds	30,799,903	1,727,215	1,901,863	32,445,862	-	66,874,843
Volusia Transportation Authority	9,891,432	-	-	-	-	9,891,432
Garbage Collection	-	-	-	-	120,000	120,000
Insurance	-	-	-	1,175,000	-	1,175,000
Total	\$ 41,320,685	\$1,747,600	\$ 1,901,863	\$ 47,555,701	\$ 848,720	\$93,374,569

- Based upon bond ordinances, transfers are made to meet debt service requirements. Of the \$66,874,843 received in non-major governmental funds transfers, \$23,233,731 related to debt service.
- Of the \$30,799,903 transferred out of the General Fund to the nonmajor governmental funds, the majority related to the following capital projects: \$15,150,000 to fund the DeLand complex, \$3,768,184 to acquire information technology software and hardware, \$3,205,888 to fund beach capital improvements, \$2,861,967 to acquire a residential treatment facility, and \$2,000,000 to fund the sheriff evidence complex.
- The Sales Tax Trust fund, a nonmajor governmental fund, transferred \$4,907,714 and \$5,464,244 to the General and the Municipal Service District funds, respectively.
- Activity between the nonmajor governmental funds includes a transfer from the Library fund of \$6,788,059 to the Deltona Library Expansion capital projects fund and a transfer of \$2,819,001 from the Resort Tax fund to the Ocean Center fund.

NOTE 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2007 was as follows:

Governmental Activities				
	Beginning Balance 09/30/06	Increases	Decreases	Ending Balance 09/30/07
Capital assets, not being depreciated:				
Land	\$ 95,485,715	\$ 15,903,224	\$ -	\$ 111,388,939
Land - infrastructure	26,525,670	10,698,974	-	37,224,644
Construction in progress	26,136,756	32,866,604	(1,783,050)	57,220,310
Construction in progress - infrastructure	31,051,880	27,756,806	(9,086,345)	49,722,341
Total capital assets, not being depreciated	<u>179,200,021</u>	<u>87,225,608</u>	<u>(10,869,395)</u>	<u>255,556,234</u>
Capital assets, being depreciated:				
Buildings	219,417,375	6,013,424	-	225,430,799
Improvements other than buildings	17,790,828	1,529,274	-	19,320,102
Leasehold improvements	497,125	-	-	497,125
Equipment	108,342,485	14,073,877	(7,538,498)	114,877,864
Infrastructure	356,279,486	9,086,345	-	365,365,831
Total capital assets being depreciated	<u>702,327,299</u>	<u>30,702,920</u>	<u>(7,538,498)</u>	<u>725,491,721</u>
Less accumulated depreciation for:				
Buildings	(75,568,417)	(5,959,637)	-	(81,528,054)
Improvements other than buildings	(7,931,972)	(863,245)	-	(8,795,217)
Leasehold improvements	(338,968)	(26,547)	-	(365,515)
Equipment	(67,642,573)	(11,436,320)	6,738,911	(72,339,982)
Infrastructure	(251,184,949)	(4,125,707)	-	(255,310,656)
Total accumulated depreciation	<u>(402,666,879)</u>	<u>(22,411,456)</u>	<u>6,738,911</u>	<u>(418,339,424)</u>
Total capital assets, being depreciated, net	<u>299,660,420</u>	<u>8,291,464</u>	<u>(799,587)</u>	<u>307,152,297</u>
Governmental activities capital assets, net, restated	\$ 478,860,441	\$ 95,517,072	\$ (11,668,982)	\$ 562,708,531

Business-type Activities				
	Beginning Balance 9/30/06	Increases	Decreases	Ending Balance 09/30/07
Capital assets, not being depreciated:				
Land	\$ 48,567,947	\$ 16,501	\$ (380,505)	\$ 48,203,943
Construction in progress	9,309,372	7,392,629	(11,896,673)	4,805,328
Total capital assets, not being depreciated	<u>57,877,319</u>	<u>7,409,130</u>	<u>(12,277,178)</u>	<u>53,009,271</u>
Capital assets, being depreciated:				
Buildings	23,908,628	44,459	-	23,953,087
Improvements other than buildings	186,082,678	20,082,016	-	206,164,694
Equipment	38,945,824	4,919,991	(2,919,104)	40,946,711
Total capital assets being depreciated	<u>248,937,130</u>	<u>25,046,466</u>	<u>(2,919,104)</u>	<u>271,064,492</u>
Less accumulated depreciation for:				
Buildings	(10,113,762)	(984,816)	-	(11,098,578)
Improvements other than buildings	(79,767,587)	(8,244,345)	-	(88,011,932)
Equipment	(22,774,843)	(3,614,681)	2,432,442	(23,957,082)
Total accumulated depreciation	<u>(112,656,192)</u>	<u>(12,843,842)</u>	<u>2,432,442</u>	<u>(123,067,592)</u>
Total capital assets, being depreciated, net	<u>136,280,938</u>	<u>12,202,624</u>	<u>(486,662)</u>	<u>147,996,900</u>
Business-type activities capital assets, net	\$ 194,158,257	\$ 19,611,754	\$ (12,763,840)	\$ 201,006,171

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
	Depreciation Expense
General government	\$ 4,109,626
Public safety	6,128,159
Physical environment	408,692
Transportation	5,605,922
Economic environment	24,802
Human services	877,882
Culture/recreation	2,622,582
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>2,633,791</u>
Total	\$ 22,411,456

Business-type Activities		Depreciation Expense
Refuse disposal	\$	3,117,289
Daytona Beach International Airport		4,720,275
Volusia Transportation Authority		2,400,514
Water and sewer utilities		2,602,050
Garbage collection		3,714
Total	\$	12,843,842

Construction commitments

The County has active construction projects as of September 30, 2007. At year-end the government's commitments with contractors are as follows:

Projects	Spent-to-Date	Remaining Commitment
Park-related improvements	\$ 3,350,774	\$ 2,918,314
Historic courthouse renovation	1,190,720	357,743
Ocean Center expansion	25,866,532	30,909,704
Road construction	23,584,442	18,673,549
Beach-related construction/improvements	1,913,959	4,368,221
Airport-related construction	4,335,815	3,186,874
Solid Waste construction/improvements	4,041,515	590,744
Water/sewer utility improvements	2,648,900	1,062,880
Total	\$ 66,932,657	\$ 62,068,029

Commitments for the park-related projects are financed by revenues derived from boat registration renewals, grants, and transfers from the General, Ponce Inlet Port Authority, and Park Impact Fee funds. The commitment for the Historic Courthouse renovation is financed from bond proceeds, interest earnings, and transfers from the General Fund. The commitment for the expansion of the Ocean Center facility is financed by the issuance of bonds, transfers from the Resort Tax fund, and interest earnings.

Remaining commitments for the road construction projects are funded by various gas taxes, road impact fees, and the issuance of bonds. Airport improvements are mainly funded by federal and state matching grants. The commitments for Solid Waste improvements and Water/sewer utility improvements are financed by revenues generated through user fees.

NOTE 8. LONG-TERM DEBT

A. SUMMARY OF BOND RESOLUTIONS

The following is a summary of revenue bond resolutions pertaining to debt activity during the year reflected on the September 30, 2007 financial statements:

1. Revenue Bonds:

Name	Dated	Final Maturity	Payment Date		Interest Rates	Reserve Requirement	Revenue Pledged	Purpose
			Principal	Interest				
\$5,085,000 Water and Sewer Refunding Revenue Bonds, Series 1998	07/01/1998	10/01/2016	Oct 1	Oct 1 and Apr 1	4.15% to 4.88%	N/A	Net revenues from the operation of the County's water and sewer system, connection fees, and investment earnings.	To provide funds sufficient to advance refund the remaining portion of the County's Water and Sewer Bonds, Series 1989.
\$59,250,000 Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998	09/01/1998	10/01/2018	Oct 1	Oct 1 and Apr 1	4.00% to 5.13%	N/A	Local Government Half-Cent Sales Tax and investment earnings.	To finance the cost of acquiring, constructing, and equipping certain capital improvements, including a new court facility and to advance refund the County's Sales Tax Improvement Revenue Bonds, Series 1996.
\$30,795,000 Airport System Revenue Refunding Bonds, Series 2000	08/01/2000	10/01/2021	Oct 1	Oct 1 and Apr 1	6.80% to 7.00%	N/A	Net revenues generated by the operations of the Daytona Beach International Airport and all moneys, including investment earnings.	To provide sufficient funds to advance refund the remaining portion of the County's Airport System Revenue Bonds, Series 1991.

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2007

Name	Dated	Final Maturity	Payment Date		Interest Rates	Reserve Requirement	Revenue Pledged	Purpose
			Principal	Interest				
\$11,930,000 Subordinate Lien Sales Tax Improvement Refunding Revenue Bonds, Series 2001A	06/01/2001	10/01/2014	Oct 1	Oct 1 and Apr 1	4.00% to 5.00%	N/A	Local Government Half-Cent Sales Tax and investment earnings.	To provide funds sufficient to advance refund a portion of the County's Sales Tax Improvement Revenue Bonds, Series 1994.
\$23,985,000 Subordinate Lien Sales Tax Improvement Refunding Revenue Bonds, Series 2001B	06/01/2001	10/01/2010	Oct 1	Oct 1 and Apr 1	4.00% to 4.20%	N/A	Local Government Half-Cent Sales Tax and investment earnings.	To provide funds sufficient to current refund a portion of the County's Sales Tax Improvement Refunding Revenue Bonds, Series 1991A.
\$22,565,000 Tourist Development Tax Refunding Revenue Bonds, Series 2002	09/15/2002	12/01/2013	Dec 1	Dec 1 and Jun 1	2.50% to 3.50%	N/A	Tourist development tax revenues and all moneys, including investment earnings.	To provide sufficient funds to currently refund all of the County's Tourist Development Tax Bonds, Series 1993.
\$6,975,000 Water and Sewer Refunding Revenue Bonds, Series 2003	07/01/2003	10/01/2019	Oct 1	Oct 1 and Apr 1	2.00% to 4.00%	N/A	Net revenues from the operation of the County's water and sewer system, connection fees, and all moneys, including investment earnings.	To provide funds sufficient to advance refund the remaining portion of the County's Water and Sewer Refunding and Improvement Revenue Bonds, Series 1993.
\$11,110,000 Airport System Refunding Revenue Bonds, Series 2003	07/01/2003	10/01/2021	Oct 1	Oct 1 and Apr 1	2.00% to 4.10%	N/A	Net revenues from the operation of the Daytona Beach International Airport and all moneys, including investment earnings.	To provide sufficient funds to currently refund all of the County's Airport System Revenue Refunding Bonds, Series 1993.

County of Volusia, Florida
Notes to the Financial Statements
September 30, 2007

Name	Dated	Final Maturity	Payment Date		Interest Rates	Reserve Requirement	Revenue Pledged	Purpose
			Principal	Interest				
\$8,255,000 Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2003	07/01/2003	10/01/2021	Oct 1	Oct 1 and Apr 1	2.00% to 4.00%	N/A	Local Government Half-Cent Sales Tax and investment earnings.	To provide sufficient funds to currently refund all of the County's Sales Tax Improvement Refunding Revenue Bonds, Series 1993.
\$64,710,000 Tourist Development Tax Revenue Bonds, Series 2004	08/04/2004	12/01/2034	Dec 1	Dec 1 and Jun 1	4.40% to 5.00%	N/A	Tourist development tax revenues and all moneys, including investment earnings.	To finance the cost of acquiring, constructing, and equipping the expansion and renovation of the County's Ocean Center including the addition of approximately 100,000 square feet of exhibition space and 30,000 square feet of new meeting rooms.
\$64,215,000 Gas Tax Revenue Bonds, Series 2004	11/02/2004	10/01/2024	Oct 1	Oct 1 and Apr 1	2.75% to 5.00%	N/A	Proceeds of the County's Six Cent Local Option Fuel Tax and investment earnings.	To provide funds sufficient for the acquisition, construction, and reconstruction of roads, bridges, and other transportation improvements.

2. General Obligation Bonds:

Name	Dated	Final Maturity	Payment Date		Interest Rates	Reserve Requirement	Revenue Pledged	Purpose
			Principal	Interest				
\$39,875,000 Limited Tax General Obligation Bonds, Series 2005	11/10/2005	10/01/2021	Oct 1	Oct 1 and Apr 1	3.50% to 4.25%	N/A	A limited property tax assessed and levied, not to exceed 0.20 mill on all taxable property in the County, and investment earnings.	To provide funds sufficient to finance the costs of acquisition and improvement of environmentally sensitive lands, and certain costs related to the issuance of the bonds.

B. CAPITAL LEASES

The County acquired computer equipment for its computer replacement program, accounted for as an internal service fund, by means of a capital lease. For accounting purposes, a capital lease is considered debt and is recorded, on the statement of net assets as a liability, in an amount equal to the present value of the minimum lease payments as of the inception date of the lease agreement. A capital asset is also recorded for the same amount. At the end of fiscal year 2006, there remained a principal balance of \$187,397 and an accrued interest payable amount of \$36,500. For the fiscal year 2007, an additional amount of \$607,291 was borrowed under the capital lease. During the year, \$787,555 was paid on the principal amount, with an additional accrued interest amount of \$20,099. The balance remaining is \$7,133. The book value of the assets acquired, net of accumulated depreciation of \$1,159,974, is \$1,377,014.

C. NOTES PAYABLE

The County finances the acquisition of equipment and construction of its capital projects from a variety of sources, including the issuance of debt in the form of notes payable. During fiscal year 2007, the County issued \$13,400,000 of notes payable through the Florida Association of Counties, secured with a covenant to budget and appropriate legally available non-ad valorem revenues. The projects financed from the notes issued are:

Acquire computer equipment for a criminal justice information system	\$ 6,700,000
Construct network of pedestrian and bike trails	2,700,000
Acquire land, construction of evidence facility and district headquarters for Sheriff's Department	2,000,000
Acquire vehicles, communication and computer equipment	1,100,000
Construct transportation and utility improvements for a special assessment district, Capri Drive	900,000
Total	\$ 13,400,000

By financing these and previous projects, the County can obtain needed equipment and proceed with construction of projects on a reduced timetable as well as spread the cost over future years and users. As an example, the County constructed improvements on Capri Drive, a special assessment district benefiting property owners who then have ten years to repay the County. This debt is solely the obligation of the County and must be repaid in the same manner as all other notes issued.

Notes payable outstanding as of September 30, 2007, are comprised of the following:

Governmental Activities Debt					
Notes Payable	Interest Rate	Interest Payable	Final Maturity Date	Annual Principal Payment (in thousands)	Amount Outstanding 09/30/07
Installment purchase agreement with Fla. Assn. of Counties for purchase of environmentally sensitive land	Variable ⁽¹⁾	Monthly	12/04/07	\$2,415	\$ 2,415,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of vehicles and equipment	Variable ⁽¹⁾	Monthly	06/03/08	\$365	365,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of environmentally sensitive land	Variable ⁽¹⁾	Monthly	12/02/08	\$248 – 1,384	1,632,000
Installment purchase agreement with Bank of America Leasing for purchase of two helicopters	3.90%	Quarterly	12/30/08	\$138 – 539	808,343
Installment purchase agreement with Fla. Assn. of Counties for purchase of vehicles and equipment	Variable ⁽¹⁾	Monthly	09/08/09	\$480 – 486	966,000
Installment purchase agreement with Fla. Assn. of Counties to construct and equip new fire stations	Variable ⁽¹⁾	Monthly	09/08/09	\$144 – 149	293,000
Installment purchase agreement with Fla. Assn. of Counties to construct and equip upgrade of jail facility	Variable ⁽¹⁾	Monthly	09/08/09	\$275 – 1,855	2,130,000
Installment purchase agreement with Fla. Assn. of Counties to construct and equip new fire stations	Variable ⁽¹⁾	Monthly	12/01/09	\$104 – 608	816,000
Installment purchase agreement with Fla. Assn. of Counties to construct and acquire network of pedestrian and bike trails	Variable ⁽¹⁾	Monthly	12/01/09	\$136 – 1,482	1,754,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of vehicles and equipment	Variable ⁽¹⁾	Monthly	12/01/09	\$110 – 360	830,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of computer equipment	Variable ⁽¹⁾	Monthly	12/07/10	\$520 – 533	2,093,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of an aircraft hangar	Variable ⁽¹⁾	Monthly	12/07/10	\$284 – 864	1,716,000
Installment purchase agreement with Fla. Assn. of Counties to construct and acquire network of pedestrian and bike trails	Variable ⁽¹⁾	Monthly	12/07/10	\$120 – 1,220	1,580,000

Governmental Activities Debt (con't)					
Notes Payable	Interest Rate	Interest Payable	Final Maturity Date	Annual Principal Payment (in thousands)	Amount Outstanding 09/30/07
Installment purchase agreement with Fla. Assn. of Counties to construct and acquire a public safety facility	Variable ⁽¹⁾	Monthly	12/06/11	\$280 – 670	1,790,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of computer equipment for CJIS system	Variable ⁽¹⁾	Monthly	12/04/12	\$668 – 3,360	6,700,000
Installment purchase agreement with Fla. Assn. of Counties to construct and acquire network of pedestrian and bike trails	Variable ⁽¹⁾	Monthly	12/04/12	\$192 – 1,740	2,700,000
Installment purchase agreement with Fla. Assn. of Counties to construct and acquire transportation and utility improvements	Variable ⁽¹⁾	Monthly	12/04/12	\$84 – 480	900,000
Total					\$ 29,488,343
⁽¹⁾ The interest rate is set at 35 basis points above the underlying loan rate(s) incurred by the Florida Association of Counties and is adjusted quarterly. The variable interest rate was 4.68% as of the balance sheet date.					

Business-type Activities Debt					
Notes Payable	Interest Rate	Interest Payable	Final Maturity Date	Annual Principal Payment (in thousands)	Amount Outstanding 09/30/07
Installment purchase agreement with Fla. Assn. of Counties for refuse disposal's disposal cell construction	Variable ⁽¹⁾	Monthly	12/01/09	\$104 – 416	\$ 936,000
Installment purchase agreement with Fla. Assn. of Counties for purchase of land adjoining Daytona Beach International Airport	Variable ⁽¹⁾	Monthly	12/07/10	\$224 – 1,361	2,033,000
Deltona North Water Reclamation Facility with the State of Florida's revolving loan program	2.99%	Semi-annual	06/15/17	\$88 – 115	1,012,463
Southwest Regional Water Reclamation Facility with the State of Florida's revolving loan program	3.05%	Semi-annual	05/15/20	\$135 – 194	2,121,622
Southeast Wastewater Facility with the State of Florida's revolving loan program	3.24%	Semi-annual	08/15/20	\$278 – 543	5,827,267
Total					\$ 11,930,352
⁽¹⁾ The interest rate is set at 35 basis points above the underlying loan rate(s) incurred by the Florida Association of Counties and is adjusted quarterly. The variable interest rate was 4.68% as of the balance sheet date.					

D. DEBT SERVICE TO MATURITY

The annual requirements to amortize all government-wide debt outstanding as of September 30, 2007, including interest payments of \$143,704,934 are as follows:

Governmental Activities Debt							
Fiscal Year	Revenue Bonds		General Obligation Bonds		Capital Lease and Notes Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal and Interest
2008	\$ 9,360,000	\$ 8,669,139	\$ 1,945,000	\$ 1,484,262	\$ 7,352,460	\$ 1,191,084	\$ 30,001,945
2009	9,875,000	8,347,576	2,015,000	1,416,188	6,760,016	924,623	29,338,403
2010	10,200,000	8,002,151	2,085,000	1,345,662	4,348,000	604,908	26,585,721
2011	10,545,000	7,630,958	2,160,000	1,272,688	3,841,000	402,292	25,851,938
2012	11,110,000	7,233,154	2,235,000	1,194,388	1,614,000	292,743	23,679,285
2013-2017	62,210,000	29,174,468	12,525,000	4,635,262	5,580,000	64,304	114,189,034
2018-2022	49,215,000	17,595,996	15,225,000	1,931,725	-	-	83,967,721
2023-2027	27,415,000	10,477,974	-	-	-	-	37,892,974
2028-2032	17,915,000	5,604,875	-	-	-	-	23,519,875
2033-2035	13,105,000	1,004,875	-	-	-	-	14,109,875
Total	220,950,000	103,741,166	38,190,000	13,280,175	29,495,476	3,479,954	409,136,771
LESS:							
Unamortized							
bond costs	9,624,832	-	294,947	-	-	-	9,919,779
Total	\$ 211,325,168	\$ 103,741,166	\$ 37,895,053	\$ 13,280,175	\$ 29,495,476	\$ 3,479,954	\$ 399,216,992

Business-type Activities Debt						Total Government-wide
Fiscal Year	Revenue Bonds		Notes Payable		Total Principal and Interest	Principal and Interest
	Principal	Interest	Principal	Interest		
2008	\$ 2,115,000	\$ 2,409,064	\$ 1,252,846	\$ 397,626	\$ 6,174,536	\$ 36,176,481
2009	2,215,000	2,304,071	1,271,625	348,247	6,138,943	35,477,346
2010	2,325,000	2,191,206	978,982	302,075	5,797,263	32,382,984
2011	2,440,000	2,068,837	2,031,935	226,223	6,766,995	32,618,933
2012	2,570,000	1,938,994	691,503	189,640	5,390,137	29,069,422
2013-2017	15,010,000	7,437,504	3,788,910	616,809	26,853,223	141,042,257
2018-2022	17,835,000	2,680,290	1,914,551	93,053	22,522,894	106,490,615
2023-2027	-	-	-	-	-	37,892,974
2028-2032	-	-	-	-	-	23,519,875
2033-2035	-	-	-	-	-	14,109,875
Total	44,510,000	21,029,966	11,930,352	2,173,673	79,643,991	488,780,762
LESS:						
Unamortized bond costs	2,172,432	-	-	-	2,172,432	12,092,211
Total	\$ 42,337,568	\$ 21,029,966	\$ 11,930,352	\$ 2,173,673	\$ 77,471,559	\$ 476,688,551

E. ARBITRAGE

Arbitrage refers to the profit earned from taking tax-exempt bond proceeds and investing the 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 of the related project. If the issuer still has proceeds once this time period expires, the profit is subject to rebate to the federal government and the remaining bond proceeds should be invested at rates lower than its bond yield.

The County received an updated arbitrage rebate determination on the following bond issue:

- Sales Tax Improvement Revenue Bonds, Series 1991.

In this case, it was determined that no arbitrage rebate liability had accrued.

F. NEW ISSUE

The County had no new bond issues.

G. DEFEASED DEBT

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

H. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2007, was as follows:

Governmental Activities Debt					
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 230,130,000	\$ -	\$ (9,180,000)	\$ 220,950,000	\$ 9,360,000
General obligation bonds	39,875,000	-	(1,685,000)	38,190,000	1,945,000
Deferred amounts:					
Plus: for issuance premiums	2,381,779	-	(229,676)	2,152,103	-
Less: for issuance discounts	(8,623,679)	-	373,283	(8,250,396)	-
for issuance costs	(3,396,061)	-	276,479	(3,119,582)	-
on refunding	(944,800)	-	242,896	(701,904)	-
Total bonds payable	259,422,239	-	(10,202,018)	249,220,221	11,305,000
Notes payable	20,951,189	13,400,000	(4,862,846)	29,488,343	7,345,327
Capital lease	187,397	607,291	(787,555)	7,133	7,133
Compensated absences payable	25,105,827	10,488,152	(9,825,474)	25,768,505	6,983,264
Estimated claims payable	16,523,729	27,674,739	(29,322,169)	14,876,299	2,578,632
Net OPEB obligation	-	2,982,319	(1,256,313)	1,726,006	-
Total	\$ 322,190,381	\$ 55,152,501	\$ (56,256,375)	\$ 321,086,507	\$ 28,219,356

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, \$14,876,299 in estimated claims payable, \$530,101 in compensated absences payable, and \$1,726,006 in net OPEB obligations are included in the above amounts. Also, for the governmental activities, claims payable and compensated absences payable are primarily liquidated by the general and municipal service district funds.

Business-type Activities Debt					
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 46,525,000	\$ -	\$ (2,015,000)	\$ 44,510,000	\$ 2,115,000
Less deferred amounts:					
for issuance discounts	(4,272)	-	985	(3,287)	-
for issuance costs	(414,640)	-	61,814	(352,826)	-
on refunding	(2,058,870)	-	242,551	(1,816,319)	-
Total bonds payable	44,047,218	-	(1,709,650)	42,337,568	2,115,000
Notes payable	13,164,979	-	(1,234,627)	11,930,352	1,252,846
Compensated absences payable	2,280,389	1,166,454	(1,021,700)	2,425,143	655,597
Landfill closure costs	17,772,305	2,120,339	-	19,892,644	84,820
Total	\$ 77,264,891	\$ 3,286,793	\$ (3,965,977)	\$ 76,585,707	\$ 4,108,263

NOTE 9. CONDUIT DEBT OBLIGATIONS

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

- **Community Development Properties, Volusia, Inc.** – provide financing for constructing a 1,500 space parking garage to satisfy requirements of Volusia County Code to end parking and driving on a section of Daytona Beach between Seabreeze Boulevard and International Speedway Boulevard.
- **Volusia County Health Facilities Authority** – provide financing for health care facilities and services available to the citizens of Volusia County.
- **Housing Finance Authority of Volusia County** – provide financing to alleviate the shortage of affordable rental housing and residential housing facilities for low and moderate-income families and individuals, and to provide capital for investment in such housing facilities.
- **Volusia County Industrial Development Authority** – provide financing for the purpose of fostering economic development with Volusia County.
- **Volusia County Educational Facilities Authority** – provide financing for higher education projects required or useful for the instruction of students or the operation of an institution of higher education in Volusia County.

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

A summary of outstanding issues at September 30, 2007 is comprised of the following:

Entity	Number of Series Outstanding	Original Issued	Aggregate Principal Outstanding
Community Development Properties, Volusia, Inc.	1	\$ 12,490,000	\$ 11,005,000
Volusia County Health Facilities Authority	4	151,360,000	110,160,000
Housing Finance Authority of Volusia County	13	86,975,000	83,815,000
Volusia County Industrial Development Authority	(a)	(a)	(a)
Volusia County Educational Facilities Authority	8	258,775,000	241,555,000
(a) Information not available from individual entities.			

NOTE 10. EMPLOYEE RECEIVABLES

During the fiscal year ended September 30, 1977, and again in fiscal year 1986, the County changed its biweekly pay period ending dates. As a result of these changes, certain employees received double pay for days worked. The amount owed is deducted from the employee's final pay. At September 30, 2007, this receivable amounted to \$115,783. Additionally, the County administers a computer purchase plan as a benefit to its employees. At September 30, 2007, the amount owed to the County under this plan was \$66,635. Both amounts are recorded as Employee Receivables and, since they do not represent an "available spendable resource," the General Fund's fund balance is reserved accordingly in the amount of \$182,418.

NOTE 11. PENSION PLANS

A. FLORIDA RETIREMENT SYSTEM

1. Plan Description

The County's employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit public employee retirement system, administered by the State of Florida Department of Administration. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Florida Statutes Chapter 121, as may be amended from time to time by the state legislature, provides the methodology for determining contribution rates for the various membership classes of the FRS. The FRS issues a publicly available financial report that includes financial statements, ten-year historical trend information, and other required supplementary information. That report may be obtained by writing to the:

**State of Florida Department of Administration
Division of Retirement
Cedars Executive Center, Building C
2639 North Monroe Street
Tallahassee, FL 32399-1560**

2. Funding Policy

The FRS has seven classes of membership with descriptions and contribution rates in effect at September 30, 2007 as follows (contribution rates are in agreement with the actuarially determined rates):

<u>Regular Class</u> – Members who are eligible to participate in the plan, but do not qualify for membership in other classes.	9.85%
<u>Senior Management Service Class</u> – Members of senior management.	13.12%
<u>Special Risk Class</u> – Members employed as law enforcement officers, firefighters, or correctional officers.	20.92%
<u>Special Risk Administrative Support Class</u> – Special risk members who are transferred or reassigned to non-special risk law enforcement, firefighting, or correctional administrative support positions.	12.55%
<u>Elected Officer's Class</u> – Elected county officials.	16.53%
<u>Deferred Retirement Option Program (DROP)</u> – Members who have reached eligible retirement age and have elected to defer the receipt of benefits, allowing them to accumulate benefits within the FRS Trust Fund, while continuing their employment.	10.91%

The contribution rate of current year covered payroll is 14.25 percent. For the years ending September 30, 2007, 2006, and 2005, total contributions were \$19,213,891, \$15,419,750, and \$13,692,538, respectively. The County made 100 percent of its required contributions for each year.

B. VOLUNTEER FIREFIGHTERS PENSION PLAN

1. Plan Description

The Volunteer Firefighters Pension Plan is a single-employer defined benefit pension plan administered by the County of Volusia. The Volunteer Firefighters Pension Plan 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 shall be 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

shall be 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).

2. Summary of Benefits

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.

3. Plan Membership

Membership in the plan consisted of the following at October 1, 2007, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	25
Terminated plan members entitled to, but not yet receiving benefits	10
Active plan members:	
Vested	2
Non-vested	224
Total Plan Members	261
Number of participating employers	1

4. Basis of Accounting

The Volunteer Firefighter Pension Plan financial statements are prepared using the accrual basis of accounting. County contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

5. Method Used to Value

Pension funds are invested in the County's investment pool, selected mutual funds, and equities. These investments are reported at fair value.

6. Funding Policy

Authority to establish and amend benefits rests with the County Council. 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. Volunteers do not contribute to the plan.

7. Annual Pension Cost and Net Pension Obligation

The County's actuarial valuation performed on October 1, 2005 determined the annual required contribution (ARC) for the fiscal year ended September 30, 2007. 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 County's annual pension cost and net pension obligation to the pension plan for the current year were as follows:

Pension Obligation	
Annual required contribution (ARC)	\$ -
Interest accrued on net pension obligation	(14,593)
ARC adjustment	22,883
Annual pension cost	8,290
Contributions made	-
Decrease in net pension obligation	8,290
Net pension obligation 09/30/06	(208,466)
Net pension obligation 09/30/07	\$ (200,176)

The County's pension cost, percentage of pension costs contributed, and the net pension obligation for the current and last two fiscal years is as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/05	\$ 61,603	166	\$ (128,053)
09/30/06	4,587	1853	(208,466)
09/30/07	8,290	0	(200,176)

8. Funded Status and Funding Progress

As of October 1, 2007, the most recent actuarial valuation date, the plan was 108 percent funded. The actuarial accrued liability for benefits was \$4,667,026, and the actuarial value of assets was \$5,033,476, resulting in an unfunded actuarial accrued liability (UAAL) of (\$366,450).

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

9. Actuarial Methods and Assumptions

Contribution for the current year was determined as part of the October 1, 2005 actuarial valuation using the frozen entry age actuarial cost method. The actuarial assumption included a 7.0 percent investment rate of return. Assets are valued at market value. The unfunded actuarial accrued liability is to be amortized by a series of level payments over a 29-year period using the level dollar closed method. The remaining amortization period at September 30, 2007 is 15 years.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

NOTE 12.

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. In adopting the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*, for the year ended September 30, 2007, 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 County provides certain healthcare benefits to active and retired employees and their dependents. The health plan is a single employer plan administered by the County. The benefits, benefit levels, employee contributions, 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. 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. BENEFITS PROVIDED

The County provides post-employment health care benefits to its retired employees and their dependents. To be eligible for benefits, an employee must have completed at least six years of service and started receiving pension benefits at termination.

All health care benefits are provided through the County's self-insured health plan. 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; dental care; and prescriptions. Upon a retired employees reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan will not pay benefits already paid by Medicare.

C. MEMBERSHIP

At September 30, 2007, membership consisted of:

Membership September 30, 2007	
Active Employees	3,115
Inactive Employees	213
Total	3,328

D. FUNDING POLICY

The County establishes the individual premium to be paid by the retired employees. 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. Generally accepted accounting principles, however, require that the actuarial information presented below be calculated using

age adjusted premiums approximating claims costs for retirees separate from the active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability. For the fiscal year ending September 30, 2007, retired employees contributed \$1,649,018 to the plan. For those employees, through its self-insured Employee Group Insurance fund, the County paid \$2,905,331 in claims and administrative costs resulting in a net contribution of \$1,256,313. Active employees do not contribute to the plan until retirement.

E. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

The County's actuarial valuation was performed for the plan as of October 1, 2006 and determined the employer's annual required contribution (ARC) for the fiscal year ended September 30, 2007. 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.

Annual required contribution	\$ 2,982,319
Interest on net OPEB	-
Adjustment to annual required contribution	-
Annual OPEB cost	2,982,319
Contributions made	1,256,313
Increase in net OPEB obligation	1,726,006
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	\$ 1,726,006

The County's annual OPEB cost (expense) of \$2,982,319 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of October 1, 2006. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/07	\$ 2,982,319	\$ 1,256,313	42.13%	\$ 1,726,006

F. FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plan as October 1, 2006, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 32,077,395
Actuarial value of plan assets	N/A
Unfunded actuarial accrued liability (UAAL)	32,077,395
Funded ratio (actuarial value of plan assets/AAL)	N/A
Covered payroll (active plan members)	\$ 118,521,498
UAAL as a percentage of covered payroll	27.10%

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 trend. 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.

While the County has not established an irrevocable trust fund or equivalent arrangement to accumulate assets to cover the unfunded actuarial accrued liability, it is depositing an amount equal to its annual net OPEB obligation into the Employee Group Health Insurance internal service fund. While generally accepted accounting principles consider these deposits as a pay-as-you-go funding methodology and cannot be considered as meeting the County's net OPEB obligation nor as assets that can be used to offset the unfunded actuarial accrued liability, the County believes it is prudent to accumulate funds in the Employee Group Health Insurance fund to ensure that future OPEB obligations are met.

G. 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.

In the October 1, 2006 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included 5% investment rate of return (net of administrative expenses), an annual healthcare cost trend rate of 11% decreasing 1% each year until it reaches an ultimate rate of 5.5%, and salary scale growth of 4.5%. Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.5% per year. Life expectancies were based upon data found in the RP-2000 mortality and disability tables. Thirty five percent of new retirees under age 65 and five percent of new retirees over age 65 are assumed to elect medical coverage. Fifteen percent of existing retirees are assumed to continue coverage when they become Medicare-eligible. Eighty-five percent of the male participants and 65% of the female participants were assumed married. Of that group, 70% of married male participants and 30% of married female participants are assumed to elect spousal coverage. The actuarial value of assets was not determined as the County has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at September 30, 2007 was twenty-nine years.

NOTE 13.
SPECIAL ASSESSMENTS RECEIVABLE

Special assessments receivable at September 30, 2007 consist of the following:

Special Assessment Districts	Interest Rate %	Principal		Interest Receivable
		Current Receivable	Deferred Receivable	
Governmental Activities				
Major funds:				
Municipal Service District:				
Corbin Park	10.0	\$ 249	\$ -	\$ 377
South Waterfront Park	10.0	1,723	-	1,977
Mobile Home Village	10.0	25,896	-	31,389
Corbin Park Unit 3 Napier Hull	8.0	19,200	7,025	10,928
Violet Court	8.0	172	-	8
Bethune Beach 6500 Block Atlantic Ave.	8.0	9,907	9,906	793
Pine Island	8.0	4,256	3,472	938
Bethune Beach 6400 Block Atlantic Ave.	8.0	572	1,144	179
Silverstone Court	8.0	4,301	27,468	1,271
Capri Drive	7.3	84,973	805,265	5,377
Shell Harbor Road	5.5	12,886	113,695	1,180
Total Municipal Service District		164,135	967,975	54,417
Business-type Activities				
Major funds:				
Water and Sewer Utilities:				
Waterfront Park	8.0	3,043	10,940	1,213
Stone Island Wastewater	8.0	9,413	65,899	3,014
DeBary Plantation Unit 7 Reclaimed Water	8.0	1,973	13,805	632
Total Water and Sewer Utilities		14,429	90,644	4,859
Agency funds				
General Trust:				
Waterway Park	8.0	33,848	69,798	19,129
Hazelwood River Road	8.0	12,556	39,613	5,269
Total General Trust		46,404	109,411	24,398
Total		\$ 224,968	\$ 1,168,030	\$ 83,674

NOTE 14.
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:

1. Yearly lease agreements with major (non-airline) tenants of the terminal.
2. Operating leases, which 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, 2007	
2008	\$ 6,212,499
2009	2,619,199
2010	2,757,709
2011	2,773,119
2012	2,713,002
2013 - 2055	<u>35,070,255</u>
Total	\$ 52,145,783

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, 2007, 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, 2007	
Land	\$ 4,368,796
Buildings	4,431,113
Improvements other than buildings	<u>12,647,156</u>
Subtotal	21,447,065
Less: Accumulated depreciation	<u>(5,697,501)</u>
Total	\$ 15,749,564

**NOTE 15.
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) upon closure and to perform certain maintenance and monitoring functions at the site for 30 years thereafter.

The County's consultants prepared an updated estimate of closure and postclosure of the Plymouth Avenue and Tomoka Road landfills which was \$27.6 million as of September 8, 2007. Actual closure and postclosure care costs may be higher due to inflation, changes in technology, or changes in regulations. The County reports a portion of these closure and postclosure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. In 2007, based upon the engineer's *Regulatory Cost Estimates Final Report*, the percentage of capacity used for the Tomoka Road North and East Cell landfill increased from 51 to 58 percent. As a result, there was an increase of approximately \$2.1 million in the landfill liability closure costs. This change resulted in the County reporting an increase in the landfill's operating expenses and closure and postclosure care liability amount as

of September 30, 2007 of \$19.9 million. The remaining \$7.7 million will be recognized as the estimated cell capacities are filled.

Final closure of the Plymouth Avenue landfill was substantially completed as of September 30, 1998. The Tomoka Road landfill was operated on a cell basis. The County completed the construction of the final cover required for landfill closure of the Tomoka Road Class I South Cell as of September 30, 2003. The County is currently operating the combined Tomoka Road Class I North Cell and Class I East Cell, which has an estimated 42 percent, seven years of useful life, capacity remaining. The Tomoka Road Class III Cell has an estimated 27 percent, eleven years of useful life, capacity remaining.

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, 2007, cash and investments of \$7.3 million are held for these purposes. These amounts are reported as restricted assets on the statement of net assets. The County expects that future inflation costs will be paid from interest earnings of the trust fund. However, if interest earnings on the trust fund are inadequate or additional postclosure care requirements are determined; these costs may need to be covered by increased charges to future landfill users.

NOTE 16.

COMMITMENT 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; injuries to employees; and natural disaster. The County is also exposed to losses related to health, dental, and other medical benefits it provides to its employees. The self insurance programs were created to handle these risks.

1. Insurance Fund

In fiscal year 1976, the County established a self-insurance program and began accounting for and financing these risks in the Insurance fund (internal service fund). Under this program, the Insurance fund provides coverage for up to a maximum of \$400,000 for each workers compensation claim and \$250,000 for each public liability claim. Property damage deductibles range from \$10,000 to \$25,000 per incident except for wind and hail events which requires a three percent deductible. The County has secured commercial insurance to cover specific claims for workers compensation, general liability, and physical damage claims for incidents that exceed the self-insured limits. The limits of this coverage are \$1,000,000, \$5,000,000, and \$325,005,777, respectively. Commercial insurance is also purchased for those risks not covered by the fund. 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.

All funds of the County participate in the program and make payments to the Insurance fund based on actuarial estimates of the amounts needed to pay prior and current year claims, claims reserves, and allocated claims adjustments. The present value of the liabilities for workers compensation, general liability, and property damage claims, based upon expected losses of \$12,388,842 discounted at 4.5 percent, is \$11,283,299. A liability for claim is reported if it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Changes in the fund's claims liability amount in fiscal years 2006 and 2007 were:

Changes in Claims Liability		
	2006	2007
Beginning fiscal year liability	\$ 14,148,272	\$ 13,619,729
Current year claims		
and changes in estimates	3,749,932	2,300,947
Claim payments	(4,278,475)	(4,637,377)
Balance at fiscal year end	\$ 13,619,729	\$ 11,283,299

2. Employee Group Insurance

In fiscal year 1986, the County established the self-insured Employee Group Insurance fund (internal service fund) to account for medical insurance claims of County employees and their covered dependents. Under this program, the fund provides the employee with a lifetime maximum benefit of \$1,000,000. Retention limits of \$100,000 for a specific claim and an aggregate stop-loss of 125 percent of expected claims have been set. Commercial insurance for claims in excess of the coverage provided by the fund is supplied by Sun Life Assurance at a monthly rate of \$56.02 for specific loss and \$1.33 for aggregate loss, per participating employee. 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 years.

All funds of the County participate in the program and make payments to the Employee Group Insurance fund based upon actuarial estimates of the amounts needed to pay prior and current year claims, claims reserves, and administrative costs.

A liability for claims is reported if it is probable that a liability has occurred and the amount is estimable as a result, a liability of \$3,593,000 is reported in the fund at September 30, 2007.

Changes in the fund's claims liability amount in fiscal years 2006 and 2007 were:

Changes in Claims Liability		
	2006	2007
Beginning fiscal year liability	\$ 2,480,000	\$ 2,904,000
Current year claims and changes in estimates	23,065,063	25,373,792
Claim payments	(22,641,063)	(24,684,792)
Balance at fiscal year end	\$ 2,904,000	\$ 3,593,000

B. COMMUNITY DEVELOPMENT PROPERTIES, VOLUSIA, INC.

1. Contingent Liability

In July 1999, the County entered into an agreement with Community Development Properties, Volusia, Inc. to provide for the parking needs of the Daytona Beach downtown community. As part of this agreement, the County agreed to lease to Community Development Properties, Volusia, Inc. (Community Development Properties) a portion of land for the purpose of constructing and operating a multi-level parking facility. Construction of this parking facility was funded via issuance of two bond issues: Senior Lien Parking Facility Revenue Bonds, Series 1999A (\$13,160,000) and Subordinate Lien Parking Facility Revenue Bonds, Series 1999B (\$275,000). This debt was issued by Community Development Properties and does not represent a direct obligation of the County of Volusia. In October 2002, certain provisions of the two bond issues were amended and restated. The proceeds of the 1999 bonds were loaned to Volusia Redevelopment Parking Corporation (VRPC) as successor in interest to Community Development Properties. Additional modifications of existing terms and provisions were prompted by the fact that parking revenues were insufficient to meet the debt service requirements of the bonds and the operating and maintenance costs of the facility. To provide additional security for the bonds, the County agreed to a subordinate lien being placed on its tourist development tax revenues, only to the extent to cover principal and interest payments on the bonds. Tourist development taxes used to cover the debt service requirements are to be repaid by the lessor in accordance with provisions set forth in the amended and restated trust indenture. Any unpaid amounts will accrue interest at a rate equal to six percent per annum, compounded annually. No changes to the lease agreement between the County and Community Development Properties regarding the amount to be paid were made.

2. Lease Agreements

The lease agreement between the County and VRPC requires VRPC to pay an annual amount of \$210,000 to the County for use of the parking facility land, which has a carrying value of \$2,096,201. This rent accrues from the time the certificate of occupancy was issued for the parking facility in March 2000 and is payable, in arrears, once all debt service requirements of the trust indenture for the bonds have been met. In the event that revenues generated by the facility are insufficient to pay this rent, any unpaid amount carries forward to the next fiscal year, together with compounded interest at a rate of six percent. The initial term of the lease agreement is for a thirty-year period with two additional ten-year extensions. To date, no rental revenues have been collected. At fiscal year end, rental revenues in arrears, including interest, amounted to approximately \$1,907,688. No receivable has been recorded at year-end for the amount in arrears due to the uncertainty of its collection.

In addition, the agreement allows the County to rent retail and parking space within the parking facility from VRPC for an annual amount equal to \$124,500. The County, in turn, entered into a commercial lease agreement with DBWP, LLC to sublease the retail space for the same amount of \$124,500. The initial term of the lease agreement is for a twenty-one year period with four additional seven-year extensions.

C. 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.

NOTE 17. SUBSEQUENT EVENTS

A. PARKING FACILITY

On October 1, 2007, the County issued \$10,815,000 of parking facility revenue bonds in exchange for the parking garage, adjacent to the Ocean Center, owned by Volusia Redevelopment Parking Corporation (VRPC). The interest rate on the bonds is 5.125% and the final maturity date is April 1, 2024. All assets and certain liabilities of the parking garage and its operation were assumed by the County. Upon execution of the exchange, VRPC's Senior Lien Parking Facility Revenue Bonds, Series 1999A were cancelled and related prior obligations discharged. As a result of the transaction, the lease agreements between the County and VRPC were terminated.

B. INVESTMENTS HELD AT THE STATE BOARD OF ADMINISTRATION

As discussed in Note 5 on pages 82-85, at September 30, 2007, the County had \$167,555,182 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool). Based upon reports that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk, on November 21, 2007, the County withdrew all of its investments from the Pool. The funds were moved to a brokerage account which invests in U.S. treasuries, federal agencies, and repurchase agreements collateralized by obligations of the U.S. government and its agencies and instrumentalities. It is regulated by the Securities and Exchange Commission (SEC).

On November 29, 2007, the County's share of gas tax distribution, \$402,132, was automatically deposited by the State of Florida to the Pool. In addition, on November 29, 2007, the Pool temporarily froze assets to prevent further participant withdrawals. The Pool was restructured into two separate pools. Pool A consisted of all money market appropriate assets, which was approximately 86% of Pool assets. Pool B consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was

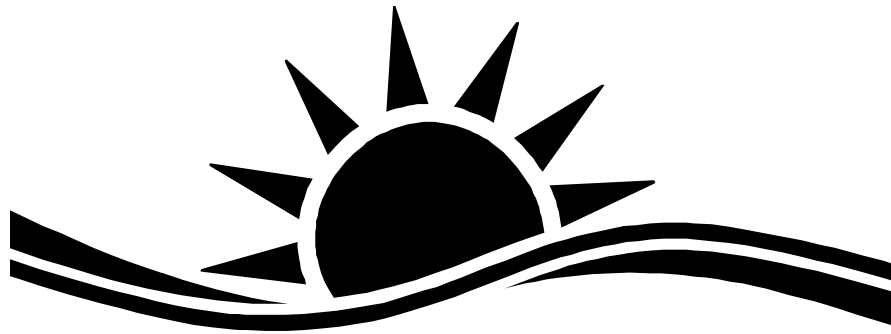
approximately 14% of Pool assets. At the time of restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

Currently, Pool B participants are prohibited from withdrawing any amount from the Pool and a formal withdrawal policy has not yet been developed. As of December 31, 2007, the County has a balance of \$429 interest earned in Pool A and \$57,844 in Pool B. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

C. REFUNDING OF BOND ISSUE

On January 17, 2008, the County Council approved a plan to refinance the Subordinate Lien Sales Tax Improvement Revenue Bonds, Series 1998. The plan authorizes (i) the issuance of not exceeding \$55,000,000 aggregate principal amount of the Series 2008 Bonds, (ii) true interest cost on the Series 2008 Bonds not to exceed five percent (5.00%), (iii) the maturities of the Series 2008 Bonds, with the final maturity of the Series 2008 Bonds being not later than October 1, 2018; and (iv) a net present value debt service savings at least equal to 3.00% of the par amount of the refunded bonds. The outstanding balance of the Series 1998 at year end was \$52.8 million.

On February 27, 2008, the County issued \$42,605,000 Subordinate Lien Sales Tax Refunding Revenue Bonds, Series 2008 to advance refund a portion (\$44,930,000) of the Series 1998 bonds.



Volusia County
FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**COUNTY OF VOLUSIA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
VOLUNTEER FIREFIGHTERS PENSION PLAN
SEPTEMBER 30, 2007**

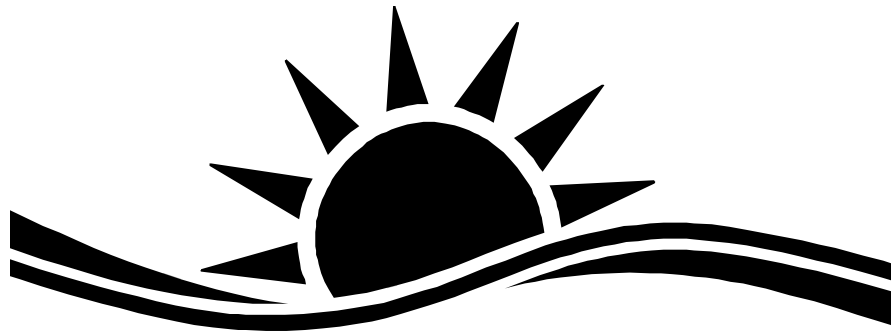
SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a)/c)
10/1/1998	2,167,746	1,718,504	(449,242)	126	N/A	N/A
10/1/1999	2,625,625	2,184,104	(441,521)	120	N/A	N/A
10/1/2000	3,012,628	2,579,369	(433,259)	117	N/A	N/A
10/1/2001	3,017,304	2,592,885	(424,419)	116	N/A	N/A
10/1/2002	3,032,519	2,616,517	(416,002)	116	N/A	N/A
10/1/2003	3,440,359	3,033,448	(406,911)	113	N/A	N/A
10/1/2004	4,008,215	3,608,488	(399,727)	111	N/A	N/A
10/1/2005	4,424,040	4,039,663	(384,377)	110	N/A	N/A
10/1/2006	4,884,302	4,512,387	(371,915)	108	N/A	N/A
10/1/2007	5,033,476	4,667,026	(366,450)	108	N/A	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS		
Year Ended September 30	Annual Required Contribution	Percentage Contributed
1998	\$144,115	72%
1999	144,115	72
2000	99,978	100
2001	99,978	100
2002	77,318	132
2003	77,318	131
2004	58,758	174
2005	58,758	174
2006	0	0
2007	0	0

**COUNTY OF VOLUSIA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLAN
SEPTEMBER 30, 2007**

SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Frozen 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)
10/1/2006	N/A	\$32,077,395	\$32,077,395	0.0%	\$118,521,498	27.1%

The County implemented GASB Statement No. 45 for the fiscal year ended September 30, 2007. Information for prior years is not available.



Volusia County
FLORIDA

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.

County Transportation Trust

The County Transportation Trust Fund accounts for the fiscal activity relating to County road and bridge maintenance and construction.

Library

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 tax on short-term room rentals to fund debt service, operation, and maintenance of the Ocean Center.

Sales Tax Trust

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

Ocean Center

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

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 Addition

The Gemini Springs Addition 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 storm water 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 Environmental, Cultural, Historic, and Outdoor recreation projects.

Volusia Forever

The Volusia Forever Fund accounts for the fiscal activities primarily relating to the management and improvement of environmentally sensitive lands acquired through the Volusia Forever program.

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.

Hurricane Housing Recovery Program (H.H.R.P.)

The Hurricane Housing Recovery Program Fund accounts for the fiscal activity relating to a program for assisting low income residents of manufactured homes damaged by the hurricanes of 2004.

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 inmates. Profits from these sales are used to purchase recreational equipment for the inmates.

DEBT SERVICE FUNDS

The Limited Tax General Obligation Bonds, Subordinate Lien Sales Tax Revenue Bonds, Gas Tax Revenue Bonds, Tourist Development Tax Refunding Revenue Bonds, and the Lease Purchase Agreements Debt Service Funds account for the fiscal activities for the accumulation of resources for the payment of principal, interest, and related costs of governmental long-term debt.

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.

Volusia Forever

The Volusia Forever Capital Projects Fund accounts for the financial resources used to acquire environmentally sensitive lands.

Volusia County Courthouse Construction

The Volusia County Courthouse Construction Fund accounts for the financial resources used to acquire, install, construct, and equip the County's courthouse, its historic courthouse, and certain other capital improvements.

Beach

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

Parks

The Parks Capital Projects Fund accounts for the financial resources used to acquire, construct, and equip various parks and recreational areas.

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

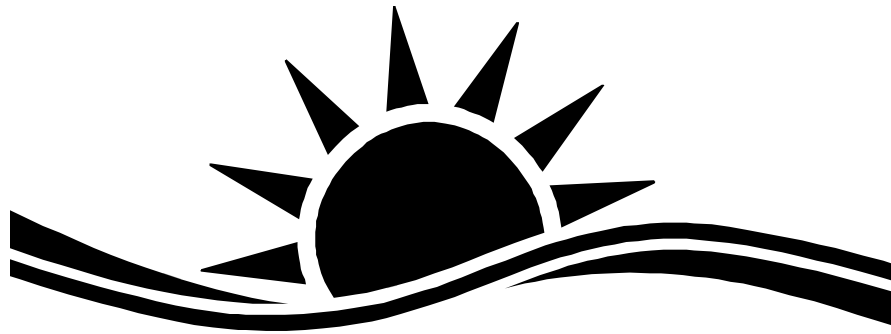
The Information Technology Capital Projects Fund accounts for the financial resources used to acquire, install, upgrade, and equip improvements to the County's electronic information systems.

Deltona Library Expansion

The Deltona Library Expansion Capital Projects Fund accounts for the financial resources used to expand the Deltona Library and add an environmental learning center to the Lyonia Preserve.

Other

The Other Capital Projects Fund accounts for the financial resources used to acquire, construct, and furnish various capital improvements.



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2007

	County Transportation Trust	Library	East Volusia Mosquito Control District	Resort Tax
ASSETS				
Equity in pooled cash and investments	\$ 20,273,981	\$ 5,810,619	\$ 4,238,417	\$ -
Receivables:				
Accounts - net	3,941	-	-	-
Taxes	-	71,763	20,477	372,898
Notes	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	4,986,576	-	48,984	-
Advances to other funds	-	-	-	-
Inventories	1,416,822	-	128,053	-
Deposits	-	-	-	-
Total assets	<u><u>\$ 26,681,320</u></u>	<u><u>\$ 5,882,382</u></u>	<u><u>\$ 4,435,931</u></u>	<u><u>\$ 372,898</u></u>
LIABILITIES				
Accounts payable	\$ 2,414,078	\$ 259,087	\$ 76,174	\$ -
Contracts payable	443,810	14,875	-	-
Due to other funds	-	-	-	372,898
Due to component units	64	-	-	-
Due to other governments	28,275	418	-	-
Deposits	-	-	1,820	-
Advances from other funds	-	-	-	-
Deferred revenue	-	71,763	20,477	-
Total liabilities	<u><u>2,886,227</u></u>	<u><u>346,143</u></u>	<u><u>98,471</u></u>	<u><u>372,898</u></u>
FUND BALANCES				
Reserved for:				
Encumbrances	2,447,408	192,031	223,936	-
Inventories	1,416,822	-	128,053	-
Advances	-	-	-	-
Long-term notes receivable	-	-	-	-
Unreserved:				
Designated - emergency reserve	-	1,024,179	441,468	-
Undesignated (deficit)	19,930,863	4,320,029	3,544,003	-
Total fund balances	<u><u>23,795,093</u></u>	<u><u>5,536,239</u></u>	<u><u>4,337,460</u></u>	<u><u>-</u></u>
Total liabilities and fund balances	<u><u>\$ 26,681,320</u></u>	<u><u>\$ 5,882,382</u></u>	<u><u>\$ 4,435,931</u></u>	<u><u>\$ 372,898</u></u>

Sales Tax Trust	Convention Development Tax	Ponce Inlet Port Authority	E-911 Emergency Telephone System	Special Lighting Districts	Ocean Center
\$ -	\$ 2,135,163	\$ 4,256,555	\$ 2,655,073	\$ 36,955	\$ 1,963,281
-	18,762	-	3,342	67	38,413
-	372,925	7,743	-	-	-
-	-	-	-	-	-
-	-	499,536	-	-	372,898
2,876,717	-	-	312,424	-	-
-	-	3,442,275	-	-	-
-	-	-	-	-	-
-	79,484	-	-	-	-
<u>\$ 2,876,717</u>	<u>\$ 2,606,334</u>	<u>\$ 8,206,109</u>	<u>\$ 2,970,839</u>	<u>\$ 37,022</u>	<u>\$ 2,374,592</u>
\$ -	\$ 222,602	\$ 60,243	\$ 169,437	\$ 25,400	\$ 67,499
-	-	-	-	-	126
2,876,717	-	-	-	-	-
-	-	-	-	-	3,388
-	-	-	-	-	2,639
-	-	-	-	-	-
-	-	-	-	-	-
-	32,860	7,743	-	-	156,959
<u>2,876,717</u>	<u>255,462</u>	<u>67,986</u>	<u>169,437</u>	<u>25,400</u>	<u>230,611</u>
-	-	312,044	90,019	-	74,595
-	-	-	-	-	-
-	-	3,442,275	-	-	-
-	-	-	-	-	-
-	-	249,353	-	-	-
-	2,350,872	4,134,451	2,711,383	11,622	2,069,386
-	2,350,872	8,138,123	2,801,402	11,622	2,143,981
<u>\$ 2,876,717</u>	<u>\$ 2,606,334</u>	<u>\$ 8,206,109</u>	<u>\$ 2,970,839</u>	<u>\$ 37,022</u>	<u>\$ 2,374,592</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2007

	Manatee Conservation	Road Impact Fees	Park Impact Fees	Fire Services
ASSETS				
Equity in pooled cash and investments	\$ 287,956	\$ 13,238,087	\$ 3,112,341	\$ 11,195,993
Receivables:				
Accounts - net	-	11,183	-	-
Taxes	-	-	-	67,187
Notes	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Inventories	-	-	-	-
Deposits	-	-	-	-
Total assets	<u>\$ 287,956</u>	<u>\$ 13,249,270</u>	<u>\$ 3,112,341</u>	<u>\$ 11,263,180</u>
LIABILITIES				
Accounts payable	\$ -	\$ 44,783	\$ -	\$ 201,742
Contracts payable	-	-	-	-
Due to other funds	-	-	-	499,536
Due to component units	-	345	-	-
Due to other governments	-	227	-	144,868
Deposits	-	-	-	-
Advances from other funds	-	-	-	3,442,275
Deferred revenue	-	-	-	67,187
Total liabilities	<u>-</u>	<u>45,355</u>	<u>-</u>	<u>4,355,608</u>
FUND BALANCES				
Reserved for:				
Encumbrances	-	626,488	68,205	677,790
Inventories	-	-	-	-
Advances	-	-	-	-
Long-term notes receivable	-	-	-	-
Unreserved:				
Designated - emergency reserve	-	-	-	1,524,013
Undesignated (deficit)	287,956	12,577,427	3,044,136	4,705,769
Total fund balances	<u>287,956</u>	<u>13,203,915</u>	<u>3,112,341</u>	<u>6,907,572</u>
Total liabilities and fund balances	<u>\$ 287,956</u>	<u>\$ 13,249,270</u>	<u>\$ 3,112,341</u>	<u>\$ 11,263,180</u>

<u>Fire Impact Fees</u>	<u>Silver Sands / Bethune Beach Municipal Service District</u>	<u>Gemini Springs Addition</u>	<u>Stormwater Utility</u>	<u>Volusia ECHO</u>	<u>Volusia Forever</u>
\$ 963,789	\$ 1,647	\$ 118,279	\$ 2,197,228	\$ 14,432,322	\$ 9,205,680
-	-	-	-	-	-
-	14	-	-	23,342	18,279
-	-	-	-	-	-
-	-	-	325,000	-	1,641
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 963,789</u>	<u>\$ 1,661</u>	<u>\$ 118,279</u>	<u>\$ 2,522,228</u>	<u>\$ 14,455,664</u>	<u>\$ 9,225,600</u>
\$ -	\$ 1,280	\$ -	\$ 69,737	\$ 100,204	\$ 18,062
-	-	-	-	327,816	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	14	-	-	23,342	18,279
<u>-</u>	<u>1,294</u>	<u>-</u>	<u>69,737</u>	<u>451,362</u>	<u>36,341</u>
-	-	-	556,710	8,352,105	126,152
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
963,789	367	118,279	1,895,781	5,652,197	9,063,107
<u>963,789</u>	<u>367</u>	<u>118,279</u>	<u>2,452,491</u>	<u>14,004,302</u>	<u>9,189,259</u>
<u>\$ 963,789</u>	<u>\$ 1,661</u>	<u>\$ 118,279</u>	<u>\$ 2,522,228</u>	<u>\$ 14,455,664</u>	<u>\$ 9,225,600</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
September 30, 2007

	Law/Beach Enforcement Trust	Federal Forfeiture Sharing	State Housing Incentive Program (S.H.I.P.)	Hurricane Housing Recovery Program (H.H.R.P.)
ASSETS				
Equity in pooled cash and investments	\$ 637,430	\$ 21,180	\$ 5,412,267	\$ 2,411,894
Receivables:				
Accounts - net	-	-	-	-
Taxes	-	-	-	-
Notes	-	-	1,854,280	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Inventories	-	-	-	-
Deposits	-	-	-	-
Total assets	<u>\$ 637,430</u>	<u>\$ 21,180</u>	<u>\$ 7,266,547</u>	<u>\$ 2,411,894</u>
LIABILITIES				
Accounts payable	\$ 28,579	\$ -	\$ 55,233	\$ 127,441
Contracts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to component units	-	-	797	107
Due to other governments	-	7,835	236	-
Deposits	435	-	-	-
Advances from other funds	-	-	-	-
Deferred revenue	129,060	-	5,356,001	2,284,346
Total liabilities	<u>158,074</u>	<u>7,835</u>	<u>5,412,267</u>	<u>2,411,894</u>
FUND BALANCES				
Reserved for:				
Encumbrances	25,478	-	111,133	-
Inventories	-	-	-	-
Advances	-	-	-	-
Long-term notes receivable	-	-	1,854,280	-
Unreserved:				
Designated - emergency reserve	-	-	-	-
Undesignated (deficit)	453,878	13,345	(111,133)	-
Total fund balances	<u>479,356</u>	<u>13,345</u>	<u>1,854,280</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 637,430</u>	<u>\$ 21,180</u>	<u>\$ 7,266,547</u>	<u>\$ 2,411,894</u>

<u>Library Endowment</u>	<u>Corrections - Welfare Trust</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 340,731	\$ 1,160,175	\$ 106,107,043
-	-	75,708
-	-	954,628
-	-	1,854,280
-	-	872,434
-	-	8,551,342
-	-	3,442,275
-	-	1,544,875
-	-	79,484
<u>\$ 340,731</u>	<u>\$ 1,160,175</u>	<u>\$ 123,482,069</u>
\$ -	\$ 46,590	\$ 3,988,171
-	-	786,627
-	-	3,749,151
-	-	4,701
-	-	184,498
-	3,521	5,776
-	-	3,442,275
-	-	8,168,031
<u>-</u>	<u>50,111</u>	<u>20,329,230</u>
-	2,577	13,886,671
-	-	1,544,875
-	-	3,442,275
-	-	1,854,280
-	-	3,239,013
<u>340,731</u>	<u>1,107,487</u>	<u>79,185,725</u>
<u>340,731</u>	<u>1,110,064</u>	<u>103,152,839</u>
<u>\$ 340,731</u>	<u>\$ 1,160,175</u>	<u>\$ 123,482,069</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Debt Service Funds
September 30, 2007

	Limited Tax General Obligation Bonds	Subordinate Lien Sales Tax Revenue Bonds	Gas Tax Revenue Bonds
ASSETS			
Equity in pooled cash and investments	\$ 2,726,061	\$ 6,744,421	\$ 3,650,393
Receivables:			
Taxes	5,009	-	-
Total assets	<u><u>\$ 2,731,070</u></u>	<u><u>\$ 6,744,421</u></u>	<u><u>\$ 3,650,393</u></u>
LIABILITIES			
Notes payable	\$ -	\$ -	\$ -
Bonds payable - current	1,945,000	4,935,000	2,410,000
Accrued interest payable	742,131	1,809,421	1,240,393
Deferred revenue	5,009	-	-
Total liabilities	<u><u>2,692,140</u></u>	<u><u>6,744,421</u></u>	<u><u>3,650,393</u></u>
FUND BALANCES			
Reserved for:			
Debt service - principal	-	-	-
Debt service - interest	38,930	-	-
Total fund balances	<u><u>38,930</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total liabilities and fund balances	<u><u>\$ 2,731,070</u></u>	<u><u>\$ 6,744,421</u></u>	<u><u>\$ 3,650,393</u></u>

Tourist Development Tax Refunding Revenue Bonds	Lease Purchase Agreements	Total Nonmajor Debt Service Funds
\$ 2,587,733	\$ 214,937	\$ 15,923,545
-	-	5,009
<u>\$ 2,587,733</u>	<u>\$ 214,937</u>	<u>\$ 15,928,554</u>
\$ -	\$ 131,474	\$ 131,474
-	-	9,290,000
-	7,889	3,799,834
-	-	5,009
<u>-</u>	<u>139,363</u>	<u>13,226,317</u>
1,679,167	-	1,679,167
908,566	75,574	1,023,070
<u>2,587,733</u>	<u>75,574</u>	<u>2,702,237</u>
<u>\$ 2,587,733</u>	<u>\$ 214,937</u>	<u>\$ 15,928,554</u>

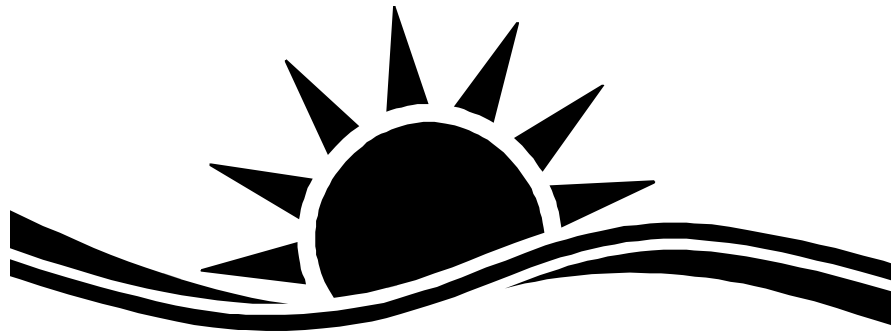
COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects Funds
September 30, 2007

	Volusia Forever	Volusia County Courthouse Construction	Beach
ASSETS			
Equity in pooled cash and investments	\$ 11,704,615	\$ 3,559,680	\$ 6,170,823
Total assets	<u>\$ 11,704,615</u>	<u>\$ 3,559,680</u>	<u>\$ 6,170,823</u>
LIABILITIES			
Liabilities:			
Accounts payable	\$ 2,200	\$ 8,756	\$ 306,493
Contracts payable	-	-	99,945
Due to other funds	-	-	-
Total liabilities	<u>2,200</u>	<u>8,756</u>	<u>406,438</u>
FUND BALANCES			
Reserved for encumbrances	5,000	357,899	4,368,509
Unreserved:			
Designated - capital projects	11,697,415	3,193,025	1,395,876
Undesignated (deficit)	-	-	-
Total fund balances	<u>11,702,415</u>	<u>3,550,924</u>	<u>5,764,385</u>
Total liabilities and fund balances	<u>\$ 11,704,615</u>	<u>\$ 3,559,680</u>	<u>\$ 6,170,823</u>

Parks	Trails	Information Technology	Deltona Library Expansion	Other	Total Nonmajor Capital Projects Funds
\$ 932,295	\$ 7,308,850	\$ 15,541,677	\$ 6,950,298	\$ 20,500,985	\$ 72,669,223
<u>\$ 932,295</u>	<u>\$ 7,308,850</u>	<u>\$ 15,541,677</u>	<u>\$ 6,950,298</u>	<u>\$ 20,500,985</u>	<u>\$ 72,669,223</u>
\$ 1,260	\$ 135,296	\$ 655,583	\$ -	\$ 1,715	\$ 1,111,303
75,942	26,713	14,123	-	-	216,723
-	-	-	-	40,000	40,000
<u>77,202</u>	<u>162,009</u>	<u>669,706</u>	<u>-</u>	<u>41,715</u>	<u>1,368,026</u>
1,046,113	1,633,924	19,387,635	246,155	103,221	27,148,456
-	5,512,917	-	6,704,143	20,356,049	48,859,425
(191,020)	-	(4,515,664)	-	-	(4,706,684)
<u>855,093</u>	<u>7,146,841</u>	<u>14,871,971</u>	<u>6,950,298</u>	<u>20,459,270</u>	<u>71,301,197</u>
<u>\$ 932,295</u>	<u>\$ 7,308,850</u>	<u>\$ 15,541,677</u>	<u>\$ 6,950,298</u>	<u>\$ 20,500,985</u>	<u>\$ 72,669,223</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Balance Sheet
All Nonmajor Governmental Funds
September 30, 2007

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Equity in pooled cash and investments	\$ 106,107,043	\$ 15,923,545	\$ 72,669,223	\$ 194,699,811
Receivables:				
Accounts - net	75,708	-	-	75,708
Taxes	954,628	5,009	-	959,637
Notes	1,854,280	-	-	1,854,280
Due from other funds	872,434	-	-	872,434
Due from other governments	8,551,342	-	-	8,551,342
Advances to other funds	3,442,275	-	-	3,442,275
Inventories	1,544,875	-	-	1,544,875
Deposits	79,484	-	-	79,484
Total assets	\$ 123,482,069	\$ 15,928,554	\$ 72,669,223	\$ 212,079,846
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,988,171	\$ -	\$ 1,111,303	\$ 5,099,474
Contracts payable	786,627	-	216,723	1,003,350
Due to other funds	3,749,151	-	40,000	3,789,151
Due to component units	4,701	-	-	4,701
Due to other governments	184,498	-	-	184,498
Notes payable	-	131,474	-	131,474
Bonds payable - current	-	9,290,000	-	9,290,000
Accrued interest payable	-	3,799,834	-	3,799,834
Deposits	5,776	-	-	5,776
Advances from other funds	3,442,275	-	-	3,442,275
Deferred revenue	8,168,031	5,009	-	8,173,040
Total liabilities	20,329,230	13,226,317	1,368,026	34,923,573
Fund Balances:				
Reserved for:				
Encumbrances	13,886,671	-	27,148,456	41,035,127
Inventories	1,544,875	-	-	1,544,875
Advances	3,442,275	-	-	3,442,275
Debt service - principal	-	1,679,167	-	1,679,167
Debt service - interest	-	1,023,070	-	1,023,070
Long-term notes receivable	1,854,280	-	-	1,854,280
Unreserved:				
Designated - reported in:				
Special revenue funds	3,239,013	-	-	3,239,013
Capital projects funds	-	-	48,859,425	48,859,425
Undesignated (deficit) - reported in:				
Special revenue funds	79,185,725	-	-	79,185,725
Capital projects funds	-	-	(4,706,684)	(4,706,684)
Total fund balances	103,152,839	2,702,237	71,301,197	177,156,273
Total liabilities and fund balances	\$ 123,482,069	\$ 15,928,554	\$ 72,669,223	\$ 212,079,846



Volusia County
FLORIDA

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2007

	County Transportation Trust	Library	East Volusia Mosquito Control District	Resort Tax
REVENUES				
Taxes	\$ 15,892,687	\$ 17,473,864	\$ 4,944,768	\$ 8,033,455
Licenses and permits	-	-	-	-
Intergovernmental revenues	7,834,069	564,966	387,659	-
Charges for services	1,988,831	160,350	89,403	-
Fines and forfeitures	-	423,106	-	-
Interest revenues	899,055	665,265	265,428	31,582
Miscellaneous revenues	351,900	175,163	206,295	-
Special assessments levied/impact fees	-	-	-	-
Total revenues	<u>26,966,542</u>	<u>19,462,714</u>	<u>5,893,553</u>	<u>8,065,037</u>
EXPENDITURES				
Current:				
General government	-	-	-	107,156
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	25,615,890	-	-	-
Economic environment	-	-	-	-
Human services	-	-	4,899,821	-
Culture/recreation	-	15,412,464	-	-
Total expenditures	<u>25,615,890</u>	<u>15,412,464</u>	<u>4,899,821</u>	<u>107,156</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,350,652</u>	<u>4,050,250</u>	<u>993,732</u>	<u>7,957,881</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	750,000	70,923	-	-
Transfers (out)	(20,618)	(7,740,619)	-	(7,957,881)
Total other financing sources and (uses)	<u>729,382</u>	<u>(7,669,696)</u>	<u>-</u>	<u>(7,957,881)</u>
Net change in fund balances	2,080,034	(3,619,446)	993,732	-
Fund balances - beginning	<u>21,715,059</u>	<u>9,155,685</u>	<u>3,343,728</u>	<u>-</u>
Fund balances - ending	<u>\$ 23,795,093</u>	<u>\$ 5,536,239</u>	<u>\$ 4,337,460</u>	<u>\$ -</u>

Sales Tax Trust	Convention Development Tax	Ponce Inlet Port Authority	E-911 Emergency Telephone System	Special Lighting Districts	Ocean Center
\$ -	\$ 7,881,594	\$ 1,869,248	\$ -	\$ -	\$ -
-	-	-	-	-	-
18,709,880	-	84	1,389,316	-	-
-	-	-	1,097,621	238,119	1,325,723
-	-	-	-	-	-
27,953	86,824	447,137	144,687	-	26,107
-	197,308	-	30	-	355,426
-	-	-	-	-	-
<u>18,737,833</u>	<u>8,165,726</u>	<u>2,316,469</u>	<u>2,631,654</u>	<u>238,119</u>	<u>1,707,256</u>
-	-	-	-	-	-
-	-	-	1,956,460	-	-
-	-	-	-	-	-
-	-	2,512,822	-	217,773	-
-	8,923,380	-	-	-	-
-	-	-	-	-	-
-	-	243,070	-	-	4,160,261
<u>-</u>	<u>8,923,380</u>	<u>2,755,892</u>	<u>1,956,460</u>	<u>217,773</u>	<u>4,160,261</u>
<u>18,737,833</u>	<u>(757,654)</u>	<u>(439,423)</u>	<u>675,194</u>	<u>20,346</u>	<u>(2,453,005)</u>
-	-	1,876,870	-	-	2,819,001
<u>(18,737,833)</u>	<u>-</u>	<u>(1,285,377)</u>	<u>(650,891)</u>	<u>-</u>	<u>-</u>
<u>(18,737,833)</u>	<u>-</u>	<u>591,493</u>	<u>(650,891)</u>	<u>-</u>	<u>2,819,001</u>
-	(757,654)	152,070	24,303	20,346	365,996
<u>-</u>	<u>3,108,526</u>	<u>7,986,053</u>	<u>2,777,099</u>	<u>(8,724)</u>	<u>1,777,985</u>
<u>\$ -</u>	<u>\$ 2,350,872</u>	<u>\$ 8,138,123</u>	<u>\$ 2,801,402</u>	<u>\$ 11,622</u>	<u>\$ 2,143,981</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2007

	Manatee Conservation	Road Impact Fees	Park Impact Fees	Fire Services
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 26,145,726
Licenses and permits	105,000	-	-	-
Intergovernmental revenues	-	-	-	33,963
Charges for services	-	26,259	-	1,075,852
Fines and forfeitures	-	-	-	-
Interest revenues	14,385	776,458	177,939	911,426
Miscellaneous revenues	-	38,760	-	12,106
Special assessments levied/impact fees	-	7,782,478	386,444	-
Total revenues	119,385	8,623,955	564,383	28,179,073
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	26,378,409
Physical environment	1,470	-	-	-
Transportation	-	6,038,562	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture/recreation	-	-	371,997	-
Total expenditures	1,470	6,038,562	371,997	26,378,409
Excess (deficiency) of revenues over (under) expenditures	117,915	2,585,393	192,386	1,800,664
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	(24,964)	(4,789,427)	(200,000)	(1,648,457)
Total other financing sources and (uses)	(24,964)	(4,789,427)	(200,000)	(1,648,457)
Net change in fund balances	92,951	(2,204,034)	(7,614)	152,207
Fund balances - beginning	195,005	15,407,949	3,119,955	6,755,365
Fund balances - ending	\$ 287,956	\$ 13,203,915	\$ 3,112,341	\$ 6,907,572

Fire Impact Fees	Silver Sands / Bethune Beach Municipal Service District	Gemini Springs Addition	Stormwater Utility	Volusia ECHO	Volusia Forever
\$ -	\$ 11,831	\$ -	\$ -	\$ 7,323,668	\$ 4,078,401
-	-	-	-	-	-
-	-	-	325,000	406	172
-	-	-	4,485,608	-	-
-	-	-	-	-	-
45,769	285	6,362	201,182	891,804	376,391
-	-	-	15,774	-	7,153
268,963	-	-	-	-	-
<u>314,732</u>	<u>12,116</u>	<u>6,362</u>	<u>5,027,564</u>	<u>8,215,878</u>	<u>4,462,117</u>
-	-	-	-	-	-
100,000	-	-	-	-	-
-	-	-	-	-	705,901
-	15,751	-	4,688,361	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,492,408	-
<u>100,000</u>	<u>15,751</u>	<u>-</u>	<u>4,688,361</u>	<u>3,492,408</u>	<u>705,901</u>
<u>214,732</u>	<u>(3,635)</u>	<u>6,362</u>	<u>339,203</u>	<u>4,723,470</u>	<u>3,756,216</u>
35,000	-	-	-	-	-
-	-	-	(79,313)	(2,243,075)	(895,901)
<u>35,000</u>	<u>-</u>	<u>-</u>	<u>(79,313)</u>	<u>(2,243,075)</u>	<u>(895,901)</u>
249,732	(3,635)	6,362	259,890	2,480,395	2,860,315
<u>714,057</u>	<u>4,002</u>	<u>111,917</u>	<u>2,192,601</u>	<u>11,523,907</u>	<u>6,328,944</u>
<u>\$ 963,789</u>	<u>\$ 367</u>	<u>\$ 118,279</u>	<u>\$ 2,452,491</u>	<u>\$ 14,004,302</u>	<u>\$ 9,189,259</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
For the Year Ended September 30, 2007

	Law/Beach Enforcement Trust	Federal Forfeiture Sharing	State Housing Incentive Program (S.H.I.P.)	Hurricane Housing Recovery Program (H.H.R.P.)
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenues	-	-	3,738,128	715,716
Charges for services	-	-	1,257,075	-
Fines and forfeitures	-	-	-	-
Interest revenues	46,439	6,484	385,185	158,182
Miscellaneous revenues	1,333,171	428,343	279	-
Special assessments levied/impact fees	-	-	-	-
Total revenues	<u>1,379,610</u>	<u>434,827</u>	<u>5,380,667</u>	<u>873,898</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	991,276	528,928	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	5,159,836	787,791
Human services	-	-	337,546	86,107
Culture/recreation	-	-	-	-
Total expenditures	<u>991,276</u>	<u>528,928</u>	<u>5,497,382</u>	<u>873,898</u>
Excess (deficiency) of revenues over (under) expenditures	<u>388,334</u>	<u>(94,101)</u>	<u>(116,715)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	32,506	-
Transfers (out)	(68,921)	-	-	-
Total other financing sources and (uses)	<u>(68,921)</u>	<u>-</u>	<u>32,506</u>	<u>-</u>
Net change in fund balances	<u>319,413</u>	<u>(94,101)</u>	<u>(84,209)</u>	<u>-</u>
Fund balances - beginning	<u>159,943</u>	<u>107,446</u>	<u>1,938,489</u>	<u>-</u>
Fund balances - ending	<u>\$ 479,356</u>	<u>\$ 13,345</u>	<u>\$ 1,854,280</u>	<u>\$ -</u>

Library Endowment	Corrections - Welfare Trust	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 93,655,242
-	-	105,000
-	-	33,699,359
-	-	11,744,841
-	-	423,106
17,053	57,394	6,666,776
-	443,522	3,565,230
-	-	8,437,885
<u>17,053</u>	<u>500,916</u>	<u>158,297,439</u>
-	-	107,156
-	159,697	30,114,770
-	-	707,371
-	-	39,089,159
-	-	14,871,007
-	-	5,323,474
-	-	23,680,200
<u>-</u>	<u>159,697</u>	<u>113,893,137</u>
<u>17,053</u>	<u>341,219</u>	<u>44,404,302</u>
-	-	5,584,300
<u>(70,923)</u>	<u>(104,262)</u>	<u>(46,518,462)</u>
<u>(70,923)</u>	<u>(104,262)</u>	<u>(40,934,162)</u>
(53,870)	236,957	3,470,140
<u>394,601</u>	<u>873,107</u>	<u>99,682,699</u>
<u>\$ 340,731</u>	<u>\$ 1,110,064</u>	<u>\$ 103,152,839</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Debt Service Funds
For the Year Ended September 30, 2007

	Limited Tax General Obligation Bonds	Subordinate Lien Sales Tax Revenue Bonds	Gas Tax Revenue Bonds
REVENUES			
Taxes	\$ 3,245,383	\$ -	\$ -
Intergovernmental revenues	234	-	-
Interest revenues	223,114	189,818	102,107
Miscellaneous revenues	-	-	-
Total revenues	<u>3,468,731</u>	<u>189,818</u>	<u>102,107</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,945,000	4,935,000	2,410,000
Interest and fiscal charges	1,484,801	3,620,693	2,481,535
Total expenditures	<u>3,429,801</u>	<u>8,555,693</u>	<u>4,891,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>38,930</u>	<u>(8,365,875)</u>	<u>(4,789,428)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	8,365,875	4,789,428
Total other financing sources and (uses)	<u>-</u>	<u>8,365,875</u>	<u>4,789,428</u>
Net change in fund balances	38,930	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 38,930</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Tourist Development Tax Refunding Revenue Bonds	Lease Purchase Agreements	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ 3,245,383
-	-	234
97,161	-	612,200
-	442,683	442,683
<u>97,161</u>	<u>442,683</u>	<u>4,300,500</u>
1,970,000	4,994,320	16,254,320
2,747,956	882,441	11,217,426
<u>4,717,956</u>	<u>5,876,761</u>	<u>27,471,746</u>
<u>(4,620,795)</u>	<u>(5,434,078)</u>	<u>(23,171,246)</u>
4,644,340	5,434,088	23,233,731
<u>4,644,340</u>	<u>5,434,088</u>	<u>23,233,731</u>
23,545	10	62,485
<u>2,564,188</u>	<u>75,564</u>	<u>2,639,752</u>
<u>\$ 2,587,733</u>	<u>\$ 75,574</u>	<u>\$ 2,702,237</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
For the Year Ended September 30, 2007

	<u>Volusia Forever</u>	<u>Volusia County Courthouse Construction</u>	<u>Beach</u>
REVENUES			
Intergovernmental revenues	\$ 318,205	\$ -	\$ -
Interest revenues	1,065,751	202,803	171,143
Miscellaneous revenues	49,865	106	16,767
Total revenues	<u>1,433,821</u>	<u>202,909</u>	<u>187,910</u>
EXPENDITURES			
Capital outlay	15,133,316	685,718	3,176,442
Total expenditures	<u>15,133,316</u>	<u>685,718</u>	<u>3,176,442</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,699,495)</u>	<u>(482,809)</u>	<u>(2,988,532)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	4,976,641
Transfers (out)	-	-	(32,617)
Issuance of notes/bonds payable	-	-	-
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>4,944,024</u>
Net change in fund balances	<u>(13,699,495)</u>	<u>(482,809)</u>	<u>1,955,492</u>
Fund balances - beginning	<u>25,401,910</u>	<u>4,033,733</u>	<u>3,808,893</u>
Fund balances - ending	<u><u>\$ 11,702,415</u></u>	<u><u>\$ 3,550,924</u></u>	<u><u>\$ 5,764,385</u></u>

Parks	Trails	Information Technology	Deltona Library Expansion	Other	Total Nonmajor Capital Projects Funds
\$ 183,848	\$ -	\$ -	\$ -	\$ -	\$ 502,053
47,746	247,897	440,062	181,129	206,926	2,563,457
62,500	-	-	-	52	129,290
<u>294,094</u>	<u>247,897</u>	<u>440,062</u>	<u>181,129</u>	<u>206,978</u>	<u>3,194,800</u>
653,268	1,253,141	4,623,716	18,890	3,114,538	28,659,029
<u>653,268</u>	<u>1,253,141</u>	<u>4,623,716</u>	<u>18,890</u>	<u>3,114,538</u>	<u>28,659,029</u>
(359,174)	(1,005,244)	(4,183,654)	162,239	(2,907,560)	(25,464,229)
757,699	1,000,000	3,872,446	6,788,059	20,661,967	38,056,812
(400,000)	(604,622)	-	-	-	(1,037,239)
<u>-</u>	<u>2,700,000</u>	<u>6,700,000</u>	<u>-</u>	<u>-</u>	<u>9,400,000</u>
357,699	3,095,378	10,572,446	6,788,059	20,661,967	46,419,573
(1,475)	2,090,134	6,388,792	6,950,298	17,754,407	20,955,344
856,568	5,056,707	8,483,179	-	2,704,863	50,345,853
<u>\$ 855,093</u>	<u>\$ 7,146,841</u>	<u>\$ 14,871,971</u>	<u>\$ 6,950,298</u>	<u>\$ 20,459,270</u>	<u>\$ 71,301,197</u>

COUNTY OF VOLUSIA, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the Year Ended September 30, 2007

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 93,655,242	\$ 3,245,383	\$ -	\$ 96,900,625
Licenses and permits	105,000	-	-	105,000
Intergovernmental revenues	33,699,359	234	502,053	34,201,646
Charges for services	11,744,841	-	-	11,744,841
Fines and forfeitures	423,106	-	-	423,106
Interest revenues	6,666,776	612,200	2,563,457	9,842,433
Miscellaneous revenues	3,565,230	442,683	129,290	4,137,203
Special assessments levied/impact fees	8,437,885	-	-	8,437,885
Total revenues	<u>158,297,439</u>	<u>4,300,500</u>	<u>3,194,800</u>	<u>165,792,739</u>
EXPENDITURES				
Current:				
General government	107,156	-	-	107,156
Public safety	30,114,770	-	-	30,114,770
Physical environment	707,371	-	-	707,371
Transportation	39,089,159	-	-	39,089,159
Economic environment	14,871,007	-	-	14,871,007
Human services	5,323,474	-	-	5,323,474
Culture/recreation	23,680,200	-	-	23,680,200
Debt service:				
Principal retirement	-	16,254,320	-	16,254,320
Interest and fiscal charges	-	11,217,426	-	11,217,426
Capital outlay	-	-	28,659,029	28,659,029
Total expenditures	<u>113,893,137</u>	<u>27,471,746</u>	<u>28,659,029</u>	<u>170,023,912</u>
Excess (deficiency) of revenues over (under) expenditures	<u>44,404,302</u>	<u>(23,171,246)</u>	<u>(25,464,229)</u>	<u>(4,231,173)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,584,300	23,233,731	38,056,812	66,874,843
Transfers (out)	(46,518,462)	-	(1,037,239)	(47,555,701)
Issuance of notes/bonds payable	-	-	9,400,000	9,400,000
Total other financing sources and (uses)	<u>(40,934,162)</u>	<u>23,233,731</u>	<u>46,419,573</u>	<u>28,719,142</u>
Net change in fund balances	<u>3,470,140</u>	<u>62,485</u>	<u>20,955,344</u>	<u>24,487,969</u>
Fund balances - beginning	<u>99,682,699</u>	<u>2,639,752</u>	<u>50,345,853</u>	<u>152,668,304</u>
Fund balances - ending	<u>\$ 103,152,839</u>	<u>\$ 2,702,237</u>	<u>\$ 71,301,197</u>	<u>\$ 177,156,273</u>

COUNTY OF VOLUSIA, FLORIDA
County Transportation Trust Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 16,113,125	\$ 15,892,687	\$ (220,438)
Intergovernmental revenues	7,983,055	7,834,069	(148,986)
Charges for services	979,532	1,988,831	1,009,299
Interest revenues	575,000	899,055	324,055
Miscellaneous revenues	167,600	351,900	184,300
Total revenues	25,818,312	26,966,542	1,148,230
EXPENDITURES			
Current:			
Transportation	41,589,564	25,615,890	15,973,674
Total expenditures	41,589,564	25,615,890	15,973,674
Excess (deficiency) of revenues over (under) expenditures	(15,771,252)	1,350,652	17,121,904
OTHER FINANCING SOURCES (USES)			
Transfers in	750,000	750,000	-
Transfers (out)	(20,618)	(20,618)	-
Total other financing sources and (uses)	729,382	729,382	-
Net change in fund balances	(15,041,870)	2,080,034	17,121,904
Fund balances - beginning	15,041,870	21,715,059	6,673,189
Fund balances - ending	\$ -	\$ 23,795,093	\$ 23,795,093

COUNTY OF VOLUSIA, FLORIDA
Library Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 17,475,258	\$ 17,473,864	\$ (1,394)
Intergovernmental revenues	583,274	564,966	(18,308)
Charges for services	121,972	160,350	38,378
Fines and forfeitures	550,131	423,106	(127,025)
Interest revenues	290,000	665,265	375,265
Miscellaneous revenues	269,956	175,163	(94,793)
Total revenues	<u>19,290,591</u>	<u>19,462,714</u>	<u>172,123</u>
EXPENDITURES			
Current:			
Culture/recreation	18,915,468	15,412,464	3,503,004
Total expenditures	<u>18,915,468</u>	<u>15,412,464</u>	<u>3,503,004</u>
Excess (deficiency) of revenues over (under) expenditures	<u>375,123</u>	<u>4,050,250</u>	<u>3,675,127</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	70,924	70,923	(1)
Transfers (out)	(7,740,619)	(7,740,619)	-
Total other financing sources and (uses)	<u>(7,669,695)</u>	<u>(7,669,696)</u>	<u>(1)</u>
Net change in fund balances	(7,294,572)	(3,619,446)	3,675,126
Fund balances - beginning	<u>8,318,751</u>	<u>9,155,685</u>	<u>836,934</u>
Fund balances - ending	<u><u>\$ 1,024,179</u></u>	<u><u>\$ 5,536,239</u></u>	<u><u>\$ 4,512,060</u></u>

COUNTY OF VOLUSIA, FLORIDA
East Volusia Mosquito Control District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 4,958,871	\$ 4,944,768	\$ (14,103)
Intergovernmental revenues	305,250	387,659	82,409
Charges for services	162,146	89,403	(72,743)
Interest revenues	66,000	265,428	199,428
Miscellaneous revenues	236,105	206,295	(29,810)
Total revenues	<u>5,728,372</u>	<u>5,893,553</u>	<u>165,181</u>
EXPENDITURES			
Current:			
Human services	7,323,331	4,899,821	2,423,510
Total expenditures	<u>7,323,331</u>	<u>4,899,821</u>	<u>2,423,510</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,594,959)</u>	<u>993,732</u>	<u>2,588,691</u>
 Net change in fund balances	 (1,594,959)	 993,732	 2,588,691
 Fund balances - beginning	 <u>2,036,427</u>	 <u>3,343,728</u>	 <u>1,307,301</u>
 Fund balances - ending	 <u><u>\$ 441,468</u></u>	 <u><u>\$ 4,337,460</u></u>	 <u><u>\$ 3,895,992</u></u>

COUNTY OF VOLUSIA, FLORIDA
Resort Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 8,144,385	\$ 8,033,455	\$ (110,930)
Interest revenues	-	31,582	31,582
Total revenues	<u>8,144,385</u>	<u>8,065,037</u>	<u>(79,348)</u>
EXPENDITURES			
Current:			
General government	108,592	107,156	1,436
Total expenditures	<u>108,592</u>	<u>107,156</u>	<u>1,436</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,035,793</u>	<u>7,957,881</u>	<u>(77,912)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(8,035,793)	(7,957,881)	77,912
Total other financing sources and (uses)	<u>(8,035,793)</u>	<u>(7,957,881)</u>	<u>77,912</u>
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Sales Tax Trust Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 21,025,742	\$ 18,709,880	\$ (2,315,862)
Interest revenues	-	27,953	27,953
Total revenues	<u>21,025,742</u>	<u>18,737,833</u>	<u>(2,287,909)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,025,742</u>	<u>18,737,833</u>	<u>(2,287,909)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(21,025,742)</u>	<u>(18,737,833)</u>	<u>2,287,909</u>
Total other financing sources and (uses)	<u>(21,025,742)</u>	<u>(18,737,833)</u>	<u>2,287,909</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Convention Development Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 8,100,371	\$ 7,881,594	\$ (218,777)
Interest revenues	36,960	86,824	49,864
Miscellaneous revenues	220,000	197,308	(22,692)
Total revenues	<u>8,357,331</u>	<u>8,165,726</u>	<u>(191,605)</u>
EXPENDITURES			
Current:			
Economic environment	10,090,748	8,923,380	1,167,368
Total expenditures	<u>10,090,748</u>	<u>8,923,380</u>	<u>1,167,368</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,733,417)</u>	<u>(757,654)</u>	<u>975,763</u>
Net change in fund balances	<u>(1,733,417)</u>	<u>(757,654)</u>	<u>975,763</u>
Fund balances - beginning	<u>1,733,417</u>	<u>3,108,526</u>	<u>1,375,109</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,350,872</u>	<u>\$ 2,350,872</u>

COUNTY OF VOLUSIA, FLORIDA
Ponce Inlet Port Authority Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 1,873,141	\$ 1,869,248	\$ (3,893)
Intergovernmental revenues	100	84	(16)
Interest revenues	150,000	447,137	297,137
Total revenues	<u>2,023,241</u>	<u>2,316,469</u>	<u>293,228</u>
EXPENDITURES			
Current:			
Transportation	7,934,394	2,512,822	5,421,572
Culture/recreation	2,318,598	243,070	2,075,528
Total expenditures	<u>10,252,992</u>	<u>2,755,892</u>	<u>7,497,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,229,751)</u>	<u>(439,423)</u>	<u>7,790,328</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	1,876,870	1,876,870	-
Transfers (out)	(1,285,377)	(1,285,377)	-
Total other financing sources and (uses)	<u>591,493</u>	<u>591,493</u>	<u>-</u>
Net change in fund balances	<u>(7,638,258)</u>	<u>152,070</u>	<u>7,790,328</u>
Fund balances - beginning	<u>7,887,611</u>	<u>7,986,053</u>	<u>98,442</u>
Fund balances - ending	<u>\$ 249,353</u>	<u>\$ 8,138,123</u>	<u>\$ 7,888,770</u>

COUNTY OF VOLUSIA, FLORIDA
E-911 Emergency Telephone System Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 750,000	\$ 1,389,316	\$ 639,316
Charges for services	1,300,000	1,097,621	(202,379)
Interest revenues	75,000	144,687	69,687
Miscellaneous revenues	-	30	30
Total revenues	2,125,000	2,631,654	506,654
EXPENDITURES			
Current:			
Public safety	3,390,846	1,956,460	1,434,386
Total expenditures	3,390,846	1,956,460	1,434,386
Excess (deficiency) of revenues over (under) expenditures	(1,265,846)	675,194	1,941,040
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(650,891)	(650,891)	-
Total other financing sources and (uses)	(650,891)	(650,891)	-
Net change in fund balances	(1,916,737)	24,303	1,941,040
Fund balances - beginning	1,916,737	2,777,099	860,362
Fund balances - ending	\$ -	\$ 2,801,402	\$ 2,801,402

COUNTY OF VOLUSIA, FLORIDA
Special Lighting Districts Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 217,775	\$ 238,119	\$ 20,344
Total revenues	<u>217,775</u>	<u>238,119</u>	<u>20,344</u>
EXPENDITURES			
Current:			
Transportation	217,775	217,773	2
Total expenditures	<u>217,775</u>	<u>217,773</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>20,346</u>	<u>20,346</u>
Net change in fund balances	-	20,346	20,346
Fund balances - beginning	<u>-</u>	<u>(8,724)</u>	<u>(8,724)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 11,622</u>	<u>\$ 11,622</u>

COUNTY OF VOLUSIA, FLORIDA
Ocean Center Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Charges for services	\$ 1,166,000	\$ 1,325,723	\$ 159,723
Interest revenues	12,500	26,107	13,607
Miscellaneous revenues	331,500	355,426	23,926
Total revenues	<u>1,510,000</u>	<u>1,707,256</u>	<u>197,256</u>
EXPENDITURES			
Current:			
Culture/recreation	5,881,840	4,160,261	1,721,579
Total expenditures	<u>5,881,840</u>	<u>4,160,261</u>	<u>1,721,579</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,371,840)</u>	<u>(2,453,005)</u>	<u>1,918,835</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,832,878	2,819,001	13,877
Total other financing sources and (uses)	<u>2,832,878</u>	<u>2,819,001</u>	<u>13,877</u>
Net change in fund balances	<u>(1,538,962)</u>	<u>365,996</u>	<u>1,904,958</u>
Fund balances - beginning	<u>1,538,962</u>	<u>1,777,985</u>	<u>239,023</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,143,981</u>	<u>\$ 2,143,981</u>

COUNTY OF VOLUSIA, FLORIDA
Manatee Conservation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Licenses and permits	\$ 512,000	\$ 105,000	\$ (407,000)
Interest revenues	-	14,385	14,385
Total revenues	<u>512,000</u>	<u>119,385</u>	<u>(392,615)</u>
EXPENDITURES			
Current:			
Physical environment	490,160	1,470	488,690
Total expenditures	<u>490,160</u>	<u>1,470</u>	<u>488,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,840</u>	<u>117,915</u>	<u>96,075</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(24,964)	(24,964)	-
Total other financing sources and (uses)	<u>(24,964)</u>	<u>(24,964)</u>	<u>-</u>
Net change in fund balances	(3,124)	92,951	96,075
Fund balances - beginning	<u>3,124</u>	<u>195,005</u>	<u>191,881</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 287,956</u>	<u>\$ 287,956</u>

COUNTY OF VOLUSIA, FLORIDA
Road Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Charges for services	\$ -	\$ 26,259	\$ 26,259
Interest revenues	500,000	776,458	276,458
Miscellaneous revenues	-	38,760	38,760
Special assessments levied/impact fees	10,741,000	7,782,478	(2,958,522)
Total revenues	11,241,000	8,623,955	(2,617,045)
EXPENDITURES			
Current:			
Transportation	20,574,566	6,038,562	14,536,004
Total expenditures	20,574,566	6,038,562	14,536,004
Excess (deficiency) of revenues over (under) expenditures	(9,333,566)	2,585,393	11,918,959
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(4,890,785)	(4,789,427)	101,358
Total other financing sources and (uses)	(4,890,785)	(4,789,427)	101,358
Net change in fund balances	(14,224,351)	(2,204,034)	12,020,317
Fund balances - beginning	14,224,351	15,407,949	1,183,598
Fund balances - ending	\$ -	\$ 13,203,915	\$ 13,203,915

COUNTY OF VOLUSIA, FLORIDA
Park Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ 54,440	\$ 177,939	\$ 123,499
Special assessments levied/impact fees	553,000	386,444	(166,556)
Total revenues	<u>607,440</u>	<u>564,383</u>	<u>(43,057)</u>
EXPENDITURES			
Current:			
Culture/recreation	3,166,592	371,997	2,794,595
Total expenditures	<u>3,166,592</u>	<u>371,997</u>	<u>2,794,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,559,152)</u>	<u>192,386</u>	<u>2,751,538</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(200,000)	(200,000)	-
Total other financing sources and (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balances	<u>(2,759,152)</u>	<u>(7,614)</u>	<u>2,751,538</u>
Fund balances - beginning	<u>2,759,152</u>	<u>3,119,955</u>	<u>360,803</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ 3,112,341</u></u>	<u><u>\$ 3,112,341</u></u>

COUNTY OF VOLUSIA, FLORIDA
Fire Services Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 26,309,965	\$ 26,145,726	\$ (164,239)
Intergovernmental revenues	28,885	33,963	5,078
Charges for services	995,408	1,075,852	80,444
Interest revenues	250,516	911,426	660,910
Miscellaneous revenues	2,500	12,106	9,606
Total revenues	<u>27,587,274</u>	<u>28,179,073</u>	<u>591,799</u>
EXPENDITURES			
Current:			
Public safety	33,978,390	26,378,409	7,599,981
Total expenditures	<u>33,978,390</u>	<u>26,378,409</u>	<u>7,599,981</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,391,116)</u>	<u>1,800,664</u>	<u>8,191,780</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,648,457)	(1,648,457)	-
Issuance of notes/bonds payable	1,175,000	-	(1,175,000)
Total other financing sources and (uses)	<u>(473,457)</u>	<u>(1,648,457)</u>	<u>(1,175,000)</u>
Net change in fund balances	<u>(6,864,573)</u>	<u>152,207</u>	<u>7,016,780</u>
Fund balances - beginning	<u>8,388,586</u>	<u>6,755,365</u>	<u>(1,633,221)</u>
Fund balances - ending	<u>\$ 1,524,013</u>	<u>\$ 6,907,572</u>	<u>\$ 5,383,559</u>

COUNTY OF VOLUSIA, FLORIDA
Fire Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Interest revenues	\$ 14,500	\$ 45,769	\$ 31,269
Special assessments levied/impact fees	340,000	268,963	(71,037)
Total revenues	<u>354,500</u>	<u>314,732</u>	<u>(39,768)</u>
EXPENDITURES			
Current:			
Public safety	1,093,272	100,000	993,272
Total expenditures	<u>1,093,272</u>	<u>100,000</u>	<u>993,272</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(738,772)</u>	<u>214,732</u>	<u>953,504</u>
OTHER FINANCING (USES)			
Transfers in	35,000	35,000	-
Total other financing sources and (uses)	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balances	<u>(703,772)</u>	<u>249,732</u>	<u>953,504</u>
Fund balances - beginning	<u>703,772</u>	<u>714,057</u>	<u>10,285</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 963,789</u>	<u>\$ 963,789</u>

COUNTY OF VOLUSIA, FLORIDA
Silver Sands / Bethune Beach Municipal Service District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Taxes	\$ 11,816	\$ 11,831	\$ 15
Interest revenues	286	285	(1)
Total revenues	<u>12,102</u>	<u>12,116</u>	<u>14</u>
EXPENDITURES			
Current:			
Transportation	16,104	15,751	353
Total expenditures	<u>16,104</u>	<u>15,751</u>	<u>353</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,002)</u>	<u>(3,635)</u>	<u>367</u>
Net change in fund balances	(4,002)	(3,635)	367
Fund balances - beginning	<u>4,002</u>	<u>4,002</u>	<u>-</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ 367</u></u>	<u><u>\$ 367</u></u>

COUNTY OF VOLUSIA, FLORIDA
Gemini Springs Addition Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 6,362	\$ 6,362
Total revenues	<u>-</u>	<u>6,362</u>	<u>6,362</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>-</u>	 <u>6,362</u>	 <u>6,362</u>
 Net change in fund balances	 <u>-</u>	 <u>6,362</u>	 <u>6,362</u>
 Fund balances - beginning	 <u>-</u>	 <u>111,917</u>	 <u>111,917</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ 118,279</u></u>	<u><u>\$ 118,279</u></u>

COUNTY OF VOLUSIA, FLORIDA
Stormwater Utility Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ -	\$ 325,000	\$ 325,000
Charges for services	4,200,000	4,485,608	285,608
Interest revenues	40,000	201,182	161,182
Miscellaneous revenues	-	15,774	15,774
Total revenues	4,240,000	5,027,564	787,564
EXPENDITURES			
Current:			
Transportation	6,957,608	4,688,361	2,269,247
Total expenditures	6,957,608	4,688,361	2,269,247
Excess (deficiency) of revenues over (under) expenditures	(2,717,608)	339,203	3,056,811
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(79,313)	(79,313)	-
Total other financing sources and (uses)	(79,313)	(79,313)	-
Net change in fund balances	(2,796,921)	259,890	3,056,811
Fund balances - beginning	2,796,921	2,192,601	(604,320)
Fund balances - ending	\$ -	\$ 2,452,491	\$ 2,452,491

COUNTY OF VOLUSIA, FLORIDA
Volusia ECHO Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 7,329,574	\$ 7,323,668	\$ (5,906)
Intergovernmental revenues	-	406	406
Interest revenues	303,500	891,804	588,304
Total revenues	<u>7,633,074</u>	<u>8,215,878</u>	<u>582,804</u>
EXPENDITURES			
Current:			
Culture/recreation	14,515,384	3,492,408	11,022,976
Total expenditures	<u>14,515,384</u>	<u>3,492,408</u>	<u>11,022,976</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,882,310)</u>	<u>4,723,470</u>	<u>11,605,780</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(4,606,049)	(2,243,075)	2,362,974
Total other financing sources and (uses)	<u>(4,606,049)</u>	<u>(2,243,075)</u>	<u>2,362,974</u>
Net change in fund balances	<u>(11,488,359)</u>	<u>2,480,395</u>	<u>13,968,754</u>
Fund balances - beginning	<u>11,488,359</u>	<u>11,523,907</u>	<u>35,548</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 14,004,302</u>	<u>\$ 14,004,302</u>

COUNTY OF VOLUSIA, FLORIDA
Volusia Forever Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 3,891,881	\$ 4,078,401	\$ 186,520
Intergovernmental revenues	7,330,054	172	(7,329,882)
Charges for services	32,000	-	(32,000)
Interest revenues	241,000	376,391	135,391
Miscellaneous revenues	-	7,153	7,153
Total revenues	11,494,935	4,462,117	(7,032,818)
EXPENDITURES			
Current:			
Physical environment	15,245,548	705,901	14,539,647
Total expenditures	15,245,548	705,901	14,539,647
Excess (deficiency) of revenues over (under) expenditures	(3,750,613)	3,756,216	7,506,829
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,095,767)	(895,901)	199,866
Total other financing sources and (uses)	(1,095,767)	(895,901)	199,866
Net change in fund balances	(4,846,380)	2,860,315	7,706,695
Fund balances - beginning	4,846,380	6,328,944	1,482,564
Fund balances - ending	\$ -	\$ 9,189,259	\$ 9,189,259

COUNTY OF VOLUSIA, FLORIDA
Law / Beach Enforcement Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Interest revenues	\$ 3,376	\$ 46,439	\$ 43,063
Miscellaneous revenues	1,001,494	1,333,171	331,677
Total revenues	<u>1,004,870</u>	<u>1,379,610</u>	<u>374,740</u>
EXPENDITURES			
Current:			
Public safety	1,011,276	991,276	20,000
Total expenditures	<u>1,011,276</u>	<u>991,276</u>	<u>20,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,406)</u>	<u>388,334</u>	<u>394,740</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(72,747)	(68,921)	3,826
Total other financing sources and (uses)	<u>(72,747)</u>	<u>(68,921)</u>	<u>3,826</u>
Net change in fund balances	(79,153)	319,413	398,566
Fund balances - beginning	<u>79,153</u>	<u>159,943</u>	<u>80,790</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 479,356</u>	<u>\$ 479,356</u>

COUNTY OF VOLUSIA, FLORIDA
Federal Forfeiture Sharing Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Interest revenues	\$ 6,276	\$ 6,484	\$ 208
Miscellaneous revenues	394,781	428,343	33,562
Total revenues	<u>401,057</u>	<u>434,827</u>	<u>33,770</u>
EXPENDITURES			
Current:			
Public safety	528,928	528,928	-
Total expenditures	<u>528,928</u>	<u>528,928</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(127,871)</u>	<u>(94,101)</u>	<u>33,770</u>
Net change in fund balances	<u>(127,871)</u>	<u>(94,101)</u>	<u>33,770</u>
Fund balances - beginning	<u>127,871</u>	<u>107,446</u>	<u>(20,425)</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ 13,345</u></u>	<u><u>\$ 13,345</u></u>

COUNTY OF VOLUSIA
State Housing Incentive Program (S.H.I.P.) Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 10,693,996	\$ 3,738,128	\$ (6,955,868)
Charges for services	3,173,099	1,257,075	(1,916,024)
Interest revenues	200,000	385,185	185,185
Miscellaneous revenues	-	279	279
Total revenues	14,067,095	5,380,667	(8,686,428)
EXPENDITURES			
Current:			
Economic environment	11,678,124	5,159,836	6,518,288
Human services	813,535	337,546	475,989
Total expenditures	12,491,659	5,497,382	6,994,277
Excess (deficiency) of revenues over (under) expenditures	1,575,436	(116,715)	(1,692,151)
OTHER FINANCING SOURCES (USES)			
Transfers in	32,506	32,506	-
Transfers (out)	(2,147,942)	-	2,147,942
Total other financing sources and (uses)	(2,115,436)	32,506	2,147,942
Net Change in Fund Balances	(540,000)	(84,209)	455,791
Fund balances - beginning	540,000	1,938,489	1,398,489
Fund balances - ending	\$ -	\$ 1,854,280	\$ 1,854,280

COUNTY OF VOLUSIA
Hurricane Housing Recovery Program (H.H.R.P.)
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 2,967,367	\$ 715,716	\$ (2,251,651)
Interest revenues	150,000	158,182	8,182
Total revenues	<u>3,117,367</u>	<u>873,898</u>	<u>(2,243,469)</u>
EXPENDITURES			
Current:			
Economic environment	2,687,616	787,791	1,899,825
Human services	429,751	86,107	343,644
Total expenditures	<u>3,117,367</u>	<u>873,898</u>	<u>2,243,469</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Limited Tax General Obligation Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 3,434,192	\$ 3,245,383	\$ (188,809)
Intergovernmental revenues	-	234	234
Interest revenues	-	223,114	223,114
Total revenues	<u>3,434,192</u>	<u>3,468,731</u>	<u>34,539</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,945,000	1,945,000	-
Interest and fiscal charges	1,489,192	1,484,801	4,391
Total expenditures	<u>3,434,192</u>	<u>3,429,801</u>	<u>4,391</u>
Excess (deficiency) of revenues (under) expenditures	<u>-</u>	<u>38,930</u>	<u>38,930</u>
Net change in fund balances	<u>-</u>	<u>38,930</u>	<u>38,930</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 38,930</u>	<u>\$ 38,930</u>

COUNTY OF VOLUSIA, FLORIDA
Subordinate Lien Sales Tax Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Interest revenues	\$ -	\$ 189,818	\$ 189,818
Total revenues	<u>-</u>	<u>189,818</u>	<u>189,818</u>
EXPENDITURES			
Debt service:			
Principal retirement	4,935,000	4,935,000	-
Interest and fiscal charges	3,626,842	3,620,693	6,149
Total expenditures	<u>8,561,842</u>	<u>8,555,693</u>	<u>6,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,561,842)</u>	<u>(8,365,875)</u>	<u>195,967</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	8,561,842	8,365,875	(195,967)
Total other financing sources and (uses)	<u>8,561,842</u>	<u>8,365,875</u>	<u>(195,967)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

COUNTY OF VOLUSIA, FLORIDA
Gas Tax Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Interest revenues	\$ 751	\$ 102,107	\$ 101,356
Total revenues	<u>751</u>	<u>102,107</u>	<u>101,356</u>
EXPENDITURES			
Debt service:			
Principal retirement	2,410,000	2,410,000	-
Interest and fiscal charges	2,481,536	2,481,535	1
Total expenditures	<u>4,891,536</u>	<u>4,891,535</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,890,785)</u>	<u>(4,789,428)</u>	<u>101,357</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,890,785	4,789,428	(101,357)
Total other financing sources and (uses)	<u>4,890,785</u>	<u>4,789,428</u>	<u>(101,357)</u>
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF VOLUSIA, FLORIDA
Tourist Development Tax Refunding Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Interest revenues	\$ 21,000	\$ 97,161	\$ 76,161
Total revenues	<u>21,000</u>	<u>97,161</u>	<u>76,161</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,970,000	1,970,000	-
Interest and fiscal charges	2,751,631	2,747,956	3,675
Total expenditures	<u>4,721,631</u>	<u>4,717,956</u>	<u>3,675</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,700,631)</u>	<u>(4,620,795)</u>	<u>79,836</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,708,375	4,644,340	(64,035)
Total other financing sources and (uses)	<u>4,708,375</u>	<u>4,644,340</u>	<u>(64,035)</u>
Net change in fund balances	7,744	23,545	15,801
Fund balances - beginning	<u>2,564,188</u>	<u>2,564,188</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 2,571,932</u></u>	<u><u>\$ 2,587,733</u></u>	<u><u>\$ 15,801</u></u>

COUNTY OF VOLUSIA, FLORIDA
Lease Purchase Agreements Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2007

	Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous revenues	\$ 442,683	\$ 442,683	\$ -
Total revenues	<u>442,683</u>	<u>442,683</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Principal retirement	7,609,637	4,994,320	2,615,317
Interest and fiscal charges	1,276,056	882,441	393,615
Total expenditures	<u>8,885,693</u>	<u>5,876,761</u>	<u>3,008,932</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,443,010)</u>	<u>(5,434,078)</u>	<u>3,008,932</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	8,443,010	5,434,088	(3,008,922)
Total other financing sources and (uses)	<u>8,443,010</u>	<u>5,434,088</u>	<u>(3,008,922)</u>
Net change in fund balances	-	10	10
Fund balances - beginning	<u>-</u>	<u>75,564</u>	<u>75,564</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 75,574</u>	<u>\$ 75,574</u>

COUNTY OF VOLUSIA, FLORIDA
Volusia Forever Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Intergovernmental revenues	\$ -	\$ 318,205	\$ 318,205	\$ -
Interest revenues	1,033,276	1,065,751	2,099,027	600,000
Miscellaneous revenues	-	49,865	49,865	2,800,000
Total revenues	<u>1,033,276</u>	<u>1,433,821</u>	<u>2,467,097</u>	<u>3,400,000</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	469,337	-	469,337	576,198
Capital outlay	15,160,382	15,133,316	30,293,698	42,823,802
Total expenditures	<u>15,629,719</u>	<u>15,133,316</u>	<u>30,763,035</u>	<u>43,400,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,596,443)</u>	<u>(13,699,495)</u>	<u>(28,295,938)</u>	<u>(40,000,000)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of notes/bonds payable	39,875,000	-	39,875,000	40,000,000
Premium on notes/bonds payable	123,353	-	123,353	-
Total other financing sources and (uses)	<u>39,998,353</u>	<u>-</u>	<u>39,998,353</u>	<u>40,000,000</u>
Net change in fund balances	<u>\$ 25,401,910</u>	<u>(13,699,495)</u>	<u>\$ 11,702,415</u>	<u>\$ -</u>
Fund balances - beginning		<u>25,401,910</u>		
Fund balances - ending		<u>\$ 11,702,415</u>		

COUNTY OF VOLUSIA, FLORIDA
Volusia County Courthouse Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Charges for services	\$ 191	\$ -	\$ 191	\$ -
Interest revenues	7,709,769	202,803	7,912,572	5,714,953
Miscellaneous revenues	26,700	106	26,806	-
Total revenues	<u>7,736,660</u>	<u>202,909</u>	<u>7,939,569</u>	<u>5,714,953</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	789,950	-	789,950	789,950
Capital outlay	53,163,066	685,718	53,848,784	55,175,092
Total expenditures	<u>53,953,016</u>	<u>685,718</u>	<u>54,638,734</u>	<u>55,965,042</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(46,216,356)</u>	<u>(482,809)</u>	<u>(46,699,165)</u>	<u>(50,250,089)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,793,381	-	3,793,381	3,793,381
Transfers (out)	(3,110,292)	-	(3,110,292)	(3,110,292)
Issuance of notes/bonds payable	59,250,000	-	59,250,000	59,250,000
Payment to refunded bond escrow agent	(9,683,000)	-	(9,683,000)	(9,683,000)
Total other financing sources and (uses)	<u>50,250,089</u>	<u>-</u>	<u>50,250,089</u>	<u>50,250,089</u>
Net change in fund balances	<u>\$ 4,033,733</u>	<u>(482,809)</u>	<u>\$ 3,550,924</u>	<u>\$ -</u>
Fund balances - beginning		<u>4,033,733</u>		
Fund balances - ending		<u>\$ 3,550,924</u>		

COUNTY OF VOLUSIA, FLORIDA
Beach Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Charges for services	\$ 4,515,822	\$ -	\$ 4,515,822	\$ 4,515,822
Interest revenues	756,362	171,143	927,505	587,656
Miscellaneous revenues	871,878	16,767	888,645	1,951,129
Total revenues	<u>6,144,062</u>	<u>187,910</u>	<u>6,331,972</u>	<u>7,054,607</u>
EXPENDITURES				
Capital outlay	<u>6,399,052</u>	<u>3,176,442</u>	<u>9,575,494</u>	<u>21,062,514</u>
Total expenditures	<u>6,399,052</u>	<u>3,176,442</u>	<u>9,575,494</u>	<u>21,062,514</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(254,990)</u>	<u>(2,988,532)</u>	<u>(3,243,522)</u>	<u>(14,007,907)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,621,619	4,976,641	12,598,260	12,598,260
Transfers (out)	(3,557,736)	(32,617)	(3,590,353)	(3,590,353)
Issuance of notes/bonds payable	-	-	-	5,000,000
Total other financing sources and (uses)	<u>4,063,883</u>	<u>4,944,024</u>	<u>9,007,907</u>	<u>14,007,907</u>
Net change in fund balances	<u>\$ 3,808,893</u>	<u>1,955,492</u>	<u>\$ 5,764,385</u>	<u>\$ -</u>
Fund balances - beginning		<u>3,808,893</u>		
Fund balances - ending		<u>\$ 5,764,385</u>		

COUNTY OF VOLUSIA, FLORIDA
Parks Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Intergovernmental revenue	\$ 1,600,906	\$ 183,848	\$ 1,784,754	\$ 1,519,023
Charges for services	3,208	-	3,208	-
Interest revenues	663,418	47,746	711,164	341,968
Miscellaneous revenues	115,672	62,500	178,172	587,867
Total revenues	<u>2,383,204</u>	<u>294,094</u>	<u>2,677,298</u>	<u>2,448,858</u>
EXPENDITURES				
Capital outlay	4,866,556	653,268	5,519,824	12,008,223
Total expenditures	<u>4,866,556</u>	<u>653,268</u>	<u>5,519,824</u>	<u>12,008,223</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,483,352)</u>	<u>(359,174)</u>	<u>(2,842,526)</u>	<u>(9,559,365)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,079,828	757,699	4,837,527	10,299,273
Transfers (out)	(739,908)	(400,000)	(1,139,908)	(739,908)
Total other financing sources and (uses)	<u>3,339,920</u>	<u>357,699</u>	<u>3,697,619</u>	<u>9,559,365</u>
Net change in fund balances	<u>\$ 856,568</u>	<u>(1,475)</u>	<u>\$ 855,093</u>	<u>\$ -</u>
Fund balances - beginning		<u>856,568</u>		
Fund balances - ending		<u>\$ 855,093</u>		

COUNTY OF VOLUSIA, FLORIDA
Trails Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 145,506	\$ 247,897	\$ 393,403	\$ -
Miscellaneous revenues	-	-	-	376,750
Total revenues	<u>145,506</u>	<u>247,897</u>	<u>393,403</u>	<u>376,750</u>
EXPENDITURES				
Capital outlay	953,258	1,253,141	2,206,399	10,754,938
Total expenditures	<u>953,258</u>	<u>1,253,141</u>	<u>2,206,399</u>	<u>10,754,938</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(807,752)</u>	<u>(1,005,244)</u>	<u>(1,812,996)</u>	<u>(10,378,188)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,376,770	1,000,000	3,376,770	3,376,770
Transfers (out)	(272,311)	(604,622)	(876,933)	(58,582)
Issuance of notes/bonds payable	3,760,000	2,700,000	6,460,000	7,060,000
Total other financing sources and (uses)	<u>5,864,459</u>	<u>3,095,378</u>	<u>8,959,837</u>	<u>10,378,188</u>
Net change in fund balances	<u>\$ 5,056,707</u>	<u>2,090,134</u>	<u>\$ 7,146,841</u>	<u>\$ -</u>
Fund balances - beginning		<u>5,056,707</u>		
Fund balances - ending		<u>\$ 7,146,841</u>		

COUNTY OF VOLUSIA, FLORIDA
Information Technology Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

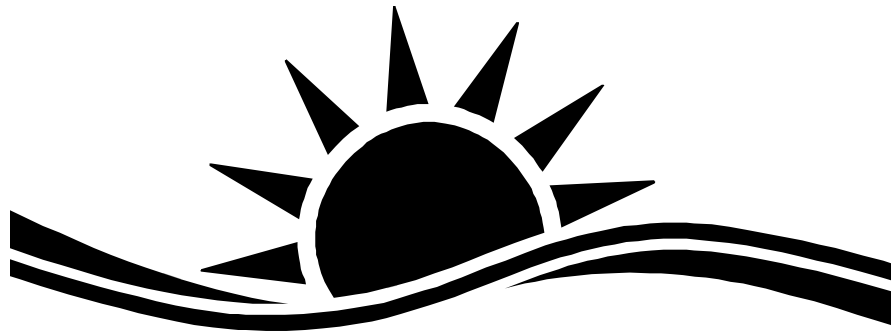
	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 99,317	\$ 440,062	\$ 539,379	\$ 641,840
Total revenues	<u>99,317</u>	<u>440,062</u>	<u>539,379</u>	<u>641,840</u>
EXPENDITURES				
Capital outlay	<u>4,745,638</u>	<u>4,623,716</u>	<u>9,369,354</u>	<u>45,643,001</u>
Total expenditures	<u>4,745,638</u>	<u>4,623,716</u>	<u>9,369,354</u>	<u>45,643,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,646,321)</u>	<u>(4,183,654)</u>	<u>(8,829,975)</u>	<u>(45,001,161)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,516,500	3,872,446	14,388,946	14,388,946
Issuance of notes/bonds payable	<u>2,613,000</u>	<u>6,700,000</u>	<u>9,313,000</u>	<u>30,612,215</u>
Total other financing sources and (uses)	<u>13,129,500</u>	<u>10,572,446</u>	<u>23,701,946</u>	<u>45,001,161</u>
Net change in fund balances	<u>\$ 8,483,179</u>	<u>6,388,792</u>	<u>\$ 14,871,971</u>	<u>\$ -</u>
Fund balances - beginning		<u>8,483,179</u>		
Fund balances - ending		<u>\$ 14,871,971</u>		

COUNTY OF VOLUSIA, FLORIDA
Deltona Library Expansion Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ -	\$ 181,129	\$ 181,129	\$ -
Miscellaneous revenues	-	-	-	500,000
Total revenues	<u>-</u>	<u>181,129</u>	<u>181,129</u>	<u>500,000</u>
EXPENDITURES				
Capital outlay	-	18,890	18,890	7,288,059
Total expenditures	<u>-</u>	<u>18,890</u>	<u>18,890</u>	<u>7,288,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>162,239</u>	<u>162,239</u>	<u>(6,788,059)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,788,059	6,788,059	6,788,059
Total other financing sources and (uses)	<u>-</u>	<u>6,788,059</u>	<u>6,788,059</u>	<u>6,788,059</u>
Net change in fund balances	<u>\$ -</u>	<u>6,950,298</u>	<u>\$ 6,950,298</u>	<u>\$ -</u>
Fund balances - beginning		<u>-</u>		
Fund balances - ending		<u>\$ 6,950,298</u>		

COUNTY OF VOLUSIA, FLORIDA
Other Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 110,951	\$ 206,926	\$ 317,877	\$ 7,242
Miscellaneous revenues	-	52	52	-
Total revenues	<u>110,951</u>	<u>206,978</u>	<u>317,929</u>	<u>7,242</u>
EXPENDITURES				
Capital outlay	<u>7,324,839</u>	<u>3,114,538</u>	<u>10,439,377</u>	<u>32,632,960</u>
Total expenditures	<u>7,324,839</u>	<u>3,114,538</u>	<u>10,439,377</u>	<u>32,632,960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,213,888)</u>	<u>(2,907,560)</u>	<u>(10,121,448)</u>	<u>(32,625,718)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,263,751	20,661,967	25,925,718	25,925,718
Issuance of notes/bonds payable	<u>4,655,000</u>	<u>-</u>	<u>4,655,000</u>	<u>6,700,000</u>
Total other financing sources and (uses)	<u>9,918,751</u>	<u>20,661,967</u>	<u>30,580,718</u>	<u>32,625,718</u>
Net change in fund balances	<u>\$ 2,704,863</u>	<u>17,754,407</u>	<u>\$ 20,459,270</u>	<u>\$ -</u>
Fund balances - beginning		<u>2,704,863</u>		
Fund balances - ending		<u>\$ 20,459,270</u>		



Volusia County
FLORIDA

Major Governmental Funds

CAPITAL PROJECTS

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 Fund

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 Fund

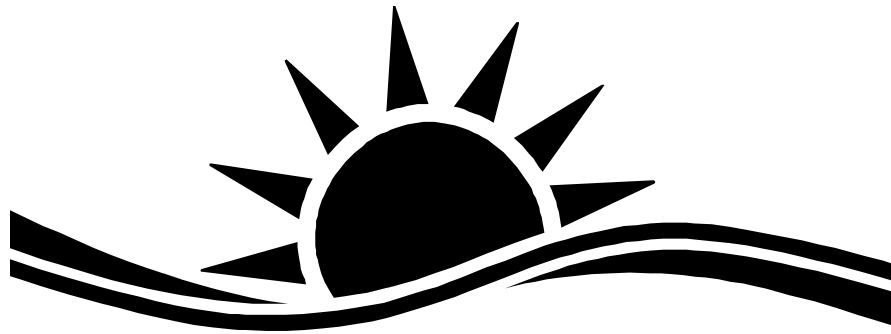
The Bond Funded Road Program Fund accounts for the fiscal activity relating to the construction of roads and transportation improvements with an emphasis on projects that support economic development.

COUNTY OF VOLUSIA, FLORIDA
Ocean Center Expansion Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 3,943,693	\$ 2,486,729	\$ 6,430,422	\$ 1,000,000
Total revenues	<u>3,943,693</u>	<u>2,486,729</u>	<u>6,430,422</u>	<u>1,000,000</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	1,856,439	-	1,856,439	2,022,691
Capital outlay	12,863,396	23,091,523	35,954,919	71,425,497
Total expenditures	<u>14,719,835</u>	<u>23,091,523</u>	<u>37,811,358</u>	<u>73,448,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,776,142)</u>	<u>(20,604,794)</u>	<u>(31,380,936)</u>	<u>(72,448,188)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,755,285	494,540	6,249,825	6,249,825
Issuance of notes/bonds payable	64,710,000	-	64,710,000	66,198,363
Discount on notes/bonds payable	(9,258,664)	-	(9,258,664)	-
Premium on notes/bonds payable	174,105	-	174,105	-
Total other financing sources and (uses)	<u>61,380,726</u>	<u>494,540</u>	<u>61,875,266</u>	<u>72,448,188</u>
Net change in fund balances	<u>\$ 50,604,584</u>	<u>\$ (20,110,254)</u>	<u>\$ 30,494,330</u>	<u>\$ -</u>
Fund balances - beginning		<u>50,604,584</u>		
Fund balances - ending		<u>\$ 30,494,330</u>		

COUNTY OF VOLUSIA, FLORIDA
Bond Funded Road Program Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2007

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
REVENUES				
Interest revenues	\$ 4,304,415	\$ 3,223,036	\$ 7,527,451	\$ 1,730,156
Total revenues	<u>4,304,415</u>	<u>3,223,036</u>	<u>7,527,451</u>	<u>1,730,156</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	986,561	-	986,561	1,203,156
Capital outlay	7,730,697	15,058,046	22,788,743	65,542,000
Total expenditures	<u>8,717,258</u>	<u>15,058,046</u>	<u>23,775,304</u>	<u>66,745,156</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,412,843)</u>	<u>(11,835,010)</u>	<u>(16,247,853)</u>	<u>(65,015,000)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of notes/bonds payable	64,215,000	-	64,215,000	65,015,000
Premium on notes/bonds payable	2,335,227	-	2,335,227	-
Total other financing sources and (uses)	<u>66,550,227</u>	<u>-</u>	<u>66,550,227</u>	<u>65,015,000</u>
Net change in fund balances	<u>\$ 62,137,384</u>	<u>(11,835,010)</u>	<u>\$ 50,302,374</u>	<u>\$ -</u>
Fund balances - beginning		<u>62,137,384</u>		
Fund balances - ending		<u>\$ 50,302,374</u>		



Volusia County
FLORIDA

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
Internal Service Funds
Combining Statement of Net Assets
September 30, 2007

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 2,595,683	\$ 1,987,039	\$ 19,755,219
Due from other governments	-	63,686	-
Inventories	-	261,672	-
Prepaid expenses	-	-	92,879
Total current assets	<u>2,595,683</u>	<u>2,312,397</u>	<u>19,848,098</u>
Noncurrent assets:			
Capital assets:			
Buildings	-	1,915,516	-
Improvements other than buildings	-	458,733	-
Equipment	2,536,988	14,081,991	161,667
Less accumulated depreciation	<u>(1,159,974)</u>	<u>(8,605,891)</u>	<u>(106,595)</u>
Total capital assets (net of accumulated depreciation)	<u>1,377,014</u>	<u>7,850,349</u>	<u>55,072</u>
Total noncurrent assets	<u>1,377,014</u>	<u>7,850,349</u>	<u>55,072</u>
Total assets	<u>3,972,697</u>	<u>10,162,746</u>	<u>19,903,170</u>
LIABILITIES			
Current liabilities:			
Accounts payable	-	557,907	16,183
Capital lease	7,133	-	-
Accrued interest payable	86	-	-
Compensated absences payable	-	120,041	21,451
Estimated claims payable	-	-	2,578,632
Total current liabilities	<u>7,219</u>	<u>677,948</u>	<u>2,616,266</u>
Noncurrent liabilities:			
Compensated absences payable	-	322,915	57,705
Estimated claims payable	-	-	8,704,667
Net OPEB obligation	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>322,915</u>	<u>8,762,372</u>
Total liabilities	<u>7,219</u>	<u>1,000,863</u>	<u>11,378,638</u>
NET ASSETS			
Invested in capital assets	1,369,881	7,850,349	55,072
Unrestricted	<u>2,595,597</u>	<u>1,311,534</u>	<u>8,469,460</u>
Total net assets	<u>\$ 3,965,478</u>	<u>\$ 9,161,883</u>	<u>\$ 8,524,532</u>

Employee Group Insurance	Total
\$ 16,822,584	\$ 41,160,525
-	63,686
-	261,672
-	92,879
<u>16,822,584</u>	<u>41,578,762</u>
-	1,915,516
-	458,733
-	16,780,646
-	(9,872,460)
-	<u>9,282,435</u>
-	<u>9,282,435</u>
<u>16,822,584</u>	<u>50,861,197</u>
4,750	578,840
-	7,133
-	86
2,165	143,657
-	<u>2,578,632</u>
<u>6,915</u>	<u>3,308,348</u>
5,824	386,444
3,593,000	12,297,667
<u>1,726,006</u>	<u>1,726,006</u>
<u>5,324,830</u>	<u>14,410,117</u>
<u>5,331,745</u>	<u>17,718,465</u>
-	9,275,302
11,490,839	<u>23,867,430</u>
<u>\$ 11,490,839</u>	<u>\$ 33,142,732</u>

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended September 30, 2007

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>
Operating Revenues:			
Charges for services	\$ 1,447,761	\$ 14,006,237	\$ 8,984,378
Miscellaneous revenues	-	67,372	16,034
Total operating revenues	<u>1,447,761</u>	<u>14,073,609</u>	<u>9,000,412</u>
Operating Expenses:			
Personal services	-	2,696,553	678,766
Contracted services	-	88,601	625,439
Supplies and materials	137,716	5,046,142	12,117
Repairs and maintenance	-	2,968,491	31,360
Utilities	-	38,647	-
Other services and charges	-	103,075	2,107,961
Depreciation	759,912	1,858,059	15,820
Claims and other accrued expenses	-	-	2,300,947
Total operating expenses	<u>897,628</u>	<u>12,799,568</u>	<u>5,772,410</u>
Operating income	<u>550,133</u>	<u>1,274,041</u>	<u>3,228,002</u>
Nonoperating Revenues (Expenses):			
Interest revenues	132,745	91,141	994,210
Interest expense	(20,099)	-	-
Net gain (loss) on disposal of capital assets	(10,794)	38,902	(296)
Miscellaneous revenues	-	25,039	-
Total nonoperating revenues (expenses)	<u>101,852</u>	<u>155,082</u>	<u>993,914</u>
Income before contributions and transfers	651,985	1,429,123	4,221,916
Capital contributions	-	60,400	-
Transfers in	-	-	1,175,000
Change in net assets	<u>651,985</u>	<u>1,489,523</u>	<u>5,396,916</u>
Total net assets - beginning	<u>3,313,493</u>	<u>7,672,360</u>	<u>3,127,616</u>
Total net assets - ending	<u><u>\$ 3,965,478</u></u>	<u><u>\$ 9,161,883</u></u>	<u><u>\$ 8,524,532</u></u>

Employee Group Insurance	Total
\$ 30,470,871	\$ 54,909,247
-	83,406
<u>30,470,871</u>	<u>54,992,653</u>
63,795	3,439,114
2,520,812	3,234,852
1,518	5,197,493
-	2,999,851
-	38,647
11,214	2,222,250
-	2,633,791
<u>25,373,792</u>	<u>27,674,739</u>
<u>27,971,131</u>	<u>47,440,737</u>
<u>2,499,740</u>	<u>7,551,916</u>
1,081,073	2,299,169
-	(20,099)
-	27,812
-	25,039
<u>1,081,073</u>	<u>2,331,921</u>
3,580,813	9,883,837
-	60,400
-	1,175,000
<u>3,580,813</u>	<u>11,119,237</u>
<u>7,910,026</u>	<u>22,023,495</u>
<u>\$ 11,490,839</u>	<u>\$ 33,142,732</u>

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2007

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 1,447,761	\$ 14,011,164	\$ 9,011,766
Payments to suppliers	(137,716)	(8,076,519)	(7,507,495)
Payments to employees	-	(2,701,989)	(712,362)
Other operating revenue	-	67,372	16,034
Net cash provided by operating activities	<u>1,310,045</u>	<u>3,300,028</u>	<u>807,943</u>
Cash Flows from Noncapital Financing Activities			
Transfers from other funds	-	-	1,175,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>1,175,000</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	-	(3,400,279)	(2,299)
Principal paid on capital debt	(787,555)	-	-
Interest paid on capital debt	(56,512)	-	-
Proceeds from sale of capital assets	-	248,200	-
Net cash (used) by capital and related financing activities	<u>(844,067)</u>	<u>(3,152,079)</u>	<u>(2,299)</u>
Cash Flows from Investing Activities			
Interest revenues	132,745	91,141	994,210
Net cash provided by investing activities	<u>132,745</u>	<u>91,141</u>	<u>994,210</u>
Net increase (decrease) in cash and cash equivalents	598,723	239,090	2,974,854
Cash and cash equivalents at beginning of year	<u>1,996,960</u>	<u>1,747,949</u>	<u>16,780,365</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,595,683</u></u>	<u><u>\$ 1,987,039</u></u>	<u><u>\$ 19,755,219</u></u>

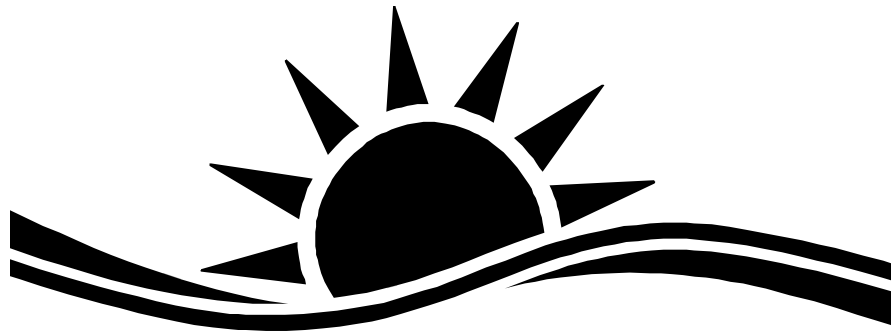
Employee Group Insurance	Total
\$ 30,470,889	\$ 54,941,580
(25,496,452)	(41,218,182)
(62,057)	(3,476,408)
-	83,406
<u>4,912,380</u>	<u>10,330,396</u>
-	1,175,000
-	1,175,000
-	(3,402,578)
-	(787,555)
-	(56,512)
-	248,200
-	(3,998,445)
<u>1,081,073</u>	<u>2,299,169</u>
<u>1,081,073</u>	<u>2,299,169</u>
5,993,453	9,806,120
<u>10,829,131</u>	<u>31,354,405</u>
<u>\$ 16,822,584</u>	<u>\$ 41,160,525</u>

COUNTY OF VOLUSIA, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2007

	<u>Computer Replacement</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	<u>\$ 550,133</u>	<u>\$ 1,274,041</u>	<u>\$ 3,228,002</u>
Depreciation	759,912	1,858,059	15,820
Change in assets and liabilities:			
Decrease in accounts receivable	-	6,514	-
Decrease in due from other funds	-	-	27,388
Decrease in due from other governments	-	4,927	-
(Increase) in inventories	-	(34,976)	-
(Increase) in prepaid expenses	-	-	(90,171)
Increase (decrease) in accounts payable	-	196,899	(2,813)
(Decrease) in due to component units	-	-	(257)
Increase (decrease) in estimated claims payable	-	-	(2,336,430)
Increase (decrease) in compensated absences payable	-	(5,436)	(33,596)
Increase in net OPEB obligation	-	-	-
Total adjustments	<u>759,912</u>	<u>2,025,987</u>	<u>(2,420,059)</u>
Net cash provided by operating activities	<u><u>\$ 1,310,045</u></u>	<u><u>\$ 3,300,028</u></u>	<u><u>\$ 807,943</u></u>
 Noncash Investing, Capital, and Financing Activities:			
Contributions of capital assets from government	\$ -	\$ 60,400	\$ -
Borrowing under capital lease	607,291	-	-

<u>Employee Group Insurance</u>	<u>Total</u>
\$ 2,499,740	\$ 7,551,916
-	2,633,791
18	6,532
-	27,388
-	4,927
-	(34,976)
-	(90,171)
(4,122)	189,964
-	(257)
689,000	(1,647,430)
1,738	(37,294)
1,726,006	1,726,006
<u>2,412,640</u>	<u>2,778,480</u>
<u>\$ 4,912,380</u>	<u>\$ 10,330,396</u>

\$	-	\$	60,400
	-		607,291



Volusia County
FLORIDA

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.

Meadowlea Utility

The Meadowlea Utility Fund accounts for the fiscal activities of water and sewer plants and distribution systems located in the Meadowlea 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.

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, Cash Bond and Fine

The Sheriff's Civil, Cash Bond and Fine Fund accounts for funds collected from fees charged for processing enforceable and nonenforceable writs and subpoenas, for bail bonds paid to the County, and to pay fines to the Clerk of the Circuit Court from these funds by order of the Circuit or County Courts.

Tax Collector's Transfer

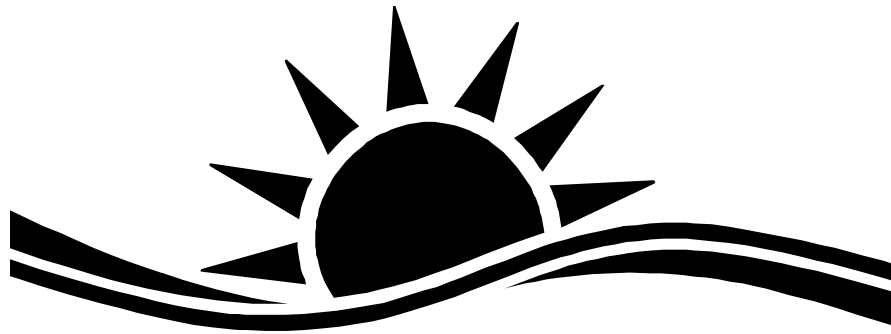
The Tax Collector's Transfer Fund accounts for the collection and distribution of ad valorem taxes and occupational licenses on behalf of other governmental units and taxing authorities.

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended September 30, 2007

	Balance September 30, 2006	Additions	Deductions	Balance September 30, 2007
Inmate Trust				
Assets:				
Equity in pooled cash and investments	\$ 118,949	\$ 2,630,209	\$ 2,671,089	\$ 78,069
Accounts receivable	198	-	198	-
Due from other governments	-	2,218	2,047	171
Total assets	119,147	2,632,427	2,673,334	78,240
Liabilities:				
Deposits	119,147	2,632,427	2,673,334	78,240
Total liabilities	119,147	2,632,427	2,673,334	78,240
General Trust				
Assets:				
Equity in pooled cash and investments	2,611,011	868,311	1,296,682	2,182,640
Special assessment receivable	188,899	-	33,084	155,815
Special assessment interest receivable	22,753	13,728	12,083	24,398
Total assets	2,822,663	882,039	1,341,849	2,362,853
Liabilities:				
Accounts payable	6,355	32,012	-	38,367
Due to other governments	226,408	13,717	71,736	168,389
Deposits	2,589,900	836,310	1,270,113	2,156,097
Total liabilities	2,822,663	882,039	1,341,849	2,362,853
Impact Fees - Other Governments				
Assets:				
Equity in pooled cash and investments	1,052,772	13,774,972	14,078,089	749,655
Accounts receivable	1,937	-	1,937	-
Total assets	1,054,709	13,774,972	14,080,026	749,655
Liabilities:				
Due to other governments	1,054,709	13,774,972	14,080,026	749,655
Total liabilities	1,054,709	13,774,972	14,080,026	749,655
Meadowlea Utility				
Assets:				
Equity in pooled cash and investments	407,854	114,684	319,794	202,744
Liabilities:				
Deposits	407,854	114,684	319,794	202,744
Stone Island Utility				
Assets:				
Equity in pooled cash and investments	275,961	209,580	256,621	228,920
Liabilities:				
Deposits	275,961	209,580	256,621	228,920

COUNTY OF VOLUSIA, FLORIDA
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended September 30, 2007

	Balance September 30, 2006	Additions	Deductions	Balance September 30, 2007
State of Florida Agency Funds				
Assets:				
Equity in pooled cash and investments	924,428	35,511,215	35,669,973	765,670
Liabilities:				
Due to other governments	924,428	35,511,215	35,669,973	765,670
Sheriff's Civil, Cash Bond and Fine				
Assets:				
Equity in pooled cash and investments	27,020	323,037	335,835	14,222
Liabilities:				
Deposits	27,020	323,037	335,835	14,222
Tax Collector's Transfer				
Assets:				
Equity in pooled cash and investments	6,973,413	790,817,700	790,177,983	7,613,130
Accounts receivable	49,605	13,581,630	13,464,382	166,853
Due from other governments	-	29,057	-	29,057
Total assets	7,023,018	804,428,387	803,642,365	7,809,040
Liabilities:				
Due to other governments	7,023,018	804,428,387	803,642,365	7,809,040
Total liabilities	7,023,018	804,428,387	803,642,365	7,809,040
Totals - All Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 12,391,408	\$ 844,249,708	\$ 844,806,066	\$ 11,835,050
Accounts receivable	51,740	13,581,630	13,466,517	166,853
Special assessment receivable	188,899	-	33,084	155,815
Special assessment interest receivable	22,753	13,728	12,083	24,398
Due from other governments	-	31,275	2,047	29,228
Total assets	\$ 12,654,800	\$ 857,876,341	\$ 858,319,797	\$ 12,211,344
Liabilities:				
Accounts payable	\$ 6,355	\$ 32,012	\$ -	\$ 38,367
Due to other governments	9,228,563	853,728,291	853,464,100	9,492,754
Deposits	3,419,882	4,116,038	4,855,697	2,680,223
Total liabilities	\$ 12,654,800	\$ 857,876,341	\$ 858,319,797	\$ 12,211,344



Volusia County
FLORIDA

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	204
<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	214
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	220
<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	232
<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	234
<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 ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Governmental Activities			
Invested in capital assets, net of related debt	\$ 375,461,228	\$ 322,890,595	\$ 292,915,827
Restricted for:			
Public safety	4,257,892	3,758,545	3,162,111
Physical environment	30,628,358	23,104,563	18,357,883
Transportation	45,703,200	45,353,839	42,492,379
Culture/recreation	5,931,460	6,771,239	6,849,834
Debt service	11,992,237	11,534,752	9,468,966
Capital projects	10,498,597	17,155,503	12,567,604
Other purposes	9,730,719	8,025,256	9,496,463
Unrestricted	<u>125,258,392</u>	<u>95,575,381</u>	<u>66,517,008</u>
Governmental Activities Net Assets	<u>\$ 619,462,083</u>	<u>\$ 534,169,673</u>	<u>\$ 461,828,075</u>
Business-type Activities			
Invested in capital assets, net of related debt	\$ 146,738,251	\$ 136,946,061	\$ 118,841,502
Restricted for:			
Debt service	3,226,190	3,107,972	7,101,057
Passenger facility charges program	1,571,169	1,532,154	6,290,829
Land purchase	-	-	1,991,411
Equipment replacement	350,000	350,000	350,000
Maintenance and operations	1,631,146	1,342,980	1,258,751
Unrestricted	<u>31,810,241</u>	<u>40,327,853</u>	<u>23,204,000</u>
Business-type Net Assets	<u>\$ 185,326,997</u>	<u>\$ 183,607,020</u>	<u>\$ 159,037,550</u>
Primary Government			
Invested in capital assets, net of related debt	\$ 522,199,479	\$ 459,836,656	\$ 411,757,329
Restricted for:			
Public safety	4,257,892	3,758,545	3,162,111
Physical environment	30,628,358	23,104,563	18,357,883
Transportation	45,703,200	45,353,839	42,492,379
Culture/recreation	5,931,460	6,771,239	6,849,834
Debt service	15,218,427	14,642,724	16,570,023
Capital projects	10,498,597	17,155,503	12,567,604
Passenger facility charges program	1,571,169	1,532,154	6,290,829
Land purchase	-	-	1,991,411
Equipment replacement	350,000	350,000	350,000
Maintenance and operations	1,631,146	1,342,980	1,258,751
Other purposes	9,730,719	8,025,256	9,496,463
Unrestricted	<u>157,068,633</u>	<u>135,903,234</u>	<u>89,721,008</u>
Total Primary Government Net Assets	<u>\$ 804,789,080</u>	<u>\$ 717,776,693</u>	<u>\$ 620,865,625</u>

(1) This schedule reports financial information using the accrual basis of accounting

(2) The County implemented GASB 34 in fiscal year 2001

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002	Fiscal Year 2001
\$ 270,913,433	\$ 262,277,338	\$ 159,926,946	\$ 106,130,749
3,496,778	3,786,809	3,223,150	3,361,251
9,289,724	7,800,149	-	-
44,476,754	33,354,158	30,324,465	25,009,966
6,841,386	5,591,414	8,940,472	3,836,863
8,418,646	12,771,290	11,018,185	13,411,024
11,906,725	8,472,956	9,587,954	13,279,058
5,823,136	6,080,240	4,184,243	4,897,611
44,508,710	29,098,221	28,088,375	45,988,516
<u>\$ 405,675,292</u>	<u>\$ 369,232,575</u>	<u>\$ 255,293,790</u>	<u>\$ 215,915,038</u>
\$ 110,811,202	\$ 105,200,814	\$ 98,354,922	\$ 96,105,513
6,991,581	6,579,947	7,089,930	5,067,895
5,359,335	4,518,167	3,754,612	3,248,233
1,991,411	1,991,411	1,591,411	1,491,411
350,000	350,000	350,000	350,000
1,330,756	1,183,953	1,004,200	788,294
21,610,672	17,555,040	16,082,635	8,903,650
<u>\$ 148,444,957</u>	<u>\$ 137,379,332</u>	<u>\$ 128,227,710</u>	<u>\$ 115,954,996</u>
\$ 381,724,635	\$ 367,478,152	\$ 258,281,868	\$ 202,236,262
3,496,778	3,786,809	3,223,150	3,361,251
9,289,724	7,800,149	-	-
44,476,754	33,354,158	30,324,465	25,009,966
6,841,386	5,591,414	8,940,472	3,836,863
15,410,227	19,351,237	18,108,115	18,478,919
11,906,725	8,472,956	9,587,954	13,279,058
5,359,335	4,518,167	3,754,612	3,248,233
1,991,411	1,991,411	1,591,411	1,491,411
350,000	350,000	350,000	350,000
1,330,756	1,183,953	1,004,200	788,294
5,823,136	6,080,240	4,184,243	4,897,611
66,119,382	46,653,261	44,171,010	54,892,166
<u>\$ 554,120,249</u>	<u>\$ 506,611,907</u>	<u>\$ 383,521,500</u>	<u>\$ 331,870,034</u>

SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Expenses			
Governmental Activities			
General government	\$ 70,228,570	\$ 63,570,846	\$ 58,773,973
Public safety	138,869,352	140,169,412	126,272,315
Physical environment	4,788,992	5,294,803	5,906,176
Transportation	28,270,664	34,706,556	37,312,003
Economic environment	22,771,836	24,962,203	19,846,710
Human services	22,402,203	19,002,622	19,077,825
Culture/recreation	48,458,527	47,169,456	41,629,072
Payments to component units	-	-	-
Interest on long-term debt	11,886,552	11,947,707	10,161,557
Total governmental activities expenses	<u>347,676,696</u>	<u>346,823,605</u>	<u>318,979,631</u>
Business-type Activities			
Refuse disposal	17,984,653	14,222,458	15,249,106
Daytona Beach International Airport	16,174,175	15,343,982	15,312,142
Volusia Transportation Authority	22,396,148	19,821,457	19,181,600
Water and sewer utilities	11,076,104	10,551,462	9,869,034
Garbage collection	6,604,343	6,568,672	4,736,623
Total business-type activities expenses	<u>74,235,423</u>	<u>66,508,031</u>	<u>64,348,505</u>
Total primary government expenses	<u>\$ 421,912,119</u>	<u>\$ 413,331,636</u>	<u>\$ 383,328,136</u>
Program Revenues			
Governmental Activities			
Charges for services:			
General government	\$ 17,109,033	\$ 17,309,649	\$ 15,804,196
Public safety	18,687,290	19,035,383	18,144,615
Physical environment	5,058,992	4,996,137	2,295,812
Transportation	2,226,950	3,123,122	2,374,845
Economic environment	293,284	610,191	886,464
Human services	1,648,997	2,676,678	2,432,288
Culture/recreation	6,119,464	5,551,850	5,364,969
Operating grants and contributions	29,950,519	25,163,448	34,604,270
Capital grants and contributions	25,518,670	34,278,269	27,323,066
Total governmental activities program revenues	<u>106,613,199</u>	<u>112,744,727</u>	<u>109,230,525</u>
Business-type Activities			
Charges for services:			
Refuse disposal	19,068,791	19,028,068	18,976,470
Daytona Beach International Airport	8,868,233	8,249,735	8,473,386
Volusia Transportation Authority	4,964,817	4,360,059	2,367,802
Water and sewer utilities	12,177,352	12,050,591	10,245,259
Garbage collection	5,860,701	5,818,616	5,559,368
Operating grants and contributions	8,435,992	8,047,720	10,602,513
Capital grants and contributions	12,380,427	21,168,331	8,605,661
Total business-type activities program revenues	<u>71,756,313</u>	<u>78,723,120</u>	<u>64,830,459</u>
Total primary government program revenues	<u>\$ 178,369,512</u>	<u>\$ 191,467,847</u>	<u>\$ 174,060,984</u>
Net (expense)/revenue			
Governmental activities	\$ (241,063,497)	\$ (234,078,878)	\$ (209,749,106)
Business-type activities	(2,479,110)	12,215,089	481,954
Total primary governmental net (expense)	<u>\$ (243,542,607)</u>	<u>\$ (221,863,789)</u>	<u>\$ (209,267,152)</u>

Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002	Fiscal Year 2001
\$ 60,201,162	\$ 52,409,065	\$ 47,633,863	\$ 52,171,824
118,220,075	89,117,559	81,040,981	77,422,805
7,064,094	3,494,932	3,332,412	9,801,374
32,057,217	33,352,585	22,244,744	23,179,764
19,370,815	19,480,920	18,676,948	17,399,940
19,300,232	17,292,510	19,854,129	21,031,458
35,145,161	36,754,899	32,129,919	21,411,162
-	3,853,893	4,517,620	4,389,873
6,112,983	5,633,890	7,137,363	7,213,638
297,471,739	261,390,253	236,567,979	234,021,838
14,980,309	14,800,016	14,480,653	16,942,940
14,607,474	14,614,962	13,001,798	13,288,380
17,093,796	16,746,195	15,741,373	14,603,991
9,204,723	9,540,476	8,423,059	8,482,207
5,043,940	4,986,474	4,583,894	4,683,167
60,930,242	60,688,123	56,230,777	58,000,685
\$ 358,401,981	\$ 322,078,376	\$ 292,798,756	\$ 292,022,523
\$ 13,249,681	\$ 12,648,255	\$ 13,228,950	\$ 10,941,449
15,977,935	14,510,712	13,309,690	12,339,180
2,637,816	2,907,130	2,611,853	2,802,868
2,394,390	10,232,917	8,199,205	8,093,264
593,520	775,065	486,107	410,107
1,727,478	700,203	585,102	755,096
6,270,178	7,128,358	6,520,318	5,944,412
43,020,783	20,924,034	24,462,856	16,072,031
17,193,699	9,560,273	8,650,125	10,382,434
103,065,480	79,386,947	78,054,206	67,740,841
20,255,568	17,539,438	15,046,539	15,273,658
8,472,115	7,608,383	8,780,824	8,229,619
2,310,667	2,174,343	2,175,205	2,232,179
10,468,073	9,296,508	8,439,101	7,394,085
4,530,789	4,412,547	4,414,068	4,419,971
9,224,015	8,276,511	8,261,840	5,887,755
8,866,409	12,705,270	13,117,440	9,840,130
64,127,636	62,013,000	60,235,017	53,277,397
\$ 167,193,116	\$ 141,399,947	\$ 138,289,223	\$ 121,018,238
\$ (194,406,259)	\$ (182,003,306)	\$ (158,513,773)	\$ (166,280,997)
3,197,394	1,324,877	4,004,240	(4,723,288)
\$ (191,208,865)	\$ (180,678,429)	\$ (154,509,533)	\$ (171,004,285)

SCHEDULE 2
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
General revenues and other changes in net assets			
Governmental Activities			
Property tax	\$ 232,285,247	\$ 220,695,273	\$ 191,197,296
Sales tax	18,709,880	19,741,407	19,603,709
Public service tax	11,903,133	11,946,663	11,291,789
Gas tax	15,892,687	15,894,619	16,077,270
Tourist and convention development taxes	15,915,050	15,326,233	14,706,515
State revenue sharing not restricted to specific programs	7,979,478	8,575,722	7,892,351
Franchise fees	-	-	-
Intergovernmental revenues not restricted to specific programs	775,965	662,439	771,762
Interest revenue	25,260,222	18,889,528	7,997,105
Miscellaneous	2,556,935	4,123,776	1,206,959
Grants and contributions not restricted to specific programs	-	-	1,012,246
Transfers	(9,162,712)	(9,435,184)	(5,740,148)
Total governmental activities	<u>322,115,885</u>	<u>306,420,476</u>	<u>266,016,854</u>
Business-type Activities			
Property tax	-	-	-
Gas tax	-	-	-
Intergovernmental revenues not restricted to specific programs	-	-	-
Interest revenue	2,634,851	2,087,229	4,226,819
Miscellaneous	659,431	497,138	143,672
Transfers	9,162,712	9,435,184	5,740,148
Total business-type activities program revenues	<u>12,456,994</u>	<u>12,019,551</u>	<u>10,110,639</u>
Total primary government	<u>\$ 334,572,879</u>	<u>\$ 318,440,027</u>	<u>\$ 276,127,493</u>
Change in net assets			
Governmental activities	\$ 81,052,388	\$ 72,341,598	\$ 56,267,748
Business-type activities	9,977,884	24,234,640	10,592,593
Total primary government	<u>\$ 91,030,272</u>	<u>\$ 96,576,238</u>	<u>\$ 66,860,341</u>

- (1) This schedule reports financial information using the accrual basis of accounting
- (2) The County implemented GASB 34 in fiscal year 2001

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2004		Fiscal Year 2003		Fiscal Year 2002		Fiscal Year 2001	
\$	164,538,239	\$	143,248,245	\$	131,413,001	\$	118,831,788
	17,817,913		18,383,901		17,257,335		15,385,150
	9,637,743		9,986,661		10,163,040		8,636,528
	14,441,948		13,842,150		13,582,166		20,464,934
	15,233,225		12,497,616		11,801,600		11,518,605
	7,771,352		6,959,478		1,087,900		6,698,639
	405,243		628,556		641,906		772,186
	570,127		687,689		6,245,895		716,527
	2,980,661		3,607,991		5,763,912		11,655,521
	1,708,388		2,203,818		2,189,736		2,100,803
	508,988		84,821		1,556,118		641,222
	(4,886,148)		(4,609,148)		(6,129,625)		(4,336,556)
	230,727,679		207,521,778		195,572,984		193,085,347
	534		53		22		20,026
	1,050,000		1,050,000		1,050,000		1,050,000
	-		-		-		2,222,245
	1,158,788		663,010		1,088,827		-
	109,581		1,104,534		-		-
	4,886,148		4,609,148		6,129,625		4,336,556
	7,205,051		7,426,745		8,268,474		7,628,827
\$	237,932,730	\$	214,948,523	\$	203,841,458	\$	200,714,174
\$	36,321,420	\$	25,518,472	\$	37,059,211	\$	26,804,350
	10,402,445		8,751,622		12,272,714		2,905,539
\$	46,723,865	\$	34,270,094	\$	49,331,925	\$	29,709,889

SCHEDULE 3
COUNTY OF VOLUSIA, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>	<u>Fiscal Year 2004</u>
General fund				
Reserved for:				
Encumbrances	\$ 6,097,487	\$ 4,792,350	\$ 4,020,081	\$ 3,599,006
Inventories	145,713	92,254	90,223	73,368
Employee receivables	182,418	230,092	273,294	272,837
Other long-term receivables	597,311	608,894	-	-
Unreserved:				
Designated	10,993,361	11,119,343	10,093,966	4,350,087
Undesignated	38,324,402	46,515,310	34,577,616	33,037,056
Total general fund	<u>\$ 56,340,692</u>	<u>\$ 63,358,243</u>	<u>\$ 49,055,180</u>	<u>\$ 41,332,354</u>
Other governmental funds				
Reserved for:				
Encumbrances	\$ 89,243,320	\$ 40,903,523	\$ 35,082,889	\$ 26,996,704
Inventories	1,544,875	1,267,404	1,178,082	1,101,292
Advances	3,442,275	2,801,802	1,996,748	1,055,627
Debt service - principal	1,679,167	1,710,905	1,757,426	1,857,744
Debt service - interest	1,023,070	928,847	946,540	220,902
Capital projects	36,209,030	99,517,541	112,188,798	-
Long-term notes receivable	3,215,663	3,316,335	2,692,278	2,150,883
Unreserved:				
Designated:				
Special revenue funds	7,047,406	4,001,599	3,538,877	2,148,657
Capital projects funds	48,859,425	45,393,691	11,106,195	62,962,111
Undesignated (deficit):				
Special revenue funds	84,994,397	80,080,441	73,273,103	60,719,300
Debt service funds	-	-	-	-
Capital projects funds	(5,135,584)	-	-	-
Total other governmental funds	<u>\$ 272,123,044</u>	<u>\$ 279,922,088</u>	<u>\$ 243,760,936</u>	<u>\$ 159,213,220</u>

(1) This schedule reports financial information using the modified accrual basis of accounting

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2003	Fiscal Year 2002	Fiscal Year 2001	Fiscal Year 2000	Fiscal Year 1999	Fiscal Year 1998
\$ 2,400,726	\$ 3,086,934	\$ 2,282,345	\$ 1,582,276	\$ 1,275,587	\$ 1,561,616
110,789	14,045	18,339	34,311	47,967	20,037
300,849	304,772	326,279	337,537	362,070	393,078
-	-	-	-	-	-
5,726,419	-	-	-	-	-
23,865,692	24,835,438	21,795,115	18,913,650	12,504,619	8,272,958
<u>\$ 32,404,475</u>	<u>\$ 28,241,189</u>	<u>\$ 24,422,078</u>	<u>\$ 20,867,774</u>	<u>\$ 14,190,243</u>	<u>\$ 10,247,689</u>
\$ 11,981,486	\$ 14,640,358	\$ 16,379,194	\$ 35,251,796	\$ 11,271,000	\$ 8,551,004
1,159,156	1,215,013	1,249,328	1,377,513	1,223,880	1,262,799
-	-	156,642	304,920	445,280	578,146
10,067,480	10,973,156	13,684,524	13,337,127	12,757,442	11,881,996
2,445,373	2,942,455	2,986,972	3,853,581	4,058,568	3,785,251
-	-	-	-	-	-
2,253,204	-	-	-	-	-
1,937,010	-	-	-	-	-
8,297,969	-	-	16,881,144	50,794,132	2,990,218
58,949,396	50,909,762	45,533,141	36,129,036	33,069,027	36,807,053
258,437	-	-	-	-	-
-	9,239,036	10,569,642	-	-	-
<u>\$ 97,349,511</u>	<u>\$ 89,919,780</u>	<u>\$ 90,559,443</u>	<u>\$ 107,135,117</u>	<u>\$ 113,619,329</u>	<u>\$ 65,856,467</u>

SCHEDULE 4
COUNTY OF VOLUSIA, FLORIDA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
Revenues				
Taxes	\$ 276,387,844	\$ 263,983,820	\$ 233,541,683	\$ 204,654,441
Licenses and permits	2,452,062	3,127,191	3,171,295	2,527,549
Intergovernmental revenue	66,436,648	72,788,119	72,619,417	72,946,471
Charges for services	45,014,422	47,022,429	40,808,180	34,046,837
Fines and forfeitures	5,519,667	6,726,124	4,697,128	5,571,142
Interest revenues	22,961,056	17,361,386	7,399,800	2,780,869
Miscellaneous revenues	6,144,137	6,457,645	4,665,788	7,716,075
Special assessments levied/impact fees	8,902,493	9,957,930	14,226,572	11,348,546
Total revenues	<u>433,818,329</u>	<u>427,424,644</u>	<u>381,129,863</u>	<u>341,591,930</u>
Expenditures				
General government	67,479,972	62,450,397	56,895,277	57,609,004
Public safety	141,370,697	140,125,376	126,654,876	118,408,978
Physical environment	5,869,682	6,160,387	6,333,724	11,847,076
Transportation	49,520,724	41,763,843	48,655,089	32,684,613
Economic environment	22,537,707	27,071,388	19,876,146	19,371,188
Human services	22,821,137	20,732,762	19,740,593	19,188,471
Culture/recreation	47,816,949	46,629,412	41,222,441	37,792,957
Payment to component units	-	-	-	-
Debt service:				
Principal	16,254,320	15,124,236	13,858,737	13,324,463
Interest	11,217,426	11,649,336	10,142,692	7,155,881
Capital outlay	66,808,598	42,400,461	12,164,860	2,732,750
Total expenditures	<u>451,697,212</u>	<u>414,107,598</u>	<u>355,544,435</u>	<u>320,115,381</u>
Excess of revenues over (under) expenditures	<u>(17,878,883)</u>	<u>13,317,046</u>	<u>25,585,428</u>	<u>21,476,549</u>
Other Financing Sources (Uses)				
Transfers in	82,188,137	60,244,506	56,121,375	42,332,714
Transfers (out)	(92,525,849)	(70,854,690)	(63,036,523)	(48,593,862)
Bonds/notes issued	13,400,000	47,634,000	71,380,000	72,460,000
Refunding bonds issued	-	-	-	-
Premium on notes/bonds payable	-	123,353	2,335,227	174,105
Discount on notes/bonds payable	-	-	-	(9,258,664)
Payments to escrow agent	-	-	-	-
Total other financing sources (uses)	<u>3,062,288</u>	<u>37,147,169</u>	<u>66,800,079</u>	<u>57,114,293</u>
Net change in fund balances	<u>\$ (14,816,595)</u>	<u>\$ 50,464,215</u>	<u>\$ 92,385,507</u>	<u>\$ 78,590,842</u>
Debt service as a percentage of noncapital expenditures	7.87%	7.90%	7.77%	7.07%

(1) This schedule reports financial information using the modified accrual basis of accounting

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2003	Fiscal Year 2002	Fiscal Year 2001	Fiscal Year 2000	Fiscal Year 1999	Fiscal Year 1998
\$ 180,141,668	\$ 167,229,798	\$ 159,994,489	\$ 142,012,254	\$ 133,336,777	\$ 128,243,113
2,229,734	2,218,641	1,945,573	1,660,135	1,384,644	1,349,071
55,296,652	55,828,966	46,490,010	62,178,933	55,025,211	51,829,175
31,233,160	28,371,969	26,148,879	25,625,713	26,064,618	23,069,033
6,092,936	6,124,791	5,187,503	5,378,735	4,582,783	4,115,685
3,388,587	5,476,841	10,894,031	9,673,558	6,367,464	6,900,240
5,292,367	5,535,450	5,740,194	5,102,559	4,257,398	5,574,649
8,820,207	7,747,764	7,024,022	5,828,419	4,639,455	3,956,670
<u>292,495,311</u>	<u>278,534,220</u>	<u>263,424,701</u>	<u>257,460,306</u>	<u>235,658,350</u>	<u>225,037,636</u>
50,028,847	46,762,751	45,344,500	39,903,928	40,131,756	37,138,054
88,769,309	86,251,548	77,675,379	73,709,516	68,432,301	66,812,271
13,045,839	4,206,555	9,745,680	8,298,108	9,778,651	9,358,397
35,358,482	34,056,707	35,469,454	36,894,746	27,880,885	25,328,234
19,584,159	18,708,831	17,308,974	21,159,666	17,824,872	13,640,828
17,357,254	19,725,734	20,403,336	18,456,142	19,469,618	18,722,751
34,517,892	32,344,540	21,595,218	20,084,855	18,392,062	23,428,565
4,691,824	4,517,620	-	3,723,817	3,722,141	3,676,454
11,284,718	14,150,426	13,214,712	11,887,342	13,380,895	10,295,587
8,339,069	6,859,735	8,411,977	8,576,306	8,537,083	7,151,344
2,401,298	8,333,028	28,421,453	14,256,123	5,629,059	11,979,288
<u>285,378,691</u>	<u>275,917,475</u>	<u>277,590,683</u>	<u>256,950,549</u>	<u>233,179,323</u>	<u>227,531,773</u>
<u>7,116,620</u>	<u>2,616,745</u>	<u>(14,165,982)</u>	<u>509,757</u>	<u>2,479,027</u>	<u>(2,494,137)</u>
35,301,291	36,545,093	13,367,192	12,196,577	12,861,741	10,972,011
(39,910,439)	(41,162,093)	(22,100,065)	(15,317,966)	(17,011,145)	(15,203,428)
6,755,000	7,543,040	-	3,089,000	63,495,000	3,570,672
30,820,000	-	40,705,000	-	-	-
21,033	-	396,332	-	-	-
(23,807)	-	-	-	-	-
<u>(30,136,177)</u>	<u>(2,894,250)</u>	<u>(36,376,916)</u>	<u>-</u>	<u>(9,683,000)</u>	<u>-</u>
<u>2,826,901</u>	<u>31,790</u>	<u>(4,008,457)</u>	<u>(32,389)</u>	<u>49,662,596</u>	<u>(660,745)</u>
<u>\$ 9,943,521</u>	<u>\$ 2,648,535</u>	<u>\$ (18,174,439)</u>	<u>\$ 477,368</u>	<u>\$ 52,141,623</u>	<u>\$ (3,154,882)</u>
7.73%	8.70%	9.52%	n/a	n/a	n/a

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
2007	\$ 46,186,478,039	\$ 5,466,227,650	\$ 964,023,020	\$ 2,004,053,746	\$ 828,421,171
2006	43,173,878,289	5,261,174,974	897,619,521	1,675,087,246	895,041,318
2005	31,708,403,891	4,124,623,355	724,758,738	967,717,741	595,453,403
2004	25,045,730,164	3,472,069,084	647,362,538	791,275,569	498,563,959
2003	21,228,126,674	3,123,446,968	565,055,935	695,247,821	447,395,607
2002	18,421,583,858	2,771,575,192	519,878,995	485,371,414	398,542,328
2001	16,182,908,495	2,654,418,302	478,026,234	468,322,490	376,425,311
2000	14,690,245,420	2,545,150,790	436,092,585	455,459,302	394,666,762
1999	13,586,456,422	2,316,898,810	395,834,274	449,463,599	356,740,400
1998	12,859,366,355	2,231,860,167	379,823,823	435,054,260	323,095,784

Note: Property is assessed at an average of 85 percent of actual market value

Source: County of Volusia, Property Appraiser's Office

Personal Property		Centrally Assessed Property		Total	Direct Tax Rate
\$	2,950,223,431	\$	48,157,003	\$ 58,447,584,060	6.347
	2,766,177,053		38,896,488	54,707,874,889	7.678
	2,687,197,220		38,987,947	40,847,142,295	8.034
	2,569,352,100		44,757,397	33,069,110,811	7.918
	2,253,282,007		41,430,814	28,353,985,826	7.838
	1,957,650,684		33,852,363	24,588,454,834	7.833
	1,917,427,116		32,012,534	22,109,540,482	7.696
	1,836,648,477		32,995,023	20,391,258,359	7.702
	1,774,656,763		32,593,114	18,912,643,382	7.683
	1,716,321,067		30,239,445	17,975,760,901	7.583

SCHEDULE 6
COUNTY OF VOLUSIA, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	Year Taxes Are Payable				
	2007	2006	2005	2004	2003
School Board	7.68500	8.25900	8.51700	8.69900	8.89900
County of Volusia	5.13330	6.29400	6.60400	6.60400	6.60400
Municipalities:					
Daytona Beach	6.29458	7.08746	7.11333	6.70279	6.79389
Daytona Beach Shores	3.83700	3.83700	4.08231	4.08231	3.68231
DeBary	3.00000	2.50746	2.50746	2.50746	2.50746
DeLand	5.78770	6.03770	6.46900	6.46900	6.40500
Deltona	4.01451	4.15000	4.19800	4.19800	4.19800
Edgewater	5.73170	6.51000	6.45000	6.95000	6.95000
Flagler Beach	3.00000	3.00000	3.00000	3.00000	2.67780
Holly Hill	4.08000	4.08002	4.08002	4.08002	4.50000
Lake Helen	5.20000	5.20000	5.20000	5.20000	5.20000
New Smyrna Beach	3.74303	4.81189	5.10000	5.10000	5.10000
Oak Hill	5.06260	5.26790	5.26790	4.68590	4.33500
Orange City	4.87506	4.87506	4.87508	4.87506	5.21700
Ormond Beach	3.88224	4.15316	3.89438	3.33842	3.33842
Pierson	3.06694	3.80904	4.34024	4.70124	5.00000
Ponce Inlet	4.09500	4.37800	4.57800	4.57800	4.77800
Port Orange	5.08508	4.85850	4.86479	4.37904	4.57562
South Daytona	4.80000	5.54659	5.65000	4.63900	4.63900
Unincorporated Areas:					
Municipal Service District	1.33880	1.69100	1.69100	1.69100	1.69100
Special Other Districts:					
Independent:					
Low	1.76240	2.05050	2.30050	2.30050	2.09730
High	3.00050	3.50050	3.50050	2.82050	2.88050
Dependent:					
Low	3.00000	3.24200	3.36680	2.86680	2.49200
High	3.27330	3.58730	3.71780	3.22100	2.84620

Note: The tax rates apply to each \$1,000 of taxable valuation

Source: County of Volusia, Financial and Administrative Services

Year Taxes Are Payable				
2002	2001	2000	1999	1998
9.01500	9.15800	9.91700	10.37600	10.48700
6.60400	6.36700	6.37300	6.37800	6.38100
6.79389	5.80579	6.11686	6.38384	6.49517
3.68231	3.94585	3.72978	3.57513	3.69000
2.50746	2.58760	2.58760	2.58760	2.58760
6.40500	6.44700	6.48700	5.87800	5.90000
4.19800	4.19800	4.19800	4.19800	4.19800
6.95000	5.95000	5.95000	6.29000	6.44000
2.67780	2.67780	2.75790	2.75790	2.77370
4.50000	5.09007	5.09007	5.25000	5.51831
5.20000	5.20000	5.20000	4.96586	4.96855
5.10000	4.99000	5.13361	5.28578	5.32896
4.33500	4.95970	5.01400	5.04800	4.00000
5.21700	5.37949	5.37949	5.37949	5.37949
3.33842	3.54023	3.65699	3.65084	3.62970
5.00000	5.27568	5.40300	5.49700	4.40300
4.77800	4.87800	4.37800	4.37800	4.43850
4.57562	4.59372	4.60315	4.67219	4.40707
4.63900	4.59701	4.18499	4.18422	4.22592
1.69100	1.69100	1.69100	1.69100	1.69100
2.09730	2.10981	2.09581	2.12900	2.40406
3.02882	3.04132	2.67774	2.68074	2.72139
2.49200	2.49200	2.49200	2.49100	2.49000
2.85080	2.85600	2.85900	3.24800	3.24800

**SCHEDULE 7
COUNTY OF VOLUSIA, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business	Fiscal Year 2007	
		2006 Taxable Value	Percent of Total Taxable Value
Florida Power and Light Co.	Electric Utility	\$ 869,994,909	2.27
Bray & Gillespie	Timeshare Investments	204,198,119	0.53
Florida Power Corp/Progress Energy	Electric Utility	197,760,126	0.52
BellSouth Telecommunication	Telephone	154,467,684	0.40
Tyco Healthcare Group LP	Medical Supply Manufacturer	98,728,678	0.26
Wal-Mart Stores, Inc	Retail Sales	89,013,432	0.23
Bright House Networks LLC	Entertainment/Cablevision	76,268,106	0.20
International Speedway Corporation	Recreation	72,264,593	0.19
Volusia Mall LLC	Retail Sales/Mall	66,115,930	0.17
Publix Super Markets, Inc.	Retail Sales	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

Taxpayer	Type of Business	Fiscal Year 1998	
		1997 Taxable Value	Percent of Total Taxable Value
Florida Power and Light Co.	Electric Utility	\$ 265,355,381	1.93
Florida Power Corp/Progress Energy	Electric Utility	194,643,724	1.42
BellSouth Telecommunication	Telephone	189,574,907	1.38
Aqua Sun Investments	Investments	71,798,106	0.52
R.R. Donnelley & Sons Company	Advertising	35,111,385	0.26
Wal-Mart Stores, Inc	Retail Sales	26,843,060	0.20
Florida Water Services Company	Utility	24,685,365	0.18
International Speedway Corporation	Recreation	22,058,328	0.16
Publix Super Markets, Inc.	Retail Sales	21,980,178	0.16
Sprint Florida Inc.	Telephone	21,496,866	0.16
Subtotal Principal Taxpayers		873,547,300	6.37
All Other Taxpayers		12,882,038,239	93.63
Total		\$ 13,755,585,539	100.00

Source: County of Volusia, Financial and Administrative Services

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
2007	\$ 241,533,309	\$ 231,812,977	95.98	\$ 466,083	\$ 232,279,060	96.17
2006	228,806,778	220,120,009	96.20	497,418	220,617,427	96.42
2005	198,273,250	190,705,652	96.18	760,442	191,466,094	96.57
2004	170,494,466	163,876,307	96.12	790,960	164,667,267	96.58
2003	148,318,324	142,620,444	96.16	565,581	143,186,025	96.54
2002	135,508,650	130,370,040	96.21	626,214	130,996,254	96.67
2001	121,274,071	116,558,957	96.11	2,292,857	118,851,814	98.00
2000	114,095,519	109,495,919	95.97	483,466	109,979,385	96.39
1999	108,425,945	104,128,847	96.04	415,442	104,544,289	96.42
1998	104,397,497	100,206,255	95.99	384,230	100,590,485	96.35

Note: For additional information regarding property tax payment discounts, see Note 4 of the Notes to the Financial Statements.

Source: County of Volusia, Financial and Administrative Services

SCHEDULE 9
COUNTY OF VOLUSIA, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

GOVERNMENTAL ACTIVITIES				
Fiscal Year	General Obligation Bonds	Total Revenue Bonds	Special Assessment Bonds	Notes Payable
2007	\$ 38,190,000	\$ 220,950,000	\$ -	\$ 29,488,343
2006	39,875,000	230,130,000	-	20,951,189
2005	-	238,905,000	-	17,411,425
2004	-	183,465,000	-	14,905,162
2003	-	126,605,000	60,000	11,954,625
2002	-	133,165,000	350,000	10,004,343
2001	4,620,000	140,150,000	670,000	7,446,728
2000	6,380,000	146,433,112	990,000	6,503,328
1999	8,050,000	153,301,224	1,315,000	6,438,558
1998	9,635,000	109,859,335	1,650,000	7,216,342

* Not Available

Source: County of Volusia, Financial and Administrative Services

BUSINESS-TYPE ACTIVITIES					
Airport System Revenue Bonds	Water/Sewer Revenue Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 35,440,000	\$ 9,070,000	\$ 11,930,352	\$ 345,068,695	*	\$ 679.25
36,915,000	9,610,000	13,164,979	350,646,168	*	695.94
38,320,000	10,135,000	12,082,933	316,854,358	2.35	640.56
39,660,000	10,645,000	17,872,877	266,548,039	2.11	550.63
40,800,000	10,960,000	19,512,460	209,892,085	1.76	445.85
41,425,000	11,095,000	18,684,971	214,724,314	1.89	467.23
42,445,000	11,490,000	19,285,807	226,107,535	2.10	500.18
42,750,000	11,870,000	17,533,576	232,460,016	2.32	524.33
44,315,000	12,185,000	8,415,352	234,020,134	2.43	548.29
45,180,000	12,275,000	8,333,475	194,149,152	2.11	461.79

SCHEDULE 10
COUNTY OF VOLUSIA, FLORIDA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

LIMITED TAX GENERAL OBLIGATION BONDS

Fiscal Year	GENERAL BONDED DEBT OUTSTANDING			Percentage of Personal Income	Percentage of Assessed Value of Taxable Property	Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Principal Payments	Net General Bonded Debt Outstanding			
2007	\$ 38,190,000	\$ 1,945,000	\$ 36,245,000	*	0.06	\$ 71.35
2006	39,875,000	1,685,000	38,190,000	*	0.07	75.80
2005	-	-	-	-	-	-
2004	-	-	-	-	-	-
2003	-	-	-	-	-	-
2002	-	-	-	-	-	-
2001	4,620,000	3,177,720	1,442,280	0.01	0.01	3.19
2000	6,380,000	2,380,418	3,999,582	0.04	0.02	9.02
1999	8,050,000	1,816,922	6,233,078	0.06	0.03	14.60
1998	9,635,000	1,387,584	8,247,416	0.09	0.05	19.62

* Not Available

Note: 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. For each year since then, the information presented relates to the Forever bonds.

For the years 1998-2001, the information relates to a different limited tax general obligation bond series whose purpose was the acquisition of recreational and endangered lands. Its referendum from 1987 provided for a maximum tax levy of \$0.25 per \$1,000 of taxable value. This debt was retired in fiscal year 2001.

Source: County of Volusia, Financial and Administrative Services

SCHEDULE 11
COUNTY OF VOLUSIA, FLORIDA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2007

Municipality/ Unincorporated Area	Percent of Taxable Value to Total County	Pro-rated Share of County-wide General Obligation Net Debt	Municipalities' General Obligation Net Debt	Total County Direct Debt and Share of Municipalities' Overlapping Debt
Daytona Beach	14.04	\$ 5,088,798	\$ 22,110,000	\$ 27,198,798
Daytona Beach Shores	4.69	1,699,890	-	1,699,890
DeBary	5.21	1,888,364	-	1,888,364
DeLand	4.92	1,783,254	3,618,432	5,401,686
Deltona	9.30	3,370,785	-	3,370,785
Edgewater	2.93	1,061,978	455,000	1,516,978
Flagler Beach	0.03	10,874	-	10,874
Holly Hill	1.73	627,038	-	627,038
Lake Helen	0.36	130,482	-	130,482
New Smyrna Beach	9.18	3,327,291	16,920,000	20,247,291
Oak Hill	0.34	123,233	-	123,233
Orange City	1.79	648,786	-	648,786
Ormond Beach	9.23	3,345,414	5,892,000	9,237,414
Pierson	0.17	61,616	-	61,616
Ponce Inlet	2.87	1,040,232	-	1,040,232
Port Orange	8.39	3,040,956	17,465,000	20,505,956
South Daytona	1.85	670,532	-	670,532
Unincorporated Areas:				
Silver Snds/Bethune Bch MSD	2.51	909,750	-	909,750
All Other Unincorporated	20.46	7,415,727	-	7,415,727
TOTAL	100.00	\$ 36,245,000	\$ 66,460,432	\$ 102,705,432

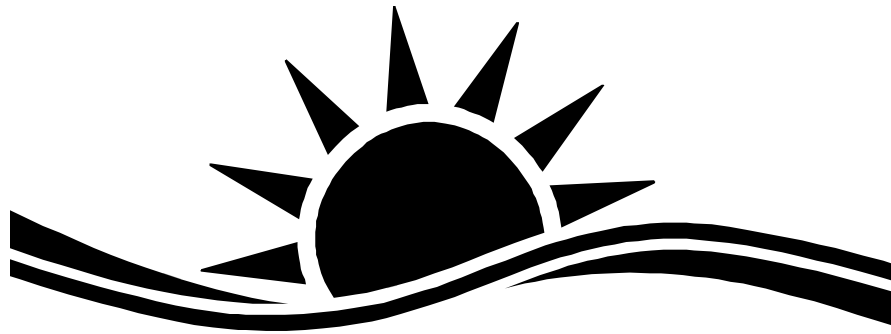
The county-wide net debt amount is comprised of \$36,245,000 of the County of Volusia's Limited Tax general obligation bonds.

Source: Municipalities and County of Volusia Financial and Administrative Services

SCHEDULE 12
COUNTY OF VOLUSIA, FLORIDA
LEGAL DEBT MARGIN INFORMATION
SEPTEMBER 30, 2007

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, Financial and Administrative Services



Volusia County
FLORIDA

SCHEDULE 13
COUNTY OF VOLUSIA, FLORIDA
PLEDGED REVENUE COVERAGES
LAST TEN FISCAL YEARS

Governmental Activities	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
Revenue Bonds-Sales Tax Improvement					
Local government half-cent sales tax	\$ 18,709,880	\$ 19,741,407	\$ 19,603,709	\$ 17,817,913	\$ 18,383,901
Interest revenue	189,818	196,719	73,596	21,845	49,597
Available revenue	<u>\$ 18,899,698</u>	<u>\$ 19,938,126</u>	<u>\$ 19,677,305</u>	<u>\$ 17,839,758</u>	<u>\$ 18,433,498</u>
Debt service:					
Principal	\$ 4,935,000	\$ 4,870,000	\$ 4,995,000	\$ 4,570,000	\$ 4,120,000
Interest	3,620,693	3,808,566	4,003,675	4,181,072	4,895,965
Total debt service	<u>\$ 8,555,693</u>	<u>\$ 8,678,566</u>	<u>\$ 8,998,675</u>	<u>\$ 8,751,072</u>	<u>\$ 9,015,965</u>
Coverage	2.21	2.30	2.19	2.04	2.04
Revenue Bonds-Tourist Development Bonds					
Resort Tax	\$ 8,033,455	\$ 7,737,905	\$ 7,442,327	\$ 7,619,905	\$ 5,350,497
Interest revenue	128,743	124,371	61,008	42,729	93,931
Available revenue	<u>\$ 8,162,198</u>	<u>\$ 7,862,276</u>	<u>\$ 7,503,335</u>	<u>\$ 7,662,634</u>	<u>\$ 5,444,428</u>
Debt service:					
Principal	\$ 1,945,000	\$ 1,915,000	\$ 1,700,000	\$ 1,645,000	\$ -
Interest	1,484,801	2,788,513	2,255,233	615,288	2,197,435
Total debt service	<u>\$ 3,429,801</u>	<u>\$ 4,703,513</u>	<u>\$ 3,955,233</u>	<u>\$ 2,260,288</u>	<u>\$ 2,197,435</u>
Coverage	2.38	1.67	1.90	3.39	2.48
Revenue Bonds-Gas Tax Bonds					
Ninth Cent Gas Tax	\$ -	\$ -	\$ 2,499,566	\$ 2,355,884	\$ 2,253,395
Six Cent Local Option Fuel Tax	7,811,794	7,805,466	7,897,027	-	-
Interest revenue	102,107	102,819	38,355	1,834	5,423
Available revenue	<u>\$ 7,913,901</u>	<u>\$ 7,908,285</u>	<u>\$ 10,434,948</u>	<u>\$ 2,357,718</u>	<u>\$ 2,258,818</u>
Debt service:					
Principal	\$ 2,410,000	\$ 2,435,000	\$ 2,505,000	\$ 480,000	\$ 480,000
Interest	2,481,535	2,554,120	2,403,994	41,899	72,372
Total debt service	<u>\$ 4,891,535</u>	<u>\$ 4,989,120</u>	<u>\$ 4,908,994</u>	<u>\$ 521,899</u>	<u>\$ 552,372</u>
Coverage	1.62	1.59	2.13	4.52	4.09
Revenue Bonds-Guaranteed Entitlement					
Guaranteed entitlement-State revenue sharing	\$ -	\$ -	\$ -	\$ 2,224,000	\$ 2,224,000
Moving violations surcharge	-	-	-	720,183	775,034
Interest revenue	-	-	-	3,194	13,539
Available revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,947,377</u>	<u>\$ 3,012,573</u>
Debt service:					
Principal	\$ -	\$ -	\$ -	\$ 1,770,000	\$ 1,590,000
Interest	-	-	-	90,042	211,026
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,860,042</u>	<u>\$ 1,801,026</u>
Coverage	-	-	-	1.58	1.67

Fiscal Year 2002	Fiscal Year 2001	Fiscal Year 2000	Fiscal Year 1999	Fiscal Year 1998
\$ 17,257,335	\$ 15,385,150	\$ 14,535,466	\$ 13,685,538	\$ 12,551,059
139,928	366,114	227,499	152,824	403,020
<u>\$ 17,397,263</u>	<u>\$ 15,751,264</u>	<u>\$ 14,762,965</u>	<u>\$ 13,838,362</u>	<u>\$ 12,954,079</u>
\$ 3,615,000	\$ 3,440,000	\$ 3,145,000	\$ 2,840,000	\$ 2,705,000
4,536,481	5,424,107	5,723,573	4,636,756	3,731,040
<u>\$ 8,151,481</u>	<u>\$ 8,864,107</u>	<u>\$ 8,868,573</u>	<u>\$ 7,476,756</u>	<u>\$ 6,436,040</u>
2.13	1.78	1.66	1.85	2.01
\$ 4,723,527	\$ 4,643,928	\$ 4,446,061	\$ 4,264,406	\$ 3,830,873
80,533	241,330	210,940	155,609	204,447
<u>\$ 4,804,060</u>	<u>\$ 4,885,258</u>	<u>\$ 4,657,001</u>	<u>\$ 4,420,015</u>	<u>\$ 4,035,320</u>
\$ 1,375,000	\$ 1,315,000	\$ 1,260,000	\$ 1,205,000	\$ 1,155,000
1,216,687	1,277,912	1,336,140	1,388,193	1,436,621
<u>\$ 2,591,687</u>	<u>\$ 2,592,912</u>	<u>\$ 2,596,140</u>	<u>\$ 2,593,193</u>	<u>\$ 2,591,621</u>
1.85	1.88	1.79	1.70	1.56
\$ 2,215,973	\$ 2,213,446	\$ 2,248,007	\$ 2,315,042	\$ 2,132,172
-	-	-	-	-
10,492	29,076	16,436	98,440	174,732
<u>\$ 2,226,465</u>	<u>\$ 2,242,522</u>	<u>\$ 2,264,443</u>	<u>\$ 2,413,482</u>	<u>\$ 2,306,904</u>
\$ 480,000	\$ 480,000	\$ 480,000	\$ 470,000	\$ 480,000
102,372	131,652	160,261	186,040	212,040
<u>\$ 582,372</u>	<u>\$ 611,652</u>	<u>\$ 640,261</u>	<u>\$ 656,040</u>	<u>\$ 692,040</u>
3.82	3.67	3.54	3.68	3.33
\$ 2,224,000	\$ 2,224,000	\$ 2,224,000	\$ 2,224,000	\$ 2,224,000
817,378	778,014	708,049	635,493	587,050
34,081	103,734	56,751	17,415	77,652
<u>\$ 3,075,459</u>	<u>\$ 3,105,748</u>	<u>\$ 2,988,800</u>	<u>\$ 2,876,908</u>	<u>\$ 2,888,702</u>
\$ 1,515,000	\$ 1,440,000	\$ 1,370,000	\$ 1,310,000	\$ 1,250,000
285,764	355,585	419,485	481,555	534,885
<u>\$ 1,800,764</u>	<u>\$ 1,795,585</u>	<u>\$ 1,789,485</u>	<u>\$ 1,791,555</u>	<u>\$ 1,784,885</u>
1.71	1.73	1.67	1.61	1.62

SCHEDULE 13
COUNTY OF VOLUSIA, FLORIDA
PLEDGED REVENUE COVERAGES
LAST TEN FISCAL YEARS

Governmental Activities	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
Revenue Bonds-Service Fee Limited					
Court facility fees	\$ -	\$ -	\$ -	\$ -	\$ -
Interest revenue	-	-	-	-	-
Available revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt service:					
Principal-optional redemptions	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Coverage	-	-	-	-	-
 Special Assessment Bonds-Bethune Beach Wastewater Project					
Special assessments levied	\$ -	\$ -	\$ -	\$ 25,378	\$ 208,508
Interest revenue	-	-	-	4,653	38,230
Available revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,031</u>	<u>\$ 246,738</u>
Debt service:					
Principal-scheduled payments	\$ -	\$ -	\$ -	\$ 60,000	\$ 270,000
Principal-optional redemptions	-	-	-	-	20,000
Interest	-	-	-	4,862	25,205
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,862</u>	<u>\$ 315,205</u>
Coverage	-	-	-	0.46	0.78

Fiscal Year 2002	Fiscal Year 2001	Fiscal Year 2000	Fiscal Year 1999	Fiscal Year 1998
\$ -	\$ 390,920	\$ 362,236	\$ 353,656	\$ 354,061
-	14,664	37,562	34,794	74,412
<u>\$ -</u>	<u>\$ 405,584</u>	<u>\$ 399,798</u>	<u>\$ 388,450</u>	<u>\$ 428,473</u>
\$ -	\$ 613,112	\$ 613,112	\$ 613,111	\$ -
-	49,049	98,098	147,147	147,147
<u>\$ -</u>	<u>\$ 662,161</u>	<u>\$ 711,210</u>	<u>\$ 760,258</u>	<u>\$ 147,147</u>
-	0.61	0.56	0.51	2.91
\$ 241,645	\$ 265,606	\$ 262,037	\$ 266,116	\$ 293,645
52,315	89,894	104,583	126,577	162,659
<u>\$ 293,960</u>	<u>\$ 355,500</u>	<u>\$ 366,620</u>	<u>\$ 392,693</u>	<u>\$ 456,304</u>
\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000
45,000	45,000	50,000	60,000	75,000
46,691	68,834	90,252	110,875	134,001
<u>\$ 366,691</u>	<u>\$ 388,834</u>	<u>\$ 415,252</u>	<u>\$ 445,875</u>	<u>\$ 484,001</u>
0.80	0.91	0.88	0.88	0.94

SCHEDULE 13
COUNTY OF VOLUSIA, FLORIDA
PLEDGED REVENUE COVERAGES
LAST TEN FISCAL YEARS

Business-Type Activities	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
Revenue Bonds-Airport System					
Revenues available (A) & (B)					
Net operating income (loss)	\$ (5,128,004)	\$ (4,639,014)	\$ (4,433,359)	\$ (3,650,679)	\$ (4,286,345)
Add:					
Operating grants	2,875,577	2,856,047	4,059,575	2,744,739	1,519,127
Non-cash expenses:					
Depreciation	4,720,275	4,547,813	5,049,444	4,310,189	3,958,421
Cash balance from prior year:					
Operating fund	12,387,890	11,905,672	4,211,559	3,134,683	3,865,230
Debt service fund	2,613,712	2,576,623	2,542,166	2,510,213	2,257,565
Total available revenue (A) & (B)	<u>\$ 17,469,450</u>	<u>\$ 17,247,141</u>	<u>\$ 11,429,385</u>	<u>\$ 9,049,145</u>	<u>\$ 7,313,998</u>
Debt service:					
Principal	\$ 1,550,000	\$ 1,475,000	\$ 1,405,000	\$ 1,340,000	\$ 1,140,000
Interest	2,127,425	2,203,245	2,274,333	2,340,425	2,443,107
Total debt service	3,677,425	3,678,245	3,679,333	3,680,425	3,583,107
Funds:					
Sinking (A) & (B)	-	-	-	-	-
Rebate (A) & (B)	-	-	-	-	-
Renewal and replacement (A) & (B)	-	-	-	-	-
Operations and maintenance reserve fund (A)	-	-	-	-	-
Operations and maintenance reserve fund (B)	288,166	84,229	(72,005)	146,803	179,753
Total requirement (A)	<u>\$ 3,677,425</u>	<u>\$ 3,678,245</u>	<u>\$ 3,679,333</u>	<u>\$ 3,680,425</u>	<u>\$ 3,583,107</u>
Total requirement (B)	<u>\$ 3,965,591</u>	<u>\$ 3,762,474</u>	<u>\$ 3,607,328</u>	<u>\$ 3,827,228</u>	<u>\$ 3,762,860</u>
Coverage (A)	4.75	4.69	3.11	2.46	2.04
Coverage (B)	4.41	4.58	3.17	2.36	1.94
Revenue Bonds-Water and Sewer					
Revenues available (A)					
Net operating income	\$ 1,668,565	\$ 2,219,702	\$ 1,156,525	\$ 2,079,510	\$ 775,921
Add:					
Non-cash expenses: depreciation	2,602,050	2,377,699	2,135,859	1,868,857	1,737,937
Total available revenue (A)	<u>\$ 4,270,615</u>	<u>\$ 4,597,401</u>	<u>\$ 3,292,384</u>	<u>\$ 3,948,367</u>	<u>\$ 2,513,858</u>
Revenues available (B)					
Net operating income	\$ 1,668,565	\$ 2,219,702	\$ 1,156,525	\$ 2,079,510	\$ 774,921
Add:					
Non-cash expenses: depreciation	2,602,050	2,377,699	2,135,859	1,868,857	1,737,937
Connection fees & CIAC	1,771,776	1,993,419	828,566	2,635,445	2,614,621
Total available revenue (B)	<u>\$ 6,042,391</u>	<u>\$ 6,590,820</u>	<u>\$ 4,120,950</u>	<u>\$ 6,583,812</u>	<u>\$ 5,127,479</u>
Debt service:					
Principal	\$ 565,000	\$ 540,000	\$ 525,000	\$ 510,000	\$ 315,000
Interest	332,594	351,026	368,666	385,566	402,308
Total debt service	<u>\$ 897,594</u>	<u>\$ 891,026</u>	<u>\$ 893,666</u>	<u>\$ 895,566</u>	<u>\$ 717,308</u>
Coverage (A)	4.76	5.16	3.68	4.41	3.50
Coverage (B)	6.73	7.40	4.61	7.35	7.15

Source: County of Volusia, Financial and Administrative Services

Fiscal Year 2002	Fiscal Year 2001	Fiscal Year 2000	Fiscal Year 1999	Fiscal Year 1998
\$ (1,359,264)	\$ (2,152,368)	\$ (730,943)	\$ (555,623)	\$ (41,137)
1,709,628	2,268,449	1,079,668	1,079,668	-
3,929,276	3,869,844	3,678,818	3,550,878	4,044,891
-	-	-	-	-
2,437,979	2,407,923	987,935	2,351,114	2,330,011
<u>\$ 6,717,619</u>	<u>\$ 6,393,848</u>	<u>\$ 5,015,478</u>	<u>\$ 6,426,037</u>	<u>\$ 6,333,765</u>
\$ 1,080,000	\$ 1,020,000	\$ 305,000	\$ 910,000	\$ 865,000
2,715,958	2,775,845	2,098,417	2,882,228	2,930,022
3,795,958	3,795,845	2,403,417	3,792,228	3,795,022
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
215,906	(77,987)	85,189	12,745	(31,225)
<u>\$ 3,795,958</u>	<u>\$ 3,795,845</u>	<u>\$ 2,403,417</u>	<u>\$ 3,792,228</u>	<u>\$ 3,795,022</u>
<u>\$ 4,011,864</u>	<u>\$ 3,717,858</u>	<u>\$ 2,488,606</u>	<u>\$ 3,804,973</u>	<u>\$ 3,763,797</u>
1.77	1.68	2.09	1.69	1.67
1.67	1.72	2.02	1.69	1.68
\$ 913,649	\$ 204,971	\$ 1,970,579	\$ 1,414,867	\$ 2,209,593
1,679,274	1,293,507	1,072,731	975,334	846,342
<u>\$ 2,592,923</u>	<u>\$ 1,498,478</u>	<u>\$ 3,043,310</u>	<u>\$ 2,390,201</u>	<u>\$ 3,055,935</u>
\$ 913,649	\$ 204,971	\$ 1,970,579	\$ 1,414,867	\$ 2,208,593
1,679,274	1,293,507	1,072,731	975,334	846,342
1,578,478	2,179,109	1,352,707	1,785,014	1,445,973
<u>\$ 4,171,401</u>	<u>\$ 3,677,587</u>	<u>\$ 4,396,017</u>	<u>\$ 4,175,215</u>	<u>\$ 4,500,908</u>
\$ 415,000	\$ 395,000	\$ 380,000	\$ 315,000	\$ 270,000
536,174	552,394	567,879	634,852	670,721
<u>\$ 951,174</u>	<u>\$ 947,394</u>	<u>\$ 947,879</u>	<u>\$ 949,852</u>	<u>\$ 940,721</u>
2.73	1.58	3.21	2.52	3.25
4.39	3.88	4.64	4.40	4.78

SCHEDULE 14
COUNTY OF VOLUSIA, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (in Thousands) (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (percent) (3)
2007	508,014	\$ *	\$ *	45.4	64,140	3.4
2006	503,844	14,282,466	28,347	43.8	65,407	3.1
2005	494,649	13,459,894	27,211	*	65,537	3.4
2004	484,080	12,509,255	26,118	43.6	64,968	5.0
2003	470,770	11,719,100	25,403	43.6	63,882	5.2
2002	459,569	11,356,533	24,747	43.2	62,881	5.1
2001	452,050	10,773,256	23,832	42.4	62,490	4.0
2000	443,343	10,008,025	22,574	42.4	61,437	3.0
1999	426,815	9,630,654	22,564	42.1	60,543	3.0
1998	420,431	9,215,848	21,920	*	59,945	3.9

* Not available.

Sources: (1) Bureau of Economic & Business Research, University of Florida
(2) School Board of Volusia County (school enrollment figures are as of the second month of each school year)
(3) Florida Agency for Workforce Innovation

SCHEDULE 15
COUNTY OF VOLUSIA, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND FOUR YEARS AGO

Fiscal Year 2007			Fiscal Year 2003*		
Employer	Number of Employees	Percent of Total Employment	Employer	Number of Employees	Percent of Total Employment
Volusia County School Board	9,021	3.55	Volusia County School Board	8,341	3.88
Halifax Community Health System	5,172	2.03	Halifax Community Health System	5,062	2.35
County of Volusia	3,278	1.29	County of Volusia	2,895	1.35
Publix Supermarkets Incorporated	2,537	1.00	Publix Supermarkets Incorporated	2,796	1.30
Wal-mart Associates Incorporated	2,373	0.93	Embry Riddle Aeronautical University	2,189	1.02
State of Florida	2,219	0.87	Memorial Health Systems	1,398	0.65
Florida Hospital Memorial Division	1,574	0.62	City of Daytona Beach	1,126	0.52
Daytona Beach Community College	1,561	0.61	Daytona Beach Community College	899	0.42
U.S. Government	1,456	0.57	Tyco Healthcare Kendall Products	770	0.36
Embry Riddle Aeronautical University	1,161	0.46	United States Postal Service	733	0.34
Total	30,352	11.93	Total	26,209	12.19
Estimated total workforce	254,388		Estimated total workforce	215,045	

* Note: Information was not available before fiscal year 2003.

Sources: County of Volusia, Department of Economic Development
Labor Market Statistics, Florida Research and Economic Database

SCHEDULE 16
COUNTY OF VOLUSIA, FLORIDA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

	FISCAL YEAR				
	2007	2006	2005	2004	2003
Governmental Activities					
General Government	1,982.5	1,962.5	1,900.5	1,830.5	1,737.5
Public Safety	480.0	444.5	438.5	400.5	367.5
Physical Environment	86.0	84.0	80.0	80.0	80.0
Transportation	246.0	239.0	236.0	236.0	236.0
Economic Environment	12.0	12.0	16.0	15.0	15.0
Human Services	47.0	47.0	47.0	47.0	47.0
Culture/Recreation	242.0	258.0	255.0	230.0	228.0
Business-Type Activities					
Refuse Disposal	73.8	74.0	76.0	76.0	76.0
Daytona Beach International Airport	53.0	53.0	53.0	53.0	56.0
Water and Sewer Utilities	56.0	56.0	54.0	53.0	52.0
Total Full-Time Equivalent Employees	<u>3,278.3</u>	<u>3,230.0</u>	<u>3,156.0</u>	<u>3,021.0</u>	<u>2,895.0</u>

Note: Based on budgeted positions. Information was not available before fiscal year 2000.

Source: County of Volusia, Management and Budget Department

FISCAL YEAR		
2002	2001	2000
1,698.5	1,675.4	1,645.1
367.5	368.5	367.5
80.0	78.0	79.0
235.0	243.0	243.0
15.0	6.0	4.0
47.0	47.0	47.0
224.0	222.0	219.0
76.0	75.8	75.8
64.0	61.5	63.0
50.0	47.0	45.0
2,857.0	2,824.2	2,788.4

SCHEDULE 17
COUNTY OF VOLUSIA, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST FOUR FISCAL YEARS

	FISCAL YEAR	
	2007	2006
Governmental Activities		
General Government		
Number of municipal elections conducted	20	23
Number of payment vouchers processed	81,005	86,056
Number of vehicles maintained	2,165	2,087
Number of employment applications processed	24,327	21,354
Public Safety		
Number of animal licenses sold	4,502	4,506
Number of dogs & cats picked up by Animal Control	3,161	1,237
Number of inmates oriented, classified and counseled	15,074	15,110
Annual call load for Volusia County Fire Services (calendar year statistics)	17,735	18,526
Number of deaths investigated by Medical Examiner	1,112	913
Number of E-911 calls received in Office of the Sheriff	263,835	242,508
Number of building permits issued	7,290	9,030
Transportation		
Miles of paved roads	964	944
Miles of dirt roads	101	113
Bascule Bridges	3	3
Miles of bike paths and sidewalks	157	157
Number of traffic signals & other electronic traffic control devices maintained	486	419
Human Services		
Number of clients receiving general fund direct emergency assistance	6,898	6,574
Culture/Recreation		
Number of visitors to the Marine Science Center	50,132	45,686
Total Library circulation	4,094,829	3,860,571
Number of Library users of electronic resources	469,545	763,050
Number of events held at Ocean Center	85	86
Business-type Activities		
Refuse Disposal		
Tons of solid waste processed per year	629,087	728,748
Number of unincorporated residential units served per year	43,678	43,503
Daytona Beach International Airport		
Number of scheduled flights	5,280	5,057
Enplanements (passengers)	341,018	275,997
Deplanements (passengers)	337,666	274,053
Air Freight (pounds)	294,407	179,961
Air Express (pounds)	47,780	206,993
Water and Sewer Utilities		
Number of customers: water	14,753	14,666
Number of customers: sewer	10,635	10,594
Number of new meter installations	155	1,407
Volusia Transportation Authority		
Number of fixed route passengers	2,936,139	3,021,643
Number of fixed route miles traveled	2,726,075	2,746,881
Number of fixed routes	39	26
Percent of on-time performance	88%	90%

Sources: Various County of Volusia departments

FISCAL YEAR	
2005	2004
7	18
86,500	86,903
2,170	2,166
14,500	14,000
5,112	6,149
2,725	3,316
14,820	14,230
17,115	17,600
935	886
212,610	302,178
9,507	6,128
925	923
125	131
3	3
159	151
540	490
5,677	6,365
41,105	44,602
4,487,964	4,636,025
729,015	698,048
111	82
709,528	670,870
42,444	41,328
6,306	6,092
320,089	310,806
320,156	307,481
146,257	132,228
293,266	261,220
14,871	13,860
10,147	9,653
645	650
2,897,111	2,787,640
2,727,625	2,712,747
26	26
88%	89%

SCHEDULE 18
COUNTY OF VOLUSIA, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTIONAL DEPARTMENT
LAST FOUR FISCAL YEARS

	FISCAL YEAR			
	2007	2006	2005	2004
Governmental Activities				
General Government				
Number of administrative/office facilities	94	128	128	128
Number of warehouse/industrial facilities	71	67	67	67
Total number of facilities operated & maintained	165	195	195	195
Square footage of facilities operated & maintained	1,784,652	1,813,608	1,813,608	1,813,608
Number of light-duty vehicles	163	146	105	104
Number of medium-duty vehicles	455	441	447	473
Number of heavy-duty vehicles	885	766	769	868
Public Safety				
Number of ladder trucks	1	1	1	1
Number of pumper trucks	33	28	28	27
Number of fire stations	24	24	23	22
Number of sheriff vehicles	569	567	554	558
Average age of sheriff vehicles (years)	5	3	3	5
Average annual mileage per sheriff vehicle	36,000	36,000	36,000	36,000
Transportation				
Total paved lane miles	964	944	925	923
Total unpaved lane miles	101	113	125	131
Culture/Recreation				
Park acres	11,210	11,210	11,210	11,210
Park acreage - developed	793	793	785	785
Recreation/community centers	5	5	5	5
Baseball/softball diamonds	28	26	26	26
Playgrounds	24	24	24	24
Tennis courts	6	6	6	6
Basketball courts	14	14	14	13
Soccer/football fields	5	5	5	5
Business-type Activities				
Water and Sewer Utilities				
Treatment capacity (peak - million gallons/day)	4.577	4.572	3.855	3.823
Storage capacity (million gallons)	8.37	8.37	8.37	8.37
Distribution mains (miles)	233	231	231	231
Supply wells	27	25	26	26
Sewer lines	187	185	185	185
Lift stations	107	109	104	102
Treatment capacity (million gallons per day)	2.39	2.35	2.42	2.21
Volusia Transportation Authority				
Number of fixed route Votran buses	56	56	56	56
Number of fixed miles traveled	2,726,075	2,746,881	2,727,625	2,712,747

Sources: Various County of Volusia departments

JAMES MOORE & CO., P.L.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

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 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, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated March 17, 2008. Our report was modified to include a reference to 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. Other auditors audited the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida and Emergency Medical Foundation, Inc., as described in our report on the County of Volusia, Florida'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, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. [Items 2007-1 through 2007-4]

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

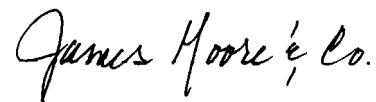
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2007- 1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Volusia, Florida's financial statements are free of 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*.

The County's response to the findings identified in our audit are described in the accompanying management response to internal control and management comments. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Council, management, others within the County, the Auditor General of the State of Florida, and respective federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Moore & Co." in a cursive script.

Daytona Beach, Florida
March 17, 2008

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
AND
STATE FINANCIAL ASSISTANCE**

COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2007

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				
Pass-Through:				
Florida Department of Education:				
USDA Summer Food Services	10.559	04-0879-07	\$ 390,836	\$ 0
Total Department of Agriculture			390,836	0
Department of Housing and Urban Development				
Direct:				
Disaster Recovery Initiative	14.228	06DB-3C-06-74-011-W-35	672,358	0
Housing Finance Home Investment Partnership Program	14.239	2005-120TBRA	75,284	0
Emergency Shelter Program	14.231	S(05-06)-UC-12-0021	99,421	70,075
HOME Program	14.239	M-(02-06)-DC-12-0223	895,543	335,565
Community Development Program	14.218	B-(0-06)-UC-12-0008	2,167,708	1,257,156
Section 8 - Voucher Program	14.871	FL-113-07	1,811,632	0
Total Department of Housing and Urban Development			5,721,946	1,662,796
Department of the Interior				
Direct:				
Lake Woodruff Fire Prevention Preparedness	15.228	401814G189	8,250	0
Total Department of the Interior			8,250	0
Department of Justice				
Direct:				
Bulletproof Vest Partnership	16.607	0526-07	4,602	0
State Criminal Alien Assistance Program	16.606	Alien Assistance 06/07	90,461	0
Office of Justice Program	16.585	2003-DC-BX-0025	48,024	0
Pass Through:				
Florida Department of Law Enforcement:				
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-4-P3-041	18,217	0
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-1-P3-081	42,118	42,118
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-2-P3-082	4,097	4,097
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-6-P3-083	33,690	33,690
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-3-P3-158	9,928	9,928
Byrne Formula Grant Program	16.738	2007-JAGC-VOLU-5-P3-078	74,122	74,122
Edward Byrne Memorial Justice Assistance Grant	16.738	2007-DJ-BX-0047	69,559	0
Florida Office of the Attorney General:				
Victims Advocate	16.575	V6188	91,996	0
Total Department of Justice			486,814	163,955
Department of Health and Human Services				
Pass Through:				
Agency For Health Care Administration:				
VOTRAN Medicaid Assistance Program	93.778	N/A		0
Florida Department of Community Affairs:				
CSBG Program	93.569	07-SB-5Z-06-74-01-033	454,088	0
Low Income Home Energy Assistance Program	93.568	06-EA-3M-06-74-01-031	347,119	0
Low Income Home Energy Assistance Program	93.568	07EA-6J-06-74-01-031	337,854	0
Total Department of Health and Human Services			1,139,061	0
General Services Administration				
Pass-Through:				
Department of State:				
Voter Education 05-06	39.011	Voter Education 05-06	34,955	0
Voter Education 04-05	39.011	Voter Education 04-05	21,616	0
Help America Vote	90.401	HAVA 06	32,186	0
Total General Services Administration			88,757	0

The notes to the financial statements 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 YEAR ENDED SEPTEMBER 30, 2007

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Department of Homeland Security				
Pass Through:				
Department of Community Affairs:				
Citizen Corps	97.004	06-CC-4K-06-74-01	12,190	0
Citizen Corps	97.004	07-CC-5R-06-74-01-150	9,641	0
Domestic Preparedness Strategy	97.004	05DS-2N-13-00-16-317	60	0
Flood Mitigation Assistance	97.029	06FM-65-06-74-01-221	1,509	0
Flood Mitigation Assistance	97.029	07FM-71-08-61-01	104,459	0
Homeland Security Grant	97.067	07-DS-5N-13-00-16-217	84,765	0
Homeland Security Grant	97.067	FM235	30,381	0
State Homeland Security Program	97.004	05-DS-2N-06-74-01-123	205,126	0
State Homeland Security Program	97.067	06-DS-3W-06-74-01-401	30,106	0
Public Assistance Grant-February 2007 Tornadoes	97.036	07-SW-4-06-74-02-528	1,533,549	0
Public Assistance Grant-Hurricane Charley	97.036	05-PA-C-06-74-01-703	186,582	0
Public Assistance Grant-Hurricane Frances	97.036	05-PA-G-06-74-01-198	0	0
Public Assistance Grant-Hurricane Jeanne	97.036	05-PA-E-06-74-01-832	898,975	0
Hazard Mitigation Grant	97.039	07HM-72-06-74-01-054	14,523	0
Total Department of Homeland Security			3,111,866	0
Federal Highway Administration				
Pass Through:				
Florida Department of Transportation:				
Lake Helen Trails	20.205	AOG86	16,402	0
Pioneer Trail/Paved Shoulders	20.205	AOD79	1,856,307	0
Sparkman Avenue Sidewalk	20.205	AOL43	10,154	0
DeLand Train Station	20.205	AE888	107,762	0
Otter Boulevard Replacement Bridge	20.205	AN201	429,235	0
Airport Road Paved Shoulders	20.205	AOH30	22,525	0
Tomoka Farms/Bellvue Intersection	20.205	AOF13	735,263	0
Emergency Relief Program	20.205	AOT64	554,847	0
Leavitt Avenue Sidewalk	20.205	AOL42	10,634	0
Total Federal Highway Administration			3,743,129	0
Federal Emergency Management Agency				
Pass Through:				
Florida Department of Community Affairs				
Local Mitigation Strategy	83.557	04-DM-60-06-74-01-259	0	0
Total Federal Emergency Management Agency			0	0
Federal Transit Administration				
Direct:				
VOTRAN Capital Assistance	20.507	FL90-594	2,250,709	0
VOTRAN Capital Assistance	20.507	FL90-615	194,978	0
VOTRAN Capital Assistance	20.507	FL03251	12,440	0
VOTRAN Capital Assistance	20.507	FL03-0263	130,397	0
VOTRAN Capital Assistance	20.507	FL90-0367	31,939	0
VOTRAN Capital Assistance	20.507	FL90-0398	4,452	0
VOTRAN Capital Assistance	20.507	FL90-0425	49,612	0
VOTRAN Capital Assistance	20.507	FL90-0460	84,719	0
VOTRAN Capital Assistance	20.507	FL90-0474	2,476,620	0
VOTRAN Capital Assistance	20.507	FL90-498	4,943	0
VOTRAN Operating and Capital Assistance	20.507	FL90-0555	378,230	0
Total Federal Transit Administration			5,619,039	0
Federal Department of Transportation				
Pass-Through:				
Florida Department of Transportation:				
State and Community Highway Safety Program	20.600	AOP86	89,490	0
			89,490	0

The notes to the financial statements 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 YEAR ENDED SEPTEMBER 30, 2007**

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA/ CSFA NUMBER	CONTRACT GRANT IDENTIFICATION NUMBER	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
Federal Aviation Authority				
Direct:				
Construct Perimeter Service Road - Phase1 and Acquire Aircraft Rescue and Fire Fighting Vehicle	20.106	3-12-0017-042-2003	248,320	0
Expand Terminal Building (Innovative Financing Program-Phase 3)	20.106	3-12-0017-047-2005	2,327,338	0
Construct Perimeter Service Road - Phase 2 Rehab; Rehabilitate Terminal Building; Terminal Expansion; and Environmental Assessment for Instrument Landing System for Runway 7L/25R	20.106	3-12-0017-046-2004	801,244	0
Acquire Aircraft Rescue and Fire Fighting Vehicle; Construct Perimeter Service Road - Phase 3 Install Runway 71/25R Marking and Lighting; Remove Obstructions	20.106	3-12-0017-048-2005	2,023,054	0
Repair Parking Lot Booth 1 and 2, Roadway Information Signs; Condo Hangar Repair, Condo Hangar Apron/Pavement; Taxiway N2 - West Elevation; Drainage Structures; and Non-Aviation Building	20.106	3-12-0017-E1-2005	2,071,603	0
Install Instrument Landing System on Runway 25F	20.106	3-12-017-049-2006	124,599	0
Construct Perimeter Road - Phase 4	20.106	3-12-0017-050-2007	0	0
Safety Management System Study	20.106	3-12-0017-051-2007	22,703	0
Total Federal Aviation Authority			7,618,861	0
TOTAL EXPENDITURES FEDERAL AWARDS			\$ 28,018,049	\$ 1,826,751

STATE AGENCY

Florida Department of Environmental Protection

Beach Erosion Control	37.003	H5V02	1,876,870	0
Compliance Inspection '05	37.043	GC561-H/8	18,379	0
Compliance Inspection '06	37.043	GC561-H/9	5,788	0
Compliance Inspection '07	37.023	GC562-10	185,653	0
Compliance Inspection '08	37.023	GC706-TA#1	67,887	0
Super ACT Administration '03	37.024	GC631-2	7,396	0
Super ACT Administration '90	37.024	GC60	0	0
Super ACT Administration '07	37.024	GC631-7	98,459	0
Super ACT Administration '05	37.024	GC631-5	1,715	0
Super ACT Administration '06	37.024	GC631-6	347,080	0
Litter Control Grant - Keep Volusia County Beautiful	37.015	KVCB06	0	0
Florida Recreation Development Assistance Program	37.017	F07040	0	0
Florida Recreation Development Assistance Program	37.017	F4283	0	0
Pass Through:				
St. John's River Water Mgt. District				
Water Quality Sampling	37.039	SK430RA	6,712	0
Turnbull Bay Stormwater	37.039	SJ451AA	200,000	0
Dragline Ditch - Bulow Creek State Park	37.039	SJ413F2	192,500	0
Rehab. of Impacted Wetlands	37.039	SJ413AC	45,000	0
Dragline Ditch - Bulow Creek State Park	37.039	SJ413F3	49,998	0
Total Florida Department of Environmental Protection			3,103,437	0

Florida Department of Community Affairs

Emergency Management Preparedness Assistance	52.009	07BG-04-06-74-01307	163,280	0
Hazardous Material	52.023	05CP-11-06-74-01-073	1,027	0
Hazardous Material	52.023	06CP-11-06-74-01-168	1,855	0
Hazardous Material	52.023	07CP-11-06-74-01-042	0	0
Post Disaster Recovery Plan	52.009	05CG-3A-06-74-01-323	0	0
Total Florida Department of Community Affairs			166,162	0

The notes to the financial statements 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 YEAR ENDED SEPTEMBER 30, 2007

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 State				
Division of Historic Preservation:				
Debary Hall General Program Support	45.017	07-7579	14,230	0
Division of Historic Preservation			14,230	0
Division of Library Services:				
Public Library Construction	45.02	06-PLC-21	0	0
Staying Connected Computer Grant	N/A	41499	0	0
State Aid to Libraries	45.030	07-ST-87	563,998	0
Total Division of Library Services			563,998	0
Division of Cultural Affairs:				
Cultural Arts Program	45.005	07-8011	15,156	0
Total Division of Cultural Affairs			15,156	0
Florida Department of Health				
EMS Trust Fund	64.005	C5064	81,911	0
EMS Trust Fund	64.005	C6064	125,523	0
Total Florida Department of Health			207,434	0
Florida Housing Finance Corporation				
Hurricane Housing Recovery Program	52.902	2005-2008	715,716	0
State Housing Incentive Program. (S.H.I.P.)	52.901	(05-07) 206	3,738,128	80,000
Total Florida Housing Finance Corporation			4,453,844	80,000
Florida Department of Highway Safety				
License Plate	76.041	Florida Arts License Plate	53,496	0
Pass Through:				
St. John's River Water Mgt. District				
Dragline Dutch - Bulow Creek State Park	76.010	SJ413AB	25,294	0
Rehab. of Impacted Wetlands	76.010	SJ413AC	30,000	0
Total Florida Department of Highway Safety			108,790	0
Florida Department of Law Enforcement				
Violent Crime and Drug Control	71.005	VCDC 05/06-10	42,970	0
Violent Crime and Drug Control	71.005	VCDC 05/06-26	60,100	0
Violent Crime and Drug Control	71.005	VCDC 06/07-28	36,537	0
Violent Crime and Drug Control	71.004	V018206	140	0
Violent Crime and Drug Control	71.004	99-2232	7,297	0
Total Florida Department of Law Enforcement			147,044	0
Florida Department of Management Services				
Wireless 911 Emergency Telephone System	72.001	Wireless 911	1,389,316	0
Total Florida Department of Management Services			1,389,316	0
Florida Department of Transportation				
County Incentive Grant Program I-4 Frontage	55.008	410525-1-54-01	0	0
Daytona Beach Transportation Solution	55.022	AM110	2,368,243	0
Dunn Avenue Extension	55.008	AOC43	0	0
Historic Planning & Research	55.023	AOD16	18,741	0
Historic Planning & Research	55.023	ANX48	44,514	0
County Incentive Grant Program - Williamson Boulevard	55.008	AOL56	1,700,000	0
DeBary Avenue/Doyle Road Project	55.026	FM421165-1-58-01	0	0
VOTRAN Operating Assistance	55.012	AL127/411999-1-54-01	77,287	0
VOTRAN Operating Assistance	55.007	AO434	202,081	0
VOTRAN Operating Assistance	55.007	AM980/247085-1-84-01	1,757,689	0
VOTRAN Operating Assistance	55.007	AM728/247084-1-84-01	183,897	0
VOTRAN Operating Assistance	55.007	ANU58/418206-1-84-01	29,332	0
VOTRAN Operating Assistance	55.007	ANF36/415592-1-84-01	1,281	0
VOTRAN Operating Assistance	55.007	ANT07/414334-1-84-01	63,603	0
VOTRAN Operating Assistance	55.007	BDA69	88,369	0
VOTRAN Commission for the Transportation Disadvantaged	55.001	AO649/248541-3-84-01	773,805	0

The notes to the financial statements 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 YEAR ENDED SEPTEMBER 30, 2007

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 Transportation-continued				
AIRPORT PROJECTS:				
Operational/Maintenance Costs-Enhanced Federal Security	55.004	ANL48/404986-1-94-01	75,160	0
Repair Facilities - Hurricanes Charley/Frances	55.004	ANP91/404987-1-94-01	16,385	0
Airfield Signage and Parkings - FAR Part 139 Airport Operating Certificate (Including Obstruction Removal, Runway Safety Area Improvements, and Runway Lighting	55.004	ANR00/407595-1-94-01	793	0
Environmental Assessment for Instrument Landing System on Runway 7L/25R (To Include Design and Construction of an Instrument Landing System on Runway 25R)	55.004	ANQ98/407596-1-94-01	3,279	0
Provide Payment on Bonds	55.004	AN027/409451-1-94-01	61,246	0
Land Acquisition and Associated Development Services, Including Design, Environmental Assessment, and Utility Site Prep	55.004	AO527/409682-1-94-01	0	0
Operational/Maintenance Costs-Enhanced Federal Security	55.004	AOT65/409683-1-94-01	2,812	0
Land Acquisition and Associated Development Services, Including Design, Environmental Assessment, and Utility Site Prep	55.004	ANT74/410090-1-94-01	0	0
Design and Construct Hangars at DBIA	55.004	AOD23/414434-94-01	5,729	
Construct Perimeter Service Road - All Phases	55.004	ANC12/415413-1-94-01	66,972	0
Design and Construction of Aircraft Hangars	55.004	ANC09/415414-1-94-01	3,591	0
Safety Management System at DBIA	55.004	AOV21/418496-94-01	597	
Operational/Maintenance Costs-Enhanced Federal Security	55.004	AOT67/418467-1-94-01	0	0
Design of Aircraft Parking Apron	55.004	AOT68/418494-1-94-01	0	0
Operational/Maintenance Costs-Enhanced Federal Security	55.004	AOT66/418499-1-94-01	0	0
Operational/Maintenance Costs-Flex Funding Hurricanes of 2004	55.004	ANV81/418783-1-94-01	4,719	0
Operational/Maintenance Costs-Flex Funding	55.004	OA044/419035-1-94-01	4,600	0
Operational/Maintenance Costs-Flex Funding Hurricanes of 2004	55.004	AO045/419037-1-94-01	6,708	0
Operational/Maintenance Costs-Flex Funding	55.004	AOD24/421263-1-94-01	750	0
Operational/Maintenance Costs-Flex Funding	55.004	AOD22/421264-1-94-01	5,750	0
Design Terminal Baggage Handling System Upgrades	55.004	AOD69/421265-1-94-01	502,500	0
Operational/Maintenance Costs-Flex Funding	55.004	AOD70/421266-1-94-01	5,750	0
Total Florida Department of Transportation			8,076,183	0
TOTAL STATE FINANCIAL ASSISTANCE			\$ 18,245,594	\$ 80,000

The notes to the financial statements describes the significant accounting policies and other financial standards used in preparation of this schedule

**COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

I. Summary of Auditors' Results:

- A. Type of audit report issued on the basic financial statements: Unqualified
- B. There were four significant deficiencies related to internal control over financial reporting disclosed by the audit of the basic financial statements, of which one of the conditions is a material weakness.
- C. No instances of noncompliance material to the financial statements of County of Volusia, Florida, were disclosed during the audit.
- D. There were no material weaknesses or significant deficiencies related to internal control over major federal programs or state projects disclosed by the audit.
- E. Type of report issued on compliance for major federal programs and state projects: Unqualified
- F. The audit did not disclose any audit findings, which are required to be reported under OMB Circular A-133 and Chapter 10.550, Rules of the Florida Auditor General.
- G. Major program identification:
 - Federal awards programs:
 - USDA Summer Food Services Program For Children, CFDA 10.559
 - Community Services Block Grant (CSBG) Program, CFDA 93.569
 - Low-Income Home Energy Assistance Program (LIHEAP), CFDA 93.568
 - Public Assistance Grant (FEMA), CFDA 97.036
 - Highway Planning and Construction (Federal-Aid Highway Program), CFDA 20.205
 - Federal Transit Formula Grant (Urbanized Area Formula Program), CFDA 20.507
 - Community Development Block Grant/ State's Program, CFDA 14.228
 - State financial assistance projects:
 - Hurricane Housing Recovery Program, CSFA 52.902
 - State Housing Initiative Partnership Program (SHIP), CSFA 52.901
 - Transportation Outreach Program, CSFA 55.022
 - Commuter Assistance/ Rideshare Grants VOTRAN, CSFA 55.007
 - Commission for the Transportation Disadvantaged Grant Program, CSFA 55.001
- H. Dollar thresholds used to distinguish between Type A and Type B programs or projects were \$840,541 for major federal programs and \$547,368 for major state projects.
- I. The County of Volusia, Florida, did not qualify as a low-risk auditee as defined in OMB Circular A-133.

II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standards*:

2007-1 Landfill

The County has two landfill locations. The Plymouth Avenue landfill is closed, and the Tomoka Farms Road location is accepting waste. In accordance with Florida Administrative Code, 62-701.630, the County is required to have an engineering study performed annually. This study is used to 1) calculate the estimated landfill closure costs payable for financial statement purposes, 2) determine the amount of escrow funding required with the Florida Department of Environmental Protection (FDEP), and 3) assist management in determining remaining landfill capacity.

The calculation of remaining capacity per the engineering report (performed as of March 31, 2007) was not presented in a manner that readily enabled the determination of the accrued liability in accordance with GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. Additionally, the report was submitted to the FDEP using the incorrect funding calculation (“pay-in” method versus the required “balance” method).

As a result, estimated landfill closure costs payable was understated by \$10.9 million at September 30, 2007. We recommend a system of internal control be implemented that ensures proper monitoring over engineering services provided, including evaluation of the engineering report to determine compliance with the FDEP, GASB 18, and management requirements.

2007-2 Supervision and Review of Account Reconciliations and Journal Entries

During the performance of our audit procedures, audit adjustments were required to adjust cash, payroll expense, accrued payroll, and the sale of land in enterprise funds, specifically Votran and Refuse Disposal. These adjustments would have been discovered by Accounting personnel, provided a formal system of quality control, which allowed for the proper supervision, review and approval of accountants’ work was in place. We recommend the County implement such a system of quality control, especially as it relates to the work of less experienced accounting personnel.

2007-3 Budget

In the performance of our budget testing, we noted six budget amendments totaling \$3,011,112 were not entered into the financial system. To ensure all levels of County management are continually aware of actual versus budgeted revenues and expenditures, it is imperative the financial system be updated timely for any and all budget changes. We recommend a system be implemented whereby all budget amendments are tracked through review of council minutes, with the financial system updated immediately upon approval.

2007-4 Risk Management

In the performance of our audit procedures, we noted County staff performs monthly payment reconciliations of the general ledger to the claims database. However, a reconciliation of total claim expenditures, including changes in reserves and recoveries, is not performed. This creates a risk that transactions on the general ledger may not be accounted for in the claims system and vice versa. We recommend such reconciliation be performed at least annually, before information is sent to the actuary, to ensure all transactions are considered in the actuarial projections.

We also noted one instance where the County's system of internal control over insurance claims review did not identify a claim with a negative cost due to recoveries from reinsurers. The amount, although not material to the fund overall, could result in an understatement of the total estimated claims liability. We recommend the County run exception reports on a regular basis to specifically look for unusual claim amounts and negative amounts. The exception reports should flag claims with negative costs. Documentation of the monthly review of the exception reports should be maintained.

III. Findings and Questioned Costs for Federal Programs and State Projects: None

IV. Summary Schedule of Prior Audit Findings:

VOTRAN Accounting - corrective action was taken.

V. Corrective Action Plan: There was no corrective action plan necessary for the year ended September 30, 2007, since there were no audit findings related to federal programs or state projects in the auditors' report for that fiscal year.

COUNTY OF VOLUSIA, FLORIDA
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Quarter Ended December 31, 2006	Quarter Ended March 31, 2007	Quarter Ended June 30, 2007	Quarter Ended September 30, 2007	Year Ended September 30, 2007
PFC Revenues Received	\$ 220,505	\$ 358,948	\$ 446,590	\$ 291,677	\$ 1,317,720
Interest Earned	20,532	20,818	22,207	22,029	85,586
Total PFC Revenues Received	<u>\$ 241,037</u>	<u>\$ 379,766</u>	<u>\$ 468,797</u>	<u>\$ 313,706</u>	1,403,306
Expenditures	<u>\$ (248,176)</u>	<u>\$ (379,766)</u>	<u>\$ (468,797)</u>	<u>\$ (313,706)</u>	(1,410,445)
PFC Cash Available at September 30, 2006					1,407,139
PFC Cash Available at September 30, 2007				<u>\$</u>	<u>1,400,000</u>

Reconciliation to Restricted Net Assets for PFC Program as of September 30, 2007:

PFC Cash Available	\$ 1,400,000
PFC Due From Airlines	171,169
Restricted Net Assets for PFC Program	<u>\$ 1,571,169</u> *

* The restricted net assets is comprised of \$1,571,169 and can be used for debt service on land acquisition or debt service on the terminal facility. Of the total approved expenditures as of September 30, 2007 of \$29,469,817, \$903,009 remains to be spent on land acquisition under application 1 (93-01-C-03-DAB), and \$12,302,869 for financing and interest and \$4,025,312 for terminal facility construction under application 2 (96-02-C-03-DAB) remains available.

JAMES MOORE & CO., P.L.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, EACH MAJOR STATE PROJECT, AND PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, 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:

Compliance

We have audited the compliance of the County of Volusia, Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*, the *Florida Department of Financial Services State Projects Compliance Supplement* that are applicable to each of its major federal programs and state projects, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide), for the year ended September 30, 2007. The County of Volusia, Florida's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs, major state projects, and its passenger facility charge program is the responsibility of the County of Volusia, Florida's management. Our responsibility is to express an opinion on the County of Volusia, Florida's compliance based on our audit.

The County of Volusia, Florida's financial statements include the operations of Clerk of the Circuit Court, Volusia County, Florida (a discretely presented component unit) and Emergency Medical Foundation, Inc. (a discretely presented component unit), which received \$475,875 and \$296,450 in federal awards and state projects, respectively, which is not included in the schedule of expenditures of federal awards and state financial assistance for the year ended September 30, 2007. Our audit, described below, did not include the operations of the component units because the component units engaged other auditors to perform an audit in accordance with *Government Auditing Standards*, Chapter 10.550, Rules of the Florida Auditor General, and OMB Circular A-133 (if required).

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Chapter 10.550, Rules of the Florida Auditor General; and the Guide. Those standards, OMB Circular A-133; Chapter 10.550, Rules of the Florida Auditor General; 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 of Volusia, Florida'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. Our audit does not provide a legal determination on the County of Volusia, Florida's compliance with those requirements.

In our opinion, the County of Volusia, Florida, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs, each of its major state projects, and its passenger facility charge program for the year ended September 30, 2007.

Internal Control Over Compliance

The management of the County of Volusia, Florida, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs, state projects, and the passenger facility charge program. In planning and performing our audit, we considered the County of Volusia, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program, major state project, or its passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 of Volusia, Florida's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the County Council, management, others within the County, the Auditor General of the State of Florida, and respective federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co.

Daytona Beach, Florida
March 17, 2008

JAMES MOORE & CO., P.L.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

MANAGEMENT LETTER OF INDEPENDENT AUDITORS' REQUIRED BY CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

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

We have audited the basic financial statements of the County of Volusia, Florida, as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated March 17, 2008. We did not audit the financial statements of the Clerk of the Circuit Court, County of Volusia, Florida or Emergency Medical Foundation, Inc., which represent ninety-eight percent and ninety-eight 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 and Emergency Medical Foundation, Inc., is based on the reports of the other auditors.

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 provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, Report on Compliance With Requirements Applicable to Each Major Federal Program, Each Major State Project, and Passenger Facility Charge Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133, and Passenger Facility Charge Audit Guide for Public Agencies, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 17, 2008, 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.

Additionally, our audit was conducted in accordance with the provisions of chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554 (1)(i) 1.) require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective action was taken on all comments made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554 (1)(i) 2.), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the County of Volusia, Florida, complied with Section 218.415, Florida Statutes.

The Rules of the Auditor General (Section 10.554 (1)(i) 3.) require that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations not already addressed in our report on internal control over financial reporting and on compliance and other matters.

The Rules of the Auditor General (Section 10.554(1)(i) 4.) require we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In conjunction with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(i) 5.) require, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and would have an immaterial effect on the financial statements; (2) improper or illegal expenditures that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to: (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. There were no matters that require disclosure pursuant to the Rules of the Auditor General (Sections 10.554(1)(i) 5.) not already addressed in our report on internal control over financial reporting and on compliance and other matters.

The Rules of the Auditor General (Section 10.554 (1)(i) 6.) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and each component unit of the reporting entity is disclosed in Note 1 of the basic financial statements.

The Rules of the Auditor General (Section 10.554(1)(i) 7.a.) require a statement be included as to whether or not one or more conditions described in Section 218.503(1), Florida Statutes, regarding determination of financial emergency have been met. In connection with our audit, we determined that the County of Volusia, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes, regarding determination of financial emergency.

As required by the Rules of the Auditor General (Section 10.554 (1)(h) 7.b.), we determined that the annual financial report for the County of Volusia, Florida, for the fiscal year ended September 30, 2007, 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, 2007. In connection with our audit, we determined these two reports were in agreement.

As required by the Rules of the Auditor General (Sections 10.554 (1)(i) 7.c. and 10.556(7)), the scope of our audit included application of financial condition assessment procedures. In connection with our audit, 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 the same.

This management letter is intended solely for the information and use of the County Council, management, others within the County, the Auditor General of the State of Florida, and respective federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co.

Daytona Beach, Florida
March 17, 2008

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF VOLUSIA
MANAGEMENT RESPONSES TO
THE AUDITORS REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING**

2007-1 Landfill

The submittal requirements for future contracted engineering services financial reporting will clearly state that all financial reports will be prepared in accordance and in compliance with both Florida Department of Environmental Protection (FDEP) and financial reporting standards. Contracted engineering services financial report submittals will be reviewed for completeness and accuracy by Public Works and Financial and Administrative Services prior to acceptance. This will ensure that all submittals are consistent with both FDEP and financial reporting standards.

2007-2 Supervision and Review of Account Reconciliations and Journal Entries

Under new auditing standards, identified errors must now be reported as a significant deficiency in internal controls. These errors were discovered by the auditors after they were presented with the final trial balance, but before the final financial statements were complete. In order to complete the audit within a reasonable time frame, work papers and preliminary and final balances are given to the auditors prior to completion of the financial statements. While the majority of adjustments are made prior to the final trial balance being completed and given to the auditors, it is normal for staff to detect and correct errors during the financial statement preparation process. The process in place to review the financial statements, as they are being prepared, is designed to identify additional adjustments or corrections, if any. We believe the errors would have been detected during that process. However, we will put into place additional controls that will further minimize the chances of errors and omissions being undetected or corrected prior to the financial statement review process.

2007-3 Budget

During the course of the audit, the Budget office recognized the need for a tracking mechanism to ensure all budget amendments are processed in the financial system. A procedure was immediately implemented to track and log all budget amendments approved by County Council. The tracking is followed by a monthly distribution of Council approved budget amendments to budget staff as a final month end reconciliation.

2007-4 Risk Management

Risk Management reconciles all claim payments and recoveries posted in its subsidiary claims tracking system to the County's general ledger on a monthly basis. All differences are researched and, if necessary, corrections are made to either the subsidiary claims system or the general ledger. Additional procedures will be put into place to reconcile reserve changes to ensure that all cost elements of a claim are reviewed prior to information being sent to the actuary.

Risk Management, along with other departments within the County, responded to a large flood that occurred at the Justice Center. Various County departments worked together to repair, replace and return the facility to full working capacity in a very short time frame. As a result, repair bills were paid from different funding sources, including the self-insurance fund. Risk

Management compiled the repair bills from their various funding sources and submitted them to the County's property insurance company for reimbursement. The County was reimbursed for these costs and the funds deposited into the self-insurance fund. The portion of those insurance proceeds representing the amounts paid by other funding sources should have been reimbursed prior to fiscal year end. Because this was not completed, a negative balance in the risk management system's claim file resulted. Once detected, the funds were disbursed to reimburse the appropriate funding sources and recorded as a fiscal year 2007-08 transaction. No adjustment was made to the 2006-07 financial statements as the amount was considered immaterial by both the County and the external auditors.

To avoid this type of error in the future, the new risk management claims system will provide controls to prevent negative claim balances.