

**JAMES MOORE & CO., P.L.**  
CERTIFIED PUBLIC ACCOUNTANTS  
AND CONSULTANTS

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED  
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA  
OFFICE OF THE AUDITOR GENERAL**

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

We have audited the basic financial statements of the County of Volusia, Florida, as of and for the fiscal year ended September 30, 2009, and have issued our report thereon dated March 15, 2010. 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 of BOTH the assets and revenues 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 Compliance and Other Matters; Independent Auditors' 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 15, 2010, 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 governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

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, except for Item 2008-1 which has been readdressed in 2009-3 in the accompanying Schedule of Findings and Questioned Costs.

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. In connection with our audit, we did not have any such recommendations.

The Rules of the Auditor General (Section 10.554(1)(i) 4.) require that 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.) provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554 (1)(i) 6.) 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 the local governmental entity has met one of more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) 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)(i) 7.b.), we determined that the annual financial report for the County of Volusia, Florida, for the fiscal year ended September 30, 2009, 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, 2009. 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. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the County Council, management, federal and state awarding agencies and pass-through entities, and the Florida Auditor General, 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 15, 2010