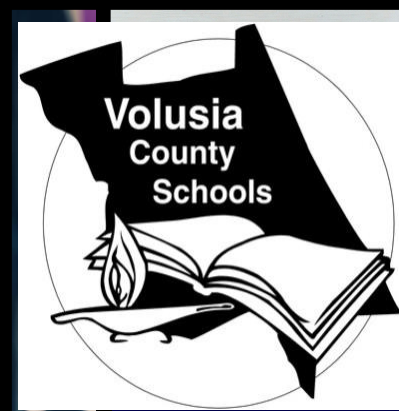
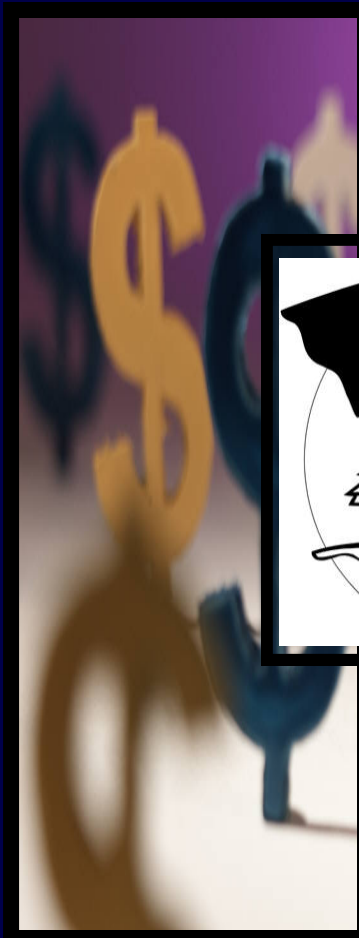
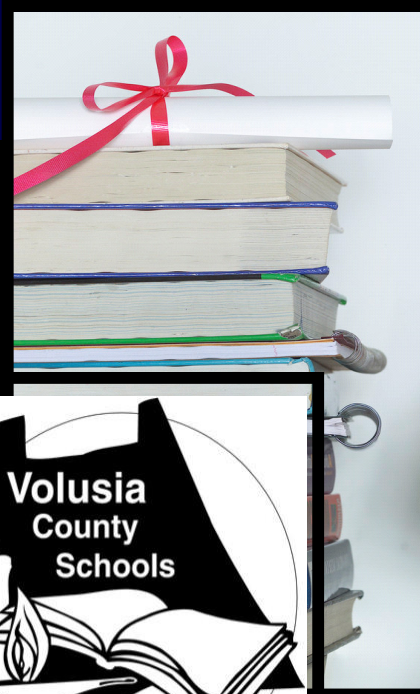


Comprehensive Annual Financial Report

**For Fiscal
Year Ended
June 30, 2010**



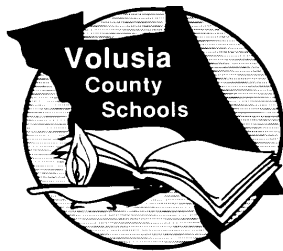
**District School
Board of
Volusia County
DeLand, Florida**



District School Board of Volusia County
DeLand, Florida

Comprehensive Annual
Financial Report

For the Fiscal Year Ended
June 30, 2010



Prepared by:
Division of Financial and Business Services

**District School Board of Volusia County, Florida
 Comprehensive Annual Financial Report
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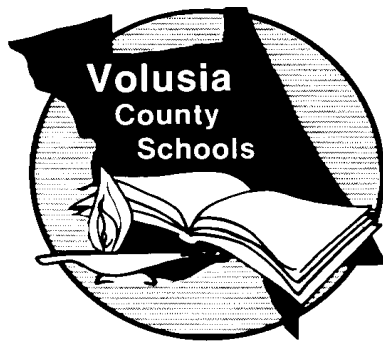
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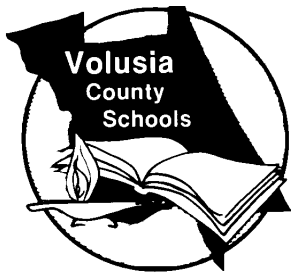
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Introductory Section



P.O. Box 2118 • 200 North Clara Avenue • DeLand, Florida 32721-2118

DeLand Daytona Beach New Smyrna Beach Osteen
(386) 734-7190 (386) 255-6475 (386) 427-5223 (407) 860-3322

School Board of Volusia County

Margaret A. Smith, D.Ed.
Superintendent of Schools

Ms. Candace Lankford, Chairman
Mr. Stan Schmidt, Vice-Chairman
Mrs. Diane Smith
Ms. Judy Conte
Dr. Al Williams

December 1, 2010

Dear Chairman, Members of the Board, and Citizens of Volusia County:

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited, by a firm of licensed certified public accountants or by the Florida Auditor General, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the District School Board of Volusia County, Florida (District) for the fiscal year ended June 30, 2010. This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. This letter of transmittal is designed to complement Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent certified public accountants.

This report includes all funds of the District, the Volusia School Board Leasing Corporation, Inc., Futures, Inc. and the District's five charter schools, Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn West, and Volusia Elementary Charter School, Inc., d/b/a Boston Avenue Charter School, which comprise the reporting entity. The Volusia School Board Leasing Corporation, Inc. was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. Futures is a separate not-for-profit corporation organized and operated as a direct-support organization. Futures' purpose is exclusively educational and charitable for the constituents of Volusia County. The Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn Academy West, and Volusia Elementary, charter schools are public schools operating under performance contracts with the School Board. Futures and the applicable charter schools are included as aggregate discretely presented component units.

To provide a reasonable basis for making these representations, the District's management has established a system of internal control that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's system of internal control 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 aspects.

The accounting firm of Moore, Stephens, Lovelace, P.A. conducted the audit of the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2010, 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 that there was a reasonable basis for rendering an unqualified opinion on the District's financial statements for the fiscal year ended June 30, 2010. The report of the independent certified public accountants is presented as the first component of the financial section of this report.

Profile of the Government

The District and its governing board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by the District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five elected officials responsible for the adoption of policies, which govern the operation of the District's public schools. The appointed Superintendent of Schools (Superintendent) is the executive officer of the Board and is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and School Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District by Section 1010.01, Florida Statutes, as prescribed by the State Board of Education.

The geographical boundaries of the District are those of Volusia County. Volusia County is located in the east-central region of the State of Florida. Volusia County is approximately 40 miles northeast of Orlando and approximately 204 miles from Tallahassee, Florida's capital. Volusia County was established in 1854 and became the 30th county in the State of Florida. The 2010 population for Volusia County is estimated to be 506,528 persons. Within its borders are several incorporated areas and small, unincorporated communities.

In the 2009-10 fiscal year, the District provided general, special, and vocational education programs. The District had 74 K-12 schools, including 45 elementary schools, 13 middle schools, 1 middle/high school, 8 high schools, 1 alternative education center (Department of Juvenile Justice), and 6 charter schools, 1 of which is not a component unit of the District. Boston Avenue Charter School is a public school of choice that focuses on having a project based learning curriculum, healthy green atmosphere, and believe in teaching to the whole child. The mission of The Chiles Academy, Inc., is to combine a community of support and guidance for school-age parents with the goal of attaining a high school diploma, which will empower them to become independent and responsible citizens. Reading Edge Academy, Inc., is dedicated to launching children's academic careers with success, confidence, and a love for reading. Richard Milburn Academy of Volusia County and Richard Milburn Academy West foster a positive, nurturing environment that will offer a developmental approach to learning where the community, parents, staff and students combine their efforts to take ownership in achieving their greatest potential. The mission of Easter Seals Educational Services is to maximize the independence of individuals with special needs by providing the highest quality services.

Economic Condition and Outlook

Volusia County is located on the east coast of central Florida and is the eastern terminus of the I-4 corridor, which runs through Orlando and extends to the cities of Tampa and St. Petersburg on the Florida west coast. The county has a total of 16 cities, including: Daytona Beach, Daytona Beach Shores, DeBary, DeLand, Deltona, Edgewater, Holly Hill, Lake Helen, New Smyrna Beach, Oak Hill, Orange City, Ormond Beach, Pierson, Ponce Inlet, Port Orange, and South Daytona. Tourism is the county's largest industry based primarily on a drive-in market of visitors interested in our recreational areas including 47 miles of beaches. Major tourist events include Speed Week, Bike Week and Spring Break.

Per capita income was \$30,818 in 2009 for Volusia County. Volusia County's 2009 Florida Price Level Index prepared by the Florida Department of Education is 95.39. This means that the cost of living in Volusia County is 4.61 percent below the State average of 100.

Volusia is Florida's 11th most populous county, with 2.7% of the population. The population of Volusia County has increased 63,185 from 2000 to 2010 and is projected to reach 529,471 by 2015, 558,840 by 2020, and 587,081 by 2025.

The School District of Volusia County reported approximately 62,416 students (20-day enrollment) in 2009-10. The District grew by 1,157 students during the ten-year period of 2000-01 through 2009-10, or 1.89%. Based on the District's cohort projection model and economic conditions, forecasts project enrollment for 2015-16 to be 59,607, a decrease of 2,809 students from the current fiscal year, or a decrease of 4.5 percent.

According to the American Community Survey, the median age in Volusia County in 2009 was 44.1 years. Nineteen percent of the population were under 18 years and 21 percent were 65 years and older. Families made up 63 percent of the households, which includes both married-couple families (48 percent) and other families (15 percent). Seven percent of the people were foreign born and 93 percent were native, including 33 percent who were born in Florida. Among people at least 5 years old, 13 percent spoke a language other than English at home. Of those speaking a language other than English at home, 66 percent spoke Spanish and 34 percent spoke some other language; 34 percent reported that they did not speak English "very well". Eighty-seven percent of people 25 years and older had at least graduated from high school and 20 percent had a bachelor's degree or higher.

In 2009, the leading industries for the employed population 16 years and older in Volusia County were educational services, health care, and social assistance, 23 percent, and retail trade, 14 percent. The most common occupations were: management, professional, and related occupations, 32 percent; sales and office occupations, 26 percent; service occupations, 21 percent; construction, extraction, and maintenance and repair occupations, 11 percent; and production, transportation, and material moving occupations, 10 percent.

Of the 74 Volusia County schools mentioned above, 11 schools are less than 10 years old; 17 schools are between 10 and 25 years old; and 46 schools are over 25 years old.

Major Initiatives

Class Size Reduction Amendment

In November, 2002, citizens approved an amendment to the Florida Constitution that set limits on the number of students in core classes (such as Math, English, Science, etc.) in the state's public schools. The goal set by the amendment to be reached by 2010-11 is 18 students per pre-kindergarten class through grade 3; 22 students per core class in grades 4 through 8; and 25 students per core class in grades 9 through 12.

The Florida Legislature enacted Senate Bill 30-A which required the number of students in each classroom be reduced by at least two students per year beginning in the 2003-04 school year, until the maximum number of students per classroom did not exceed the requirements in the law. The amendment would be calculated as follows:

- For the 2003-04, 2004-05, and 2005-06 fiscal years, class size calculated at the district level.
- For the 2006-07, 2007-08, and 2008-09 fiscal years, class size calculated at the school level.
 - The 2009 Legislature extended the calculation at the school level for an additional year to include 2009-10.
- For the 2010-11 fiscal year, class size calculated at the classroom level.

For the 2009-10 fiscal year, the District continued its efforts to meet the constitutional requirements.

American Recovery and Reinvestment Act (ARRA)

In February, 2009, President Barack Obama signed the American Recovery and Reinvestment Act (ARRA) into law. Intended to provide a stimulus to the nation's economy, ARRA provided the district with an additional \$31 million for use in key education areas such as the instruction of students with disabilities, services for low-income students, and \$22 million for the stabilization of local school district funding.

Fund Balance Policy

Another significant initiative in 2009-10 was the school board's decision to approve policy 722, Fund Balance, which requires the district to maintain a minimum 3 percent unreserved fund balance with the desirability of 5 percent. This decision adds a more noteworthy dimension of substantive and responsible goal setting in the fiscal process.

Capital Outlay Program

In 2001, Volusia County voters approved a referendum adopting a half-cent sales tax for fifteen years, ending December 31, 2016, to fund the School District of Volusia County's approved ten-year plan to construct certain identified educational facilities. During the first three years of the Sales Tax Program, sales tax collections exceeded projections, construction costs were predictable and student enrollment continued to increase steadily. After the hurricane season of 2004, the District experienced large construction cost increases, a continued increase in sales tax collections but only a small increase in student enrollment. During the 2007-08 fiscal year, school construction costs stabilized but sales tax collections decreased as did student enrollment. Commercial and large institutional construction costs remained relatively high as was reflected in the construction bid for the replacement of Hurst Elementary School in November of that year.

In the 2009-10 fiscal year, the ninth year of the 10-year building program, all but three of the scheduled projects have been completed. Construction began on the Holly Hill K-8 school in June 2010. Six projects in the program have been delayed or placed on hold. On March 24, 2009 the School Board amended the sales tax project list and cancelled three projects due to changing conditions. Student enrollment projections continue downward for the next four years by the Florida Department of Education.

The School Board has demonstrated its commitment to the project list associated with the passage of the half cent sales tax referendum; however, modifications to the ten year plan have been and will likely continue to be necessitated by enrollment and revenue declines. To fulfill the obligations, two areas have been addressed. First, is the need for balancing the renovation of facilities that are functionally obsolete with building new space to accommodate growth. Second, is communicating the value derived from the School Board's commitment to its current design philosophy of building and maintaining high quality schools that are intended to serve future generations.

Academic Accomplishments

Dr. Margaret Smith, Superintendent of Volusia County Schools, was named Florida's 2010 Superintendent of the Year by the Florida Association of School Administrators.

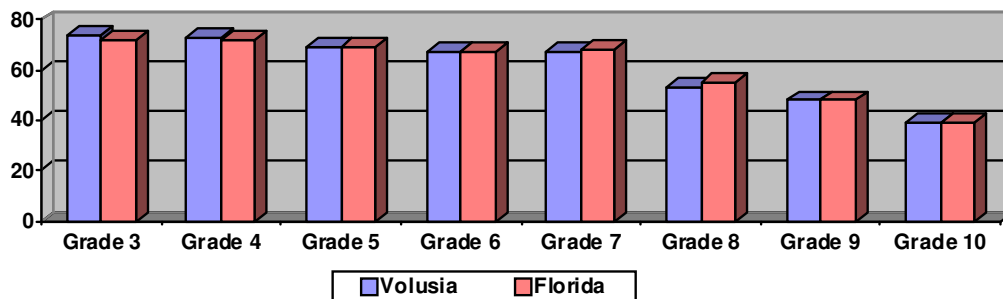
Volusia County Schools earned district accreditation from the Southern Association of Colleges and Schools in 2004 – the first in Florida and third in the nation to be named a quality school system for its approach to increasing student achievement. Volusia recently completed its five-year renewal, earning district accreditation once again.

Student achievement is measured throughout a student's educational career using a variety of testing instruments that include both norm-referenced and criterion-referenced assessments. Collectively,

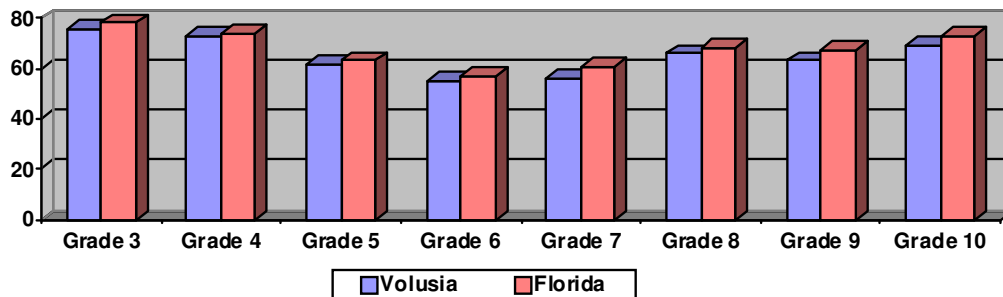
the data derived from student achievement tests support several purposes that include School, District, and State accountability; instructional and program decision-making; student placement; and monitoring student progress. Major testing programs include the Florida Comprehensive Assessment Test (FCAT), Pre-Scholastic Assessment Test (PSAT), Scholastic Assessment Test (SAT), American College Test (ACT), Advanced Placement (AP), and the High School Competency Test (HSCT).

The FCAT is a State mandated test that measures the degree to which students are learning the Sunshine State Standards in reading, mathematics, science, and writing. The reading and mathematics FCAT is administered to students in grades 3 through 10. The writing FCAT is administered to students in grade 4, 8, and 10. The science FCAT is administered to students in grade 5, 8, and 11. FCAT results are used for school accountability purposes, as well as to monitor individual student progress.

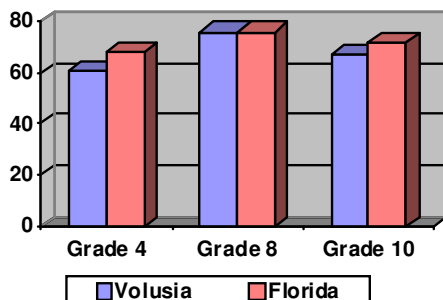
2010 FCAT Reading
(% Equal to or Greater Than Level 3)



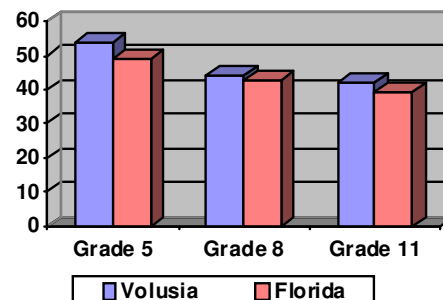
2010 FCAT Mathematics
(% Equal to or Greater Than Level 3)



2010 FCAT Writing
(% 4 or Higher)



2010 FCAT Science
(% Equal to or Greater Than Level 3)



The distribution of school grades is as follows:

Elementary: Twenty-two (22) received a rating of "A"; fifteen (15) received a rating of "B"; eight (8) received a rating of "C"; one (1) received a rating of "D"; and one (1) charter school received a rating of "F".

Middle: Eight (8) received a rating of "A"; four (4) received a rating of "B"; and one (1) rating is still pending a resolution with the Florida Department of Education.

High: At this time, only point values for each high school have been reported for the FCAT portion of the school grades. High school grades will be released in December, when the additional data that is now included in the grade calculation will be available.

Budgetary Controls

The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of all governmental and proprietary fund types are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function level.

Budgetary information is integrated into the accounting system, and, to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the Board adopts a District staffing plan that establishes teacher positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2009. In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement and the Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA and the ASBO to determine its eligibility for another certificate.

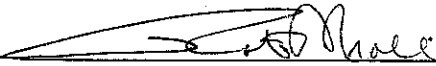
The preparation of the CAFR was made possible by the dedicated service of the entire staff of Financial and Business Services. Each member of the division has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we would like to thank the members of the School Board for their leadership and support in planning and conducting the financial operations of the District.

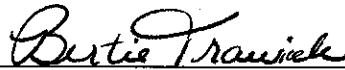
Respectfully submitted,



Dr. Margaret A. Smith
Superintendent of Schools



Dr. Robert Moll
Deputy Superintendent for Financial and
Business Services



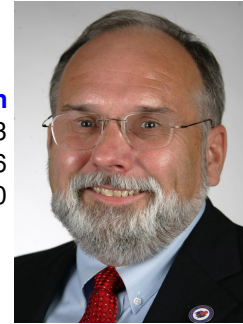
Bertie Trawick
Director of Finance

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA
SCHOOL BOARD MEMBERS - ELECTED



Ms. Candace Lankford, Chairman
District 1
Member since November 2002
Current term expires November 2010

Mr. Stan Schmidt, Vice Chairman
District 3
Member since November 2006
Current term expires November 2010



Mrs. Diane Smith
District 5
Member since November 2006
Current term expires November 2010

Ms. Judy Conte
District 4
Member since November 1992
Current term expires November 2012



Dr. Al Williams
District 2
Member since November 2004
Current term expires November 2012

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA
PRINCIPAL OFFICIALS - APPOINTED

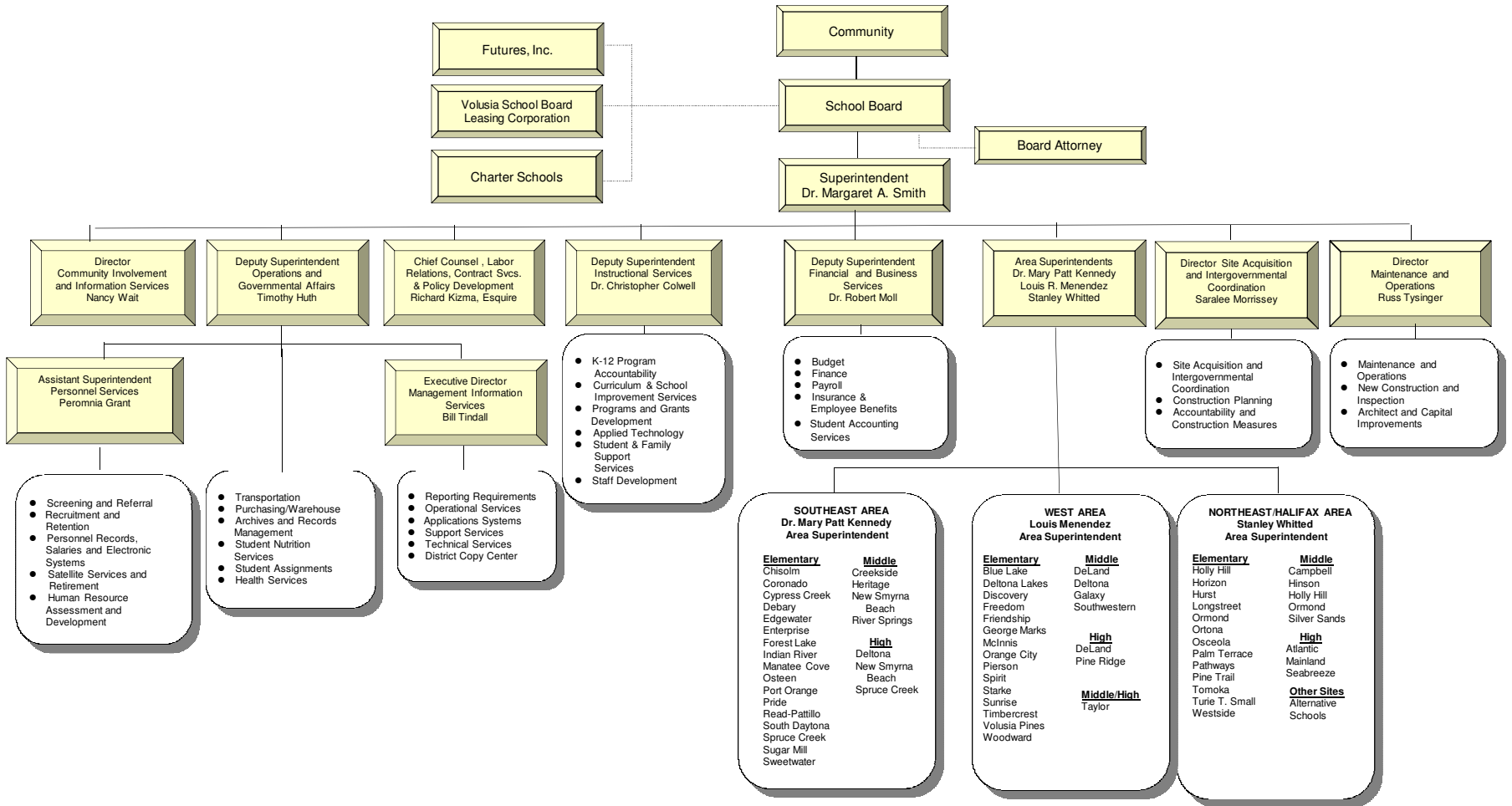


Dr. Margaret A. Smith
Superintendent of Schools

| | |
|-------------------------|--|
| Dr. Christopher Colwell | Deputy Superintendent Instructional Services |
| Timothy Huth | Deputy Superintendent Operations and Governmental Affairs |
| Dr. Robert Moll | Deputy Superintendent Financial and Business Services |
| Dr. Mary Patt Kennedy | Area Superintendent |
| Louis R. Menendez | Area Superintendent |
| Stanley Whitted | Area Superintendent |
| Peromnia Grant | Assistant Superintendent Personnel Services |
| Richard Kizma, Esquire | Chief Counsel for Labor Relations, Contract Services and Policy Development |
| Bill Tindall | Executive Director Management Information Services |
| Saralee Morrissey | Director, Site Acquisition and Intergovernmental Coordination |
| Russ Tysinger | Director, Maintenance and Operations |
| Nancy Wait | Director, Community Involvement and Information Services |

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA ORGANIZATIONAL CHART

Page x



Certificate of Achievement for Excellence in Financial Reporting

Presented to

District School Board
of Volusia County, Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2009

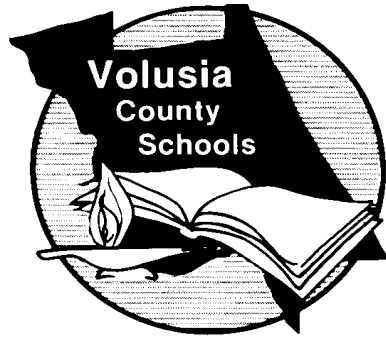
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Evin Green

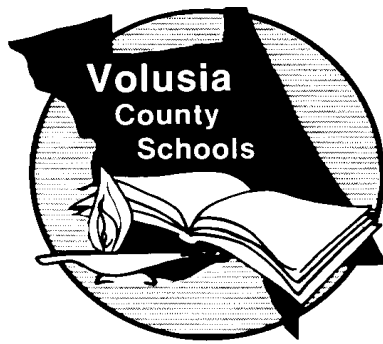
President

John D. Quasar

Executive Director



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Financial Section



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Chairman and Members of
The District School Board of Volusia County, Florida

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Volusia County, Florida (the "District") as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the District'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 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 the discretely presented component units, is based on the reports of those 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparison for the general fund and major special revenue fund 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 November 30, 2010, on our consideration of the District'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 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.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
(Concluded)

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Funding Progress – Other Postemployment Benefits Plan on pages 3 through 13 and page 54, respectively, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole. 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 do not express an opinion or provide any assurance on them.

Moore S Stephens Lovelace, P.A

Certified Public Accountants

Orlando, Florida
November 30, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District School Board of Volusia County, Florida, (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with our basic financial statements and notes thereto found on pages 14 through 53, and with additional information included in the letter of transmittal, which can be found on pages i. through vii.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at June 30, 2010, by \$846,162,246. Of this amount, \$726,782,031 represents investments in capital assets (net of related debt), and restricted and unrestricted net assets of \$133,946,657 and (\$14,566,442), respectively.
- The District's total net assets increased \$7,709,763.
- At June 30, 2010, the District's governmental funds reported combined fund balances of \$206,779,910, a decrease of \$85,533,297 in comparison with the prior year.
- At June 30, 2010, the unassigned fund balance for the General Fund was \$27,045,582, or 6.4 percent of total General Fund revenues. Of this amount, the District has set aside \$20,970,400 "contingency reserves" to stabilize the current year budget for potential revenue shortfalls, emergencies, and unanticipated expenditures after the current year budget adoption.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide Financial Statements

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

The statement of net assets presents information on all of the District'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 District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. 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 result in cash flows only in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

The government-wide financial statements include the District (known as the primary government), Futures, Inc., and five charter schools, Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn Academy West, and Volusia Elementary Charter School, Inc. d/b/a Boston Avenue Charter School, for which the District is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government. The Volusia School Board Leasing Corporation (Leasing Corporation), although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government. The government-wide financial statements can be found on pages 14 through 16 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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds can be divided into one of three categories: governmental funds, proprietary funds, and fiduciary funds.

The District has adopted Governmental Accounting Standard Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as part of its fiscal year 2009-10 reporting. The reporting standard establishes a hierarchy for fund balance classifications and the constraints on the uses of those resources.

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 on 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seventeen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the District's most significant funds. The District's major governmental funds are the General Fund, American Recovery and Reinvestment Act (ARRA) Economic Stimulus Funds – Special Revenue Fund, Certificates of Participation – Debt Service Fund, Local Capital Improvement – Capital Projects Fund, and Certificates of Participation – Capital Projects Fund. Data for the other 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 elsewhere in this report.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund on page 23 to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17 through 24 of this report.

Proprietary Funds – Proprietary funds may be established to account for activities in which a fee is charged for services. The District maintains internal service funds to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its self-insurance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The four internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data is provided in the form of combining statements elsewhere in this report.

The basic proprietary funds financial statements can be found on pages 25 through 27 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. The District maintains Private Purpose Trust Funds to account for the resources of the District's trust and endowment funds for DeLand High, Spruce Creek High, Seabreeze High, and the Samsula Elementary Scholars. The District also maintains Agency Funds to account for resources of the school internal funds and a voluntary employee benefits program. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statements can be found on pages 28 and 29 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 30 through 53 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. The District's total assets exceeded its liabilities by \$846,162,246 (total net assets) at June 30, 2010, which was an increase of \$7,709,763 over the previous year.

Net assets include investments in capital assets, primarily school facilities and related furniture, fixtures, and equipment, net of outstanding debt used to acquire or construct capital assets. The remaining net assets are divided between those that are restricted and those that are unrestricted. Restricted net assets are those assets net of related liabilities that are restricted to uses specified by third parties, primarily under the terms of debt issues, and Federal and State grantor agencies.

The following is a summary of the District's net assets as of June 30, 2010, compared to net assets as of June 30, 2009:

| Condensed Statement of Net Assets | | |
|---|--------------------------------|------------------------------|
| | Governmental Activities | |
| | 2010 | 2009 |
| Current and other assets | \$ 295,071,400 | \$ 391,129,895 |
| Capital assets, net | <u>1,195,813,668</u> | <u>1,172,595,068</u> |
| Total assets | <u>1,490,885,068</u> | <u>1,563,724,963</u> |
| Long-term liabilities | 583,788,148 | 654,352,384 |
| Other liabilities | <u>60,934,674</u> | <u>70,920,096</u> |
| Total liabilities | <u>644,722,822</u> | <u>725,272,480</u> |
| Net assets: | | |
| Invested in capital assets, net of related debt | 726,782,031 | 707,233,274 |
| Restricted | 133,946,657 | 156,350,990 |
| Unrestricted (deficit) | <u>(14,566,442)</u> | <u>(25,131,781)</u> |
| Total net assets | <u>\$ 846,162,246</u> | <u>\$ 838,452,483</u> |

The District reports a \$14,566,442 deficit in unrestricted net assets at June 30, 2010, a \$10,565,339 increase from the prior year. This is primarily due to the increase in the fund balance of the General Fund. Management has every confidence that the deficit in unrestricted net assets does not represent an inability to meet District obligations. Compensated absences in the amount of \$62,968,058 and the District's other postemployment benefits obligation (OPEB) of \$9,385,561 were the most significant liabilities (claims) against unrestricted assets. Most of the estimated amount of compensated absences liability, \$57,226,609, will be due more than one year from the financial statement date and does not require the use of current resources.

Restricted net assets represent resources that are subject to external restrictions on how they may be used, such as for capital projects and debt service. The restricted portion of the District's net assets totals \$133,946,657, which represents a 14 percent decrease from the prior year due to expenditures for various construction projects.

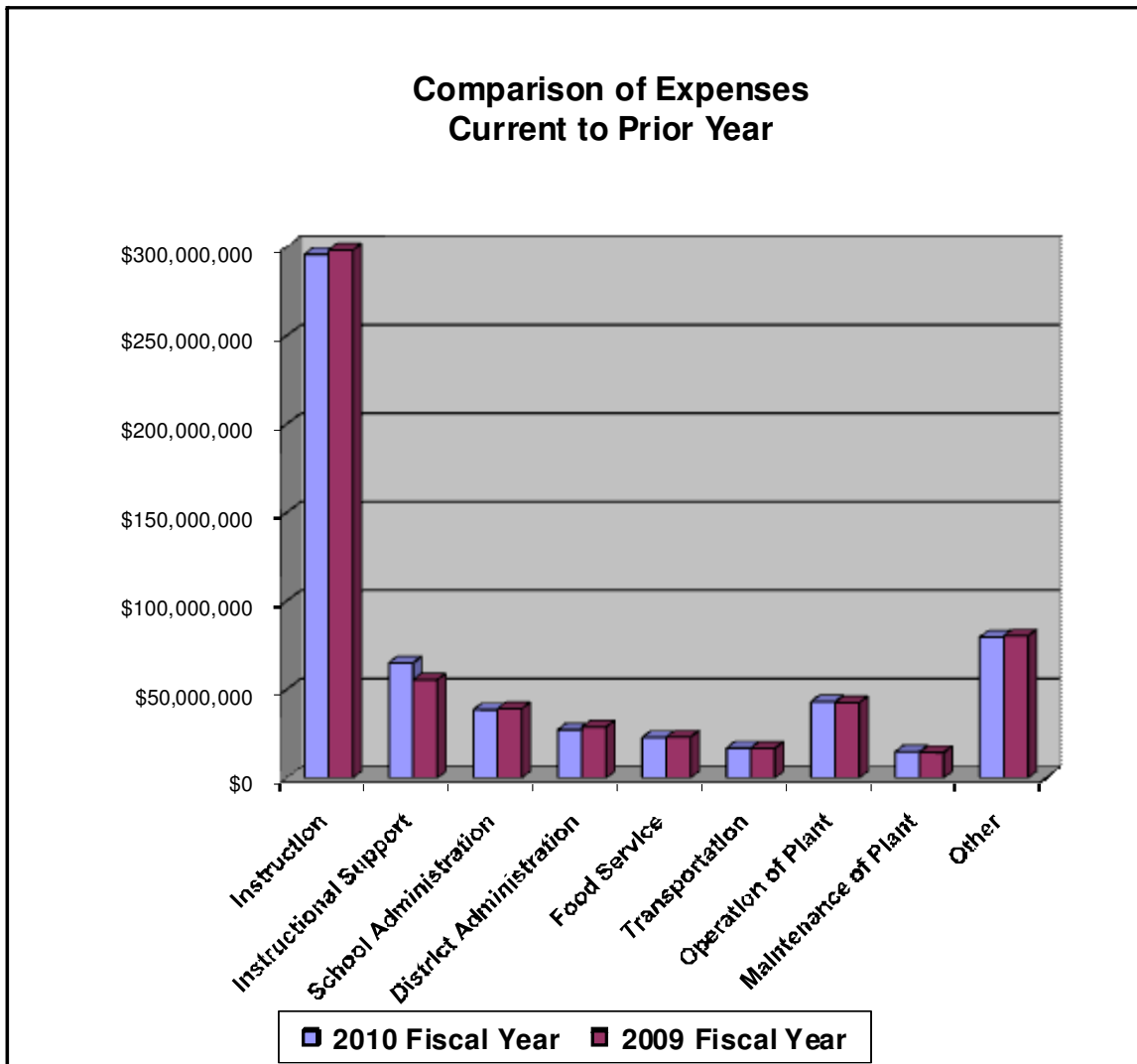
The largest portion of the District's net assets (85.9 percent) reflects its investment in capital assets, less any related debt still outstanding. Investment in capital assets, less related debt, increased \$19,548,757 due to the construction of capital assets and the reduction of outstanding debt.

Key elements of the changes in the District's net assets for the fiscal years ended June 30, 2010, and June 30, 2009, are as follows:

| Change in Net Assets | | |
|---|--------------------------------|-----------------------|
| | Governmental Activities | |
| | 2010 | 2009 |
| Revenues: | | |
| Program revenues: | | |
| Charges for services | \$ 12,303,363 | \$ 13,228,545 |
| Operating grants and contributions | 18,511,651 | 29,381,645 |
| Capital grants and contributions | 7,687,602 | 10,161,294 |
| General revenues: | | |
| Property taxes | 253,968,179 | 287,857,553 |
| Local sales taxes | 29,781,220 | 30,299,663 |
| Grants and contributions not restricted to specific programs | 278,116,363 | 232,196,984 |
| Unrestricted investment earnings | 2,346,711 | 8,468,708 |
| Miscellaneous | 8,732,652 | 6,492,222 |
| Total revenues | 611,447,741 | 618,086,614 |
| Expenses: | | |
| Instruction | 295,983,159 | 298,373,524 |
| Pupil personnel services | 28,595,805 | 25,522,584 |
| Instructional media services | 7,581,732 | 6,752,611 |
| Instruction and curriculum development services | 19,229,290 | 14,448,263 |
| Instructional staff training services | 5,559,960 | 4,786,267 |
| Instruction related technology | 4,028,676 | 3,970,619 |
| Board of education | 570,094 | 667,477 |
| General administration | 4,757,016 | 3,005,115 |
| School administration | 38,496,856 | 39,120,584 |
| Facilities services - non-capitalized | 7,952,299 | 11,847,866 |
| Fiscal services | 2,802,078 | 2,875,952 |
| Food services | 22,798,479 | 23,086,186 |
| Central services | 5,553,004 | 5,103,596 |
| Pupil transportation services | 16,878,756 | 16,708,807 |
| Operation of plant | 43,054,229 | 42,508,764 |
| Maintenance of plant | 14,817,824 | 14,377,537 |
| Administrative technology services | 5,566,867 | 5,466,861 |
| Community services | 4,920,377 | 5,117,929 |
| Interest on long-term debt | 24,569,386 | 28,189,824 |
| Unallocated depreciation expense | 50,022,091 | 46,813,575 |
| Total expenses | 603,737,978 | 598,743,941 |
| Increase in net assets | 7,709,763 | 19,342,673 |
| Net assets - Beginning | 838,452,483 | 819,109,810 |
| Net assets - Ending | \$ 846,162,246 | \$ 838,452,483 |

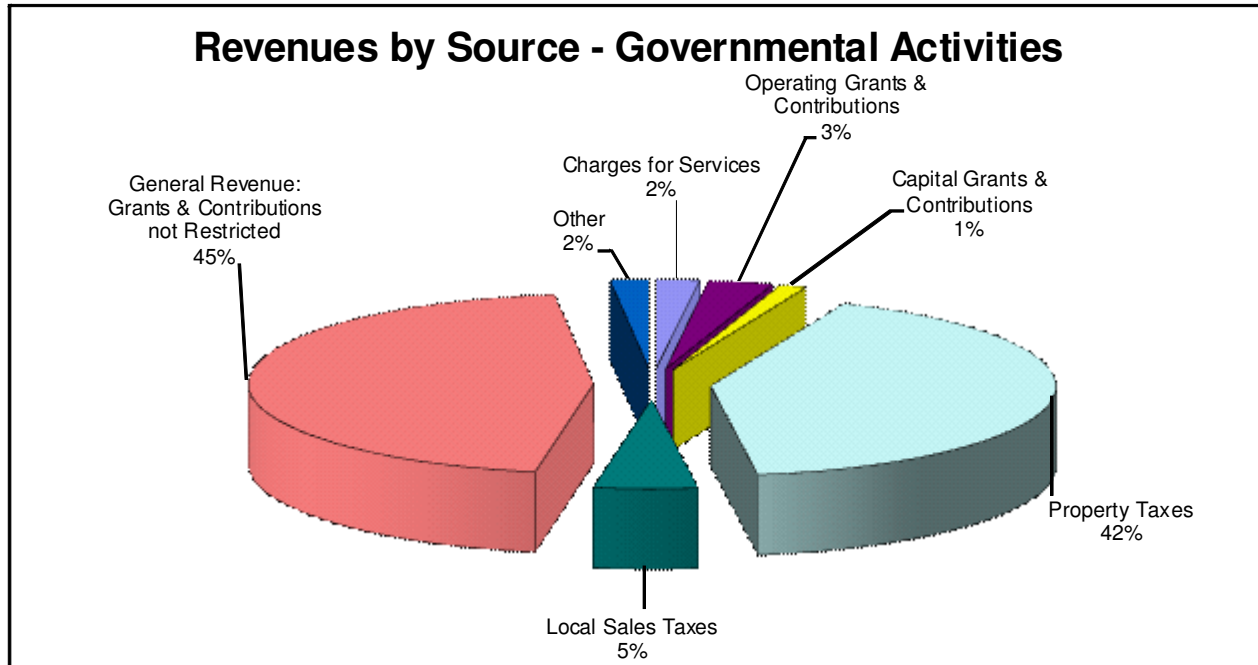
Governmental activities increased the District's net assets by \$7,709,763. Key elements are as follows:

- The American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization was a significant federal legislative measure (\$22.1 million) that mitigated State revenue shortfalls. Title I and Individuals with Disabilities Education Act (IDEA) programs also had a significant increase (\$15.5 million) through ARRA Economic Stimulus Funds. Locally, however, property tax revenue decreased by \$33.9 million (11.8 percent), and interest decreased \$6.1 million (72.3 percent).
- Instruction and instructional support expenses accounted for approximately 59.8 percent of total governmental expenses in the 2009-10 fiscal year. Instruction and instructional support expenses increased by \$7.1 million (2 percent) from the 2008-09 fiscal year.



Instructional support includes pupil personnel services, instructional media services, instruction and curriculum development services, instructional staff training services, and instruction related technology.

District administration includes board of education, general administration, facilities acquisition and construction, fiscal services, central services, and administrative technology services. Other includes community services, interest on long-term debt, and unallocated depreciation expense.



FINANCIAL ANALYSIS OF THE INDIVIDUAL FUNDS

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

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$206,779,910 a decrease of \$85,533,297 in comparison with the prior year. The following schedule indicates the fund balance and the total change in fund balance by major fund and other governmental funds (Non-major) as reported in the basic financial statements for the fiscal years ended June 30, 2010 and June 30, 2009.

| Fund Balance | Governmental Activities | | Increase (Decrease) | Percentage Change |
|--|-------------------------|-----------------------|------------------------|----------------------|
| | 2010 | 2009 | | |
| General Fund | \$ 46,425,434 | \$ 22,234,762 | \$ 24,190,672 | 109% |
| ARRA Economic Stimulus Funds | - | - | - | 0% |
| Certificates of Participation - Debt Service Fund | 737 | 48,622,180 | (48,621,443) | -100% |
| Local Capital Improvement - Capital Projects Fund | 68,613,565 | 86,799,961 | (18,186,396) | -21% |
| Certificates of Participation - Capital Projects Fund | 36,717,589 | 69,525,956 | (32,808,367) | -47% |
| Nonmajor Governmental Funds | 55,022,585 | 65,130,348 | (10,107,763) | -16% |
| Total | \$ 206,779,910 | \$ 292,313,207 | \$ (85,533,297) | -29% |

The General Fund is the chief operating fund of the District. During the current fiscal year, the total fund balance of the General Fund increased by \$24,190,672. This increase was primarily due to (1) an increase in unexpended project balances of \$8,894,115; (2) unanticipated additional revenue over estimates of \$3,872,402 in property tax and \$1,307,653 in Medicaid; (3) operational savings such as \$1,871,544 in electricity and \$1,535,095 in diesel fuel; and (4) \$6,709,863 in various budget reduction savings. Measures taken by the District during fiscal years 2008-09 and 2009-10 have contributed to the improvement of the fund balance. The goal of a minimum fund balance of 5 percent, pursuant to school board policy 722, has been achieved.

The Certificates of Participation – Debt Service Fund, which is used to account for the payment of principal, interest, and related costs pertaining to the District’s Certificates of Participation, has a total fund balance of \$737. The net decrease in fund balance during the current fiscal year was \$48,621,443, due to the maturity of the COPS, Series 1999, crossover refunding arrangement, proceeds of which were held in an escrow account.

The Local Capital Improvement – Capital Projects Fund, which is used to account for revenues produced by an ad valorem (property) tax levy authorized by the Board to support capital improvements, has a total fund balance of \$68,613,565. The net decrease in fund balance during the current year was \$18,186,396. Under Chapter 1011.71(3)(b), Florida Statutes, the Legislature provided district school boards the ability to levy an additional 0.25 discretionary ad valorem millage for critical operating or capital needs for the next two fiscal years. The District exercised that option for critical operating needs. This decline in capital millage rate from 1.75 to 1.50, coupled with declining assessed value of taxable property resulted in a decrease in property tax revenue of \$18.6 million.

The Certificates of Participation – Capital Projects Fund, which is used to account for capital project activity funded by a form of lease-purchase agreement, has a total fund balance of \$36,717,589. The net decrease in fund balance during the current fiscal year was \$32,808,367. The key factor for this decrease was the use of resources accumulated in prior years to fund capital outlay projects that were expended in the 2009-2010 fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget for revenues were approximately \$15.4 million (3.8 percent increase), and can be briefly summarized as follows:

- \$1.3 million increase in Medicaid funding.
- \$3.9 million increase in local property tax. The original budget represents ninety-five percent of the yield from the proposed millage.
- \$10.2 million increase in other revenues. The District’s after school age child care program generated \$4.4 million of the increase; \$1.9 million was collected through miscellaneous local grants and sources; the federal indirect cost rate generated \$1 million; \$0.4 million was collected in bus fees; an additional \$0.8 million was earned in interest; and \$1.87 million was from increases in various other sources.

Differences between the original budget and the final amended budget for expenditures were approximately \$8.8 million (2.1 percent decrease). The decrease reflects the operational savings and budget reduction savings mentioned above.

The final amended budget reflected an increase in fund balance of \$7,211,437 for current year operations. Many of the large fluctuations between original and amended budget are from revenues that are not known and measurable at the time of budget adoption. These are amended into the budget during the year. Revenues and the corresponding appropriations are

amended into the budget upon receipt. Annual salary increases are amended into the budget once salary negotiations have concluded. Fluctuations between amended budget and actual amounts usually occur from unused grant balances. Certain unexpended funds remain allocated and are rebudgeted in the following fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2010, amounted to \$1,195,813,668 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; audio visual materials; and computer software. The total increase in the District's investment in capital assets for the current fiscal year was 2 percent. Major capital asset events during the current fiscal year included the following:

- Elementary "Z" in DeLand is under construction but has experienced unforeseen delays and should be completed and ready for students in 2011.
- The reduction in student enrollment at Holly Hill Middle School and other adjacent middle schools necessitated a re-evaluation of the master plan recommendation for replacement. The School Board approved a K-8 facility on the Holly Hill Elementary School campus in lieu of the Holly Hill Middle School Replacement. This project is in design and construction is scheduled to start in 2010 with completion in 2011.
- Construction progressed slowly on New University High School "DDD" in Orange City. This new high school opened for students in August 2010.
- Construction on Phase I of the phased project at Ormond Beach Middle School is now complete and open to students. Phases II and III and IV are under construction and scheduled for completion in 2011.
- A classroom addition at Southwestern Middle School in DeLand is in planning and construction is scheduled to start in 2011.

The following is a summary of capital assets as of June 30, 2010, and June 30, 2009:

| Capital Assets (net of depreciation) | | |
|---|--------------------------------|--------------------------------|
| | Governmental Activities | |
| | 2010 | 2009 |
| Land | \$ 54,542,103 | \$ 54,775,959 |
| Construction in progress | 32,833,932 | 124,757,938 |
| Improvements other than buildings | 63,378,106 | 54,545,406 |
| Buildings and fixed equipment | 1,012,460,045 | 901,018,905 |
| Furniture, fixtures, and equipment | 13,407,812 | 14,963,951 |
| Motor vehicles | 16,955,215 | 20,543,617 |
| Audio visual materials | 6,029 | 6,029 |
| Computer software | 2,230,426 | 1,983,263 |
| Total | <u>\$ 1,195,813,668</u> | <u>\$ 1,172,595,068</u> |

Additional information on the District's capital assets can be found in Notes 5 and 18 on pages 39 and 51 of this report.

Long-Term Debt. At the end of the current fiscal year, the District had total bonded debt outstanding of \$491,065,000, excluding premiums. Of this amount, \$161,260,000 comprises debt backed by sales tax revenue, and \$13,035,000 backed by the full faith and credit of the State of Florida. The remainder of this debt represents \$316,770,000 in certificates of participation.

Fitch Ratings, in an effort to enhance comparability globally, recalibrated the District's Certificates of Participation (COPs) in April, 2010 to "A+" from "A" with a stable outlook, and affirmed the Sales Tax Revenue Bonds at "BBB+", with a negative outlook. In April, 2010, Moody's Investor Services, Inc. downgraded the District's rating on its COPs to "Aa3" from "A2", and downgraded the Sales Tax Revenue Bonds to "Baa2" from "Baa1" with a negative outlook maintained.

Additional information on the District's long-term debt can be found in Notes 6 through 9 to the basic financial statements pages 39 to 44.

The following is a summary of outstanding debt, excluding premiums, as of June 30, 2010, and June 30, 2009:

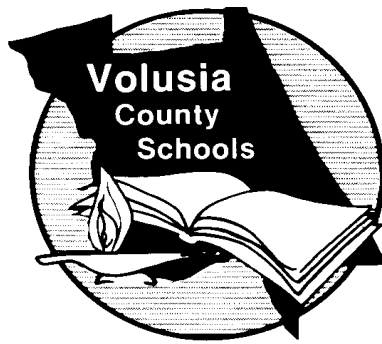
| Outstanding Debt | | |
|-------------------------------|--------------------------------|------------------------------|
| | Governmental Activities | |
| | 2010 | 2009 |
| Bonds payable | \$ 174,295,000 | \$ 194,830,000 |
| Certificates of participation | <u>316,770,000</u> | <u>373,375,000</u> |
| Total | <u>\$ 491,065,000</u> | <u>\$ 568,205,000</u> |

ECONOMIC FACTORS AND NEW YEAR'S BUDGETS AND RATES

- The unemployment rate for the District (Volusia County, Florida) is currently 12.1 percent, which is slightly higher than the State's average unemployment rate of 11.6 and the national average unemployment rate of 9.6 percent.
- Projected general operating budget shortfalls in the FEFP allocation for fiscal year 2010-11 were mitigated by the second and final year of the American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization in the amount of \$19.4 million and the School Board's reaffirmation of the .25 mill (\$7 million) levy for critical operating needs.
- The capital budget has seen a steep decline in the last three fiscal years with the transfer of .25 mill revenue to the required local effort (RLE) in 2008-09, an additional transfer of .25 mills to the discretionary local effort in 2009-10, and the reaffirmation of the .25 mills to the discretionary local effort in 2010-2011. Taxable values have also declined.
- With the uncertainty of future state, local and federal revenue; economic conditions; student enrollment; and compliance with the Class Size Amendment; measures have been taken during the last three fiscal years to improve the General Operating fund balance.

REQUESTS FOR INFORMATION

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School District of Volusia County, Finance Department, P.O. Box 2118, DeLand, Florida 32721-2118.



Basic Financial Statements

District School Board of Volusia County, Florida
Statement of Net Assets
June 30, 2010

| | <u>Primary Government</u> | |
|---|------------------------------------|----------------------------|
| | <u>Governmental Activities</u> | <u>Component Units</u> |
| ASSETS | | |
| Cash and cash equivalents | \$ 12,137,786 | \$ 1,467,503 |
| Investments | 256,587,101 | 180,459 |
| Accounts receivable | - | 154,018 |
| Interest receivable | 648,058 | - |
| Deposits receivable | - | 35,975 |
| Due from other agencies | 8,405,348 | 67,281 |
| Inventories | 3,295,323 | 9,343 |
| Prepaid items | - | 446,872 |
| Deferred charges | 3,997,784 | - |
| Other assets | - | 44,770 |
| Investment in joint venture | 10,000,000 | - |
| Capital assets: | | |
| Land | 54,542,103 | 703,616 |
| Construction in progress | 32,833,932 | 1,374,027 |
| Leasehold improvements | - | 60,105 |
| Improvements other than buildings, net | 63,378,106 | - |
| Buildings and fixed equipment, net | 1,012,460,045 | 2,516,151 |
| Furniture, fixtures, and equipment, net | 13,407,812 | 78,636 |
| Motor vehicles, net | 16,955,215 | 36,494 |
| Audio visual materials, net | 6,029 | - |
| Computer software, net | 2,230,426 | 51,176 |
| Total assets | <u>1,490,885,068</u> | <u>7,226,426</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Salaries and benefits payable | 9,181,774 | - |
| Payroll deductions and withholdings | 4,426 | - |
| Accounts payable | 12,586,692 | 391,158 |
| Construction contracts payable | 2,551,192 | 124,178 |
| Construction contracts payable - retainage | 5,613,893 | - |
| Accrued interest payable | 687,478 | - |
| Due to other agencies | 28,909 | 140,941 |
| Note payable | 30,000,000 | - |
| Accrued liabilities | - | 5,797 |
| Unearned revenue | 32,020 | - |
| Deferred revenue | - | 3,774 |
| Estimated liability for arbitrage rebate | 248,290 | - |
| Long-term liabilities: | | |
| Portion due within one year: | | |
| Notes payable | - | 733,075 |
| Bonds payable | 21,989,560 | - |
| Certificates of participation payable | 9,390,328 | - |
| Compensated absences payable | 5,741,449 | 31,072 |
| Estimated insurance claims payable | 1,699,588 | - |
| Portion due in more than one year: | | |
| Bonds payable | 156,562,796 | - |
| Certificates of participation payable | 317,806,542 | - |
| Compensated absences payable | 57,226,609 | - |
| Estimated insurance claims payable | 3,985,715 | - |
| Postemployment healthcare benefits payable | 9,385,561 | - |
| Total liabilities | <u>644,722,822</u> | <u>1,429,995</u> |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | 726,782,031 | 4,087,130 |
| Restricted for: | | |
| State categorical programs | 5,454,486 | - |
| Debt service | 22,142,585 | - |
| Capital projects | 99,187,260 | 121,453 |
| Food service | 7,162,326 | - |
| Other purposes | - | 543,909 |
| Unrestricted (deficit) | (14,566,442) | 1,043,939 |
| Total net assets | <u>\$ 846,162,246</u> | <u>\$ 5,796,431</u> |

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

District School Board of Volusia County, Florida
Statement of Activities
For the Fiscal Year Ended June 30, 2010

| <u>FUNCTIONS</u> | <u>Expenses</u> | <u>Program Revenues</u> | | |
|---|-----------------------|-----------------------------|---|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Primary government: | | | | |
| Governmental activities: | | | | |
| Instruction | \$ 295,983,159 | \$ - | \$ - | \$ - |
| Pupil personnel services | 28,595,805 | - | - | - |
| Instructional media services | 7,581,732 | - | - | - |
| Instruction and curriculum development services | 19,229,290 | - | - | - |
| Instructional staff training services | 5,559,960 | - | - | - |
| Instruction related technology | 4,028,676 | - | - | - |
| Board of education | 570,094 | - | - | - |
| General administration | 4,757,016 | - | - | - |
| School administration | 38,496,856 | - | - | - |
| Facilities services - non-capitalized | 7,952,299 | - | - | 852,551 |
| Fiscal services | 2,802,078 | - | - | - |
| Food services | 22,798,479 | 7,326,776 | 17,330,552 | - |
| Central services | 5,553,004 | - | - | - |
| Pupil transportation services | 16,878,756 | - | - | - |
| Operation of plant | 43,054,229 | - | - | - |
| Maintenance of plant | 14,817,824 | - | 1,181,099 | - |
| Administrative technology services | 5,566,867 | - | - | - |
| Community services | 4,920,377 | 4,976,587 | - | - |
| Interest on long-term debt | 24,569,386 | - | - | 6,835,051 |
| Unallocated depreciation expense | 50,022,091 | - | - | - |
| Total primary government | <u>\$ 603,737,978</u> | <u>\$ 12,303,363</u> | <u>\$ 18,511,651</u> | <u>\$ 7,687,602</u> |
| Component units: | | | | |
| Charter Schools | \$ 8,496,097 | \$ 284,464 | \$ 1,106,366 | \$ 302,204 |
| Futures, Inc. | 519,168 | 23,103 | 489,481 | - |
| Total component units | <u>\$ 9,015,265</u> | <u>\$ 307,567</u> | <u>\$ 1,595,847</u> | <u>\$ 302,204</u> |

General revenues:

Taxes:

Property taxes, levied for operational purposes

Property taxes, levied for capital projects

Local sales taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Miscellaneous

Total general revenues

Change in net assets

Net assets - July 1, 2009

Net assets - June 30, 2010

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government

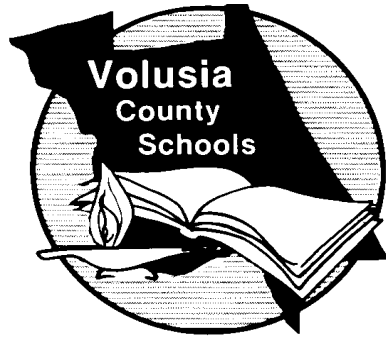
| Governmental Activities | | Component Units | |
|--------------------------------|----------------------|------------------------|--------------------|
| \$ | (295,983,159) | \$ | - |
| | (28,595,805) | | - |
| | (7,581,732) | | - |
| | (19,229,290) | | - |
| | (5,559,960) | | - |
| | (4,028,676) | | - |
| | (570,094) | | - |
| | (4,757,016) | | - |
| | (38,496,856) | | - |
| | (7,099,748) | | - |
| | (2,802,078) | | - |
| | 1,858,849 | | - |
| | (5,553,004) | | - |
| | (16,878,756) | | - |
| | (43,054,229) | | - |
| | (13,636,725) | | - |
| | (5,566,867) | | - |
| | 56,210 | | - |
| | (17,734,335) | | - |
| | (50,022,091) | | - |
| | <u>(565,235,362)</u> | | <u>-</u> |
| | - | | (6,803,063) |
| | - | | <u>(6,584)</u> |
| | - | | <u>(6,809,647)</u> |
| | 204,979,478 | | - |
| | 48,988,701 | | - |
| | 29,781,220 | | - |
| | 278,116,363 | | 7,127,862 |
| | 2,346,711 | | 32,088 |
| | <u>8,732,652</u> | | <u>127,406</u> |
| | <u>572,945,125</u> | | <u>7,287,356</u> |
| | 7,709,763 | | 477,709 |
| | <u>838,452,483</u> | | <u>5,318,722</u> |
| \$ | <u>846,162,246</u> | \$ | <u>5,796,431</u> |

District School Board of Volusia County, Florida
Balance Sheet -
Governmental Funds
June 30, 2010

| | <u>General Fund</u> | <u>ARRA Economic Stimulus Funds - Special Revenue Fund</u> | <u>Certificates of Participation - Debt Service Fund</u> |
|--|-------------------------|--|--|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,909,277 | \$ 699,532 | \$ - |
| Investments | 90,457,609 | - | 249,027 |
| Interest receivable | 280,634 | - | - |
| Due from other agencies | 2,194,202 | 112 | - |
| Inventories | 1,520,218 | - | - |
| Total assets | <u>\$ 96,361,940</u> | <u>\$ 699,644</u> | <u>\$ 249,027</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Salaries and benefits payable | \$ 7,678,906 | \$ 657,090 | \$ - |
| Payroll deductions and withholdings | 4,426 | - | - |
| Accounts payable | 12,224,708 | 10,345 | - |
| Construction contracts payable | - | - | - |
| Construction contracts payable-retainage | - | - | - |
| Estimated liability for arbitrage rebate | - | - | 248,290 |
| Due to other agencies | 28,466 | 189 | - |
| Deferred revenue | - | 32,020 | - |
| Note payable | 30,000,000 | - | - |
| Total liabilities | <u>49,936,506</u> | <u>699,644</u> | <u>248,290</u> |
| Fund balances: | | | |
| Nonspendable | 1,520,218 | - | - |
| Restricted | 6,311,986 | - | 737 |
| Assigned | 11,547,648 | - | - |
| Unassigned | 27,045,582 | - | - |
| Total fund balances | <u>46,425,434</u> | <u>-</u> | <u>737</u> |
| Total liabilities and fund balances | <u>\$ 96,361,940</u> | <u>\$ 699,644</u> | <u>\$ 249,027</u> |

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

| Local Capital Improvement - Capital Projects Fund | Certificates of Participation - Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|--|------------------------------------|---------------------------------|
| \$ 7,925,464 | \$ - | \$ 1,603,513 | \$ 12,137,786 |
| 62,124,542 | 42,595,125 | 47,087,129 | 242,513,432 |
| 154,943 | 186,623 | 25,858 | 648,058 |
| 61,180 | - | 6,149,854 | 8,405,348 |
| - | - | 1,775,105 | 3,295,323 |
| <u>\$ 70,266,129</u> | <u>\$ 42,781,748</u> | <u>\$ 56,641,459</u> | <u>\$ 266,999,947</u> |
| | | | |
| \$ - | \$ - | \$ 845,315 | \$ 9,181,311 |
| - | - | - | 4,426 |
| 46,559 | 2,803 | 275,581 | 12,559,996 |
| 866,090 | 1,290,593 | 394,509 | 2,551,192 |
| 739,915 | 4,770,763 | 103,215 | 5,613,893 |
| - | - | - | 248,290 |
| - | - | 254 | 28,909 |
| - | - | - | 32,020 |
| - | - | - | 30,000,000 |
| <u>1,652,564</u> | <u>6,064,159</u> | <u>1,618,874</u> | <u>60,220,037</u> |
| | | | |
| - | - | 1,775,105 | 3,295,323 |
| 68,613,565 | 36,717,589 | 51,139,182 | 162,783,059 |
| - | - | 2,108,298 | 13,655,946 |
| - | - | - | 27,045,582 |
| <u>68,613,565</u> | <u>36,717,589</u> | <u>55,022,585</u> | <u>206,779,910</u> |
| <u>\$ 70,266,129</u> | <u>\$ 42,781,748</u> | <u>\$ 56,641,459</u> | <u>\$ 266,999,947</u> |



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**District School Board of Volusia County, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Assets
June 30, 2010**

Total Fund Balances - Governmental Funds **\$ 206,779,910**

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. These assets consist of:

| | | | |
|---|----|------------------|---------------|
| Land | \$ | 54,542,103 | |
| Construction in progress | | 32,833,932 | |
| Improvements other than buildings; net of \$24,297,823 accumulated depreciation | | 63,378,106 | |
| Buildings and fixed equipment; net of \$235,429,271 accumulated depreciation | | 1,012,460,045 | |
| Furniture, fixtures and equipment; net of \$59,928,546 accumulated depreciation | | 13,407,812 | |
| Motor vehicles; net of \$20,044,884 accumulated depreciation | | 16,955,215 | |
| Audio visual materials; net of \$115,352 accumulated depreciation | | 6,029 | |
| Computer software; net of \$16,223,499 accumulated depreciation | | <u>2,230,426</u> | |
| | | | 1,195,813,668 |

Debt issuance costs are not expensed in the government-wide statements, but are reported as deferred charges and amortized over the life of the debt. 3,997,784

Investment in a joint venture used in governmental activities is not a financial resource and, therefore, is not reported as an asset in the governmental funds. 10,000,000

Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due. (687,478)

Internal service funds are used by management to charge the costs of its self-insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 8,361,207

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

| | | | |
|--|----|------------------|----------------------|
| Bonds Payable | \$ | 178,552,356 | |
| Certificates of Participation Payable | | 327,196,870 | |
| Compensated Absences Payable | | 62,968,058 | |
| Postemployment Healthcare Benefits Payable | | <u>9,385,561</u> | |
| | | | <u>(578,102,845)</u> |

Total Net Assets - Governmental Activities **\$ 846,162,246**

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Fiscal Year Ended June 30, 2010

| | <u>General Fund</u> | <u>ARRA Economic Stimulus Funds - Special Revenue Fund</u> | <u>Certificates of Participation - Debt Service Fund</u> |
|--|-------------------------|--|--|
| REVENUES | | | |
| Federal direct | \$ 419,952 | \$ - | \$ - |
| Federal through State | 2,954,071 | 37,901,434 | - |
| Federal through local | 142,952 | - | - |
| State sources | 197,132,519 | - | - |
| Local sources: | | | |
| Ad valorem taxes | 204,979,478 | - | - |
| Sales taxes | - | - | - |
| Food service | - | - | - |
| Other local revenues | 13,779,016 | - | - |
| Total local sources | <u>218,758,494</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>419,407,988</u> | <u>37,901,434</u> | <u>-</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction | 248,750,642 | 24,429,376 | - |
| Pupil personnel services | 17,953,121 | 5,152,885 | - |
| Instructional media services | 7,447,687 | - | - |
| Instruction and curriculum development services | 6,047,333 | 4,854,237 | - |
| Instructional staff training services | 1,308,462 | 932,302 | - |
| Instruction related technology | 3,862,877 | 51,673 | - |
| Board of education | 561,211 | - | - |
| General administration | 1,742,413 | 1,513,092 | - |
| School administration | 34,316,869 | 823,186 | - |
| Facilities services - non-capitalized | 574,978 | - | - |
| Fiscal services | 2,752,829 | - | - |
| Food services | - | - | - |
| Central services | 5,787,494 | - | - |
| Pupil transportation services | 15,559,300 | 7,114 | - |
| Operation of plant | 42,373,676 | 16,688 | - |
| Maintenance of plant | 14,568,756 | - | - |
| Administrative technology services | 5,427,116 | - | - |
| Community services | 4,836,672 | 4,101 | - |
| Debt service: | | | |
| Principal | - | - | 8,465,000 |
| Interest and fiscal charges | 1,058,230 | - | 15,405,335 |
| Capital Outlay: | | | |
| Facilities acquisition and construction | 10,003 | - | - |
| Other capital outlay | 153,892 | 116,780 | - |
| Total expenditures | <u>415,093,561</u> | <u>37,901,434</u> | <u>23,870,335</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>4,314,427</u> | <u>-</u> | <u>(23,870,335)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Refunding bonds issued | - | - | - |
| Premium on refunding bonds | - | - | - |
| Payment to refunded bond escrow agent | - | - | - |
| Payment to refunded certificates of participation escrow agent | - | - | (48,621,400) |
| Proceeds from sale of capital assets | 27,081 | - | - |
| Loss recoveries | 227,220 | - | - |
| Transfers in | 19,621,944 | - | 23,870,292 |
| Transfers out | - | - | - |
| Total other financing sources (uses) | <u>19,876,245</u> | <u>-</u> | <u>(24,751,108)</u> |
| Net change in fund balances | <u>24,190,672</u> | <u>-</u> | <u>(48,621,443)</u> |
| Fund balances, July 1, 2009 | 22,234,762 | - | 48,622,180 |
| Fund balances, June 30, 2010 | <u>\$ 46,425,434</u> | <u>\$ -</u> | <u>\$ 737</u> |

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

| Local Capital Improvement - Capital Projects Fund | Certificates of Participation - Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|-----------------------------|--------------------------|
| \$ - | \$ - | \$ 325,686 | \$ 745,638 |
| - | - | 56,147,246 | 97,002,751 |
| - | - | - | 142,952 |
| - | - | 4,101,080 | 201,233,599 |
| 48,988,701 | - | - | 253,968,179 |
| - | - | 29,781,220 | 29,781,220 |
| - | - | 7,344,991 | 7,344,991 |
| 516,239 | 722,408 | 4,979,675 | 19,997,338 |
| 49,504,940 | 722,408 | 42,105,886 | 311,091,728 |
| 49,504,940 | 722,408 | 102,679,898 | 610,216,668 |
| - | - | 17,743,802 | 290,923,820 |
| - | - | 5,031,957 | 28,137,963 |
| - | - | - | 7,447,687 |
| - | - | 8,049,767 | 18,951,337 |
| - | - | 3,242,949 | 5,483,713 |
| - | - | 47,292 | 3,961,842 |
| - | - | - | 561,211 |
| - | - | 1,432,277 | 4,687,782 |
| - | - | 2,681,482 | 37,821,537 |
| 4,536,380 | 2,020,323 | 692,426 | 7,824,107 |
| - | - | - | 2,752,829 |
| - | - | 22,452,464 | 22,452,464 |
| - | - | 102,463 | 5,889,957 |
| - | - | 1,031,754 | 16,598,168 |
| - | - | 9,578 | 42,399,942 |
| - | - | - | 14,568,756 |
| - | - | 47,294 | 5,474,410 |
| - | - | - | 4,840,773 |
| - | - | 20,420,000 | 28,885,000 |
| - | - | 8,978,820 | 25,442,385 |
| 24,856,359 | 30,322,957 | 10,985,055 | 66,174,374 |
| 5,399,865 | 1,137,997 | 341,186 | 7,149,720 |
| 34,792,604 | 33,481,277 | 103,290,566 | 648,429,777 |
| 14,712,336 | (32,758,869) | (610,668) | (38,213,109) |
| - | - | 1,390,000 | 1,390,000 |
| - | - | 125,602 | 125,602 |
| - | - | (1,502,981) | (1,502,981) |
| - | - | - | (48,621,400) |
| - | - | 911,510 | 938,591 |
| 122,780 | - | - | 350,000 |
| - | - | 27,781,677 | 71,273,913 |
| (33,021,512) | (49,498) | (38,202,903) | (71,273,913) |
| (32,898,732) | (49,498) | (9,497,095) | (47,320,188) |
| (18,186,396) | (32,808,367) | (10,107,763) | (85,533,297) |
| 86,799,961 | 69,525,956 | 65,130,348 | 292,313,207 |
| \$ 68,613,565 | \$ 36,717,589 | \$ 55,022,585 | \$ 206,779,910 |

District School Board of Volusia County, Florida
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Fiscal Year Ended June 30, 2010

Net Change in Fund Balances - Total Governmental Funds **\$ (85,533,297)**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlays in excess of depreciation expense in the current period.

| | | | |
|---|----|-----------------|------------|
| Capital outlay - facilities acquisition and construction: | \$ | 66,174,374 | |
| Capital outlay - other capital outlay: | | 7,149,720 | |
| Less, depreciation expense: | | (50,022,091) | |
| Less, loss on disposal of capital assets: | | <u>(25,885)</u> | 23,276,118 |

Proceeds from the sale of land are included in the governmental funds. However, the cost of the land sold is removed from capital assets and offset against the sale proceeds in the government-wide statements. (207,971)

Capital assets donated to the District during the current period increase net assets on the government-wide statements, but do not provide current financial resources and are not reported as revenues in the governmental funds. 150,453

Issuance costs and premiums on new debt issues are reported when issued as expenditures and other financing sources in the governmental funds, but are deferred and amortized as expenses over the life of the debt in the statement of activities.

| | | | |
|---|----|------------------|-----------|
| Deferred Charges - current year: | \$ | 3,997,784 | |
| Less, Deferred Charges - prior year: | | <u>4,372,208</u> | |
| Net increase in expenses from deferred charges: | | | (374,424) |

| | | | |
|--|----|-------------------|-----------|
| Unamortized Premiums - current year: | \$ | 14,684,226 | |
| Less, Unamortized Premiums - prior year: | | <u>16,173,689</u> | |
| Net reduction in expenses from unamortized premiums: | | | 1,489,463 |

Repayments of long-term debt are expenditures in the governmental funds, but repayments reduce long-term liabilities in the statement of net assets.

| | | | |
|--|----|------------------|------------|
| Bonds Payable: | \$ | 20,420,000 | |
| Certificates of Participation Payable: | | <u>8,465,000</u> | |
| Total debt repayments: | | | 28,885,000 |

Refunded long-term debt is reported as other financing uses in the governmental funds, but decreases long-term liabilities in the statement of net assets. 49,645,000

Long-term debt proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. (1,390,000)

Interest on long-term debt is recognized as an expenditure in the governmental funds when due, but is recognized as an expense when interest accrues in the statement of activities.

| | | | |
|---|----|----------------|---------|
| Accrued Interest Payable - current year: | \$ | 687,478 | |
| Less, Accrued Interest Payable - prior year: | | <u>799,217</u> | |
| Net reduction in expenses from interest accruals: | | | 111,739 |

The net change in the liability for postemployment healthcare benefits is reported in the government-wide statements, but not in the governmental fund statements. (2,049,235)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period. (6,730,599)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The change in net assets of internal service funds is reported with governmental activities. 437,516

Change in net assets of governmental activities **\$ 7,709,763**

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
General Fund
For the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Federal direct: | | | | |
| Reserve Officers Training Corp (ROTC) | \$ 320,000 | \$ 324,343 | \$ 324,343 | \$ - |
| Miscellaneous Federal direct | - | 95,609 | 95,609 | - |
| Total Federal direct | <u>320,000</u> | <u>419,952</u> | <u>419,952</u> | <u>-</u> |
| Federal through State: | | | | |
| Medicaid | 1,625,000 | 2,932,653 | 2,932,653 | - |
| Miscellaneous Federal through State | - | 21,418 | 21,418 | - |
| Total Federal through State | <u>1,625,000</u> | <u>2,954,071</u> | <u>2,954,071</u> | <u>-</u> |
| Federal through local: | | | | |
| Miscellaneous Federal through local | - | 142,952 | 142,952 | - |
| State sources: | | | | |
| Florida education finance program | 127,548,119 | 127,316,297 | 127,316,297 | - |
| Categorical programs | 67,714,816 | 68,128,224 | 68,128,224 | - |
| District discretionary lottery funds | - | 170,592 | 170,592 | - |
| CO&DS withheld for administrative expense | 34,785 | 34,366 | 34,366 | - |
| Other State sources | 798,485 | 1,483,040 | 1,483,040 | - |
| Total State sources | <u>196,096,205</u> | <u>197,132,519</u> | <u>197,132,519</u> | <u>-</u> |
| Local sources: | | | | |
| Ad valorem taxes | 201,107,076 | 204,979,478 | 204,979,478 | - |
| Interest income | 400,000 | 1,179,853 | 1,179,853 | - |
| Authorized fees | - | 4,544,982 | 4,544,982 | - |
| Indirect cost | 2,647,925 | 3,637,303 | 3,637,303 | - |
| Other local sources | 1,851,016 | 4,416,878 | 4,416,878 | - |
| Total local sources | <u>206,006,017</u> | <u>218,758,494</u> | <u>218,758,494</u> | <u>-</u> |
| Total revenues | <u>404,047,222</u> | <u>419,407,988</u> | <u>419,407,988</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 258,762,309 | 263,560,231 | 248,750,642 | 14,809,589 |
| Pupil personnel services | 17,384,405 | 18,326,080 | 17,953,121 | 372,959 |
| Instructional media services | 7,763,467 | 7,688,620 | 7,447,687 | 240,933 |
| Instruction and curriculum development services | 4,594,776 | 6,202,828 | 6,047,333 | 155,495 |
| Instructional staff training services | 1,988,866 | 2,100,430 | 1,308,462 | 791,968 |
| Instruction related technology | 4,073,679 | 4,045,298 | 3,862,877 | 182,421 |
| Board of education | 618,904 | 561,211 | 561,211 | - |
| General administration | 1,951,743 | 1,806,564 | 1,742,413 | 64,151 |
| School administration | 34,367,946 | 35,122,424 | 34,316,869 | 805,555 |
| Facilities services - non-capitalized | 273,147 | 584,189 | 574,978 | 9,211 |
| Fiscal services | 2,755,631 | 2,826,436 | 2,752,829 | 73,607 |
| Central services | 6,188,975 | 6,127,957 | 5,787,494 | 340,463 |
| Pupil transportation services | 17,169,907 | 15,688,254 | 15,559,300 | 128,954 |
| Operation of plant | 45,214,657 | 42,669,045 | 42,373,676 | 295,369 |
| Maintenance of plant | 16,337,458 | 14,826,447 | 14,568,756 | 257,691 |
| Administrative technology services | 5,566,398 | 5,517,970 | 5,427,116 | 90,854 |
| Community services | 911,490 | 5,923,220 | 4,836,672 | 1,086,548 |
| Debt Service: | | | | |
| Interest and fiscal charges | 782,624 | 1,915,730 | 1,058,230 | 857,500 |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | - | 10,003 | 10,003 | - |
| Other capital outlay | 432,489 | 450,258 | 153,892 | 296,366 |
| Total expenditures | <u>427,138,871</u> | <u>435,953,195</u> | <u>415,093,561</u> | <u>20,859,634</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(23,091,649)</u> | <u>(16,545,207)</u> | <u>4,314,427</u> | <u>20,859,634</u> |
| OTHER FINANCING SOURCES | | | | |
| Proceeds from sale of capital assets | - | 27,081 | 27,081 | - |
| Loss recoveries | - | 227,220 | 227,220 | - |
| Transfers in | 19,211,250 | 19,621,944 | 19,621,944 | - |
| Total other financing sources | <u>19,211,250</u> | <u>19,876,245</u> | <u>19,876,245</u> | <u>-</u> |
| Net change in fund balances | <u>(3,880,399)</u> | <u>3,331,038</u> | <u>24,190,672</u> | <u>20,859,634</u> |
| Fund balances, July 1, 2009 | 22,234,762 | 22,234,762 | 22,234,762 | - |
| Fund balances, June 30, 2010 | <u>\$ 18,354,363</u> | <u>\$ 25,565,800</u> | <u>\$ 46,425,434</u> | <u>\$ 20,859,634</u> |

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
ARRA Economic Stimulus Funds
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|-------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Federal through State: | | | | |
| State Fiscal Stabilization Funds - K-12 | \$ 20,542,664 | \$ 20,672,715 | \$ 20,672,418 | \$ (297) |
| Individuals with Disabilities Education Act (IDEA) | 15,040,667 | 15,040,667 | 7,632,332 | (7,408,335) |
| Elementary and Secondary Education Act, Title I | 10,377,216 | 15,267,330 | 7,837,593 | (7,429,737) |
| Other Federal through State | 622,660 | 2,040,302 | 1,759,091 | (281,211) |
| Total Federal through State | <u>46,583,207</u> | <u>53,021,014</u> | <u>37,901,434</u> | <u>(15,119,580)</u> |
| Total revenues | <u>46,583,207</u> | <u>53,021,014</u> | <u>37,901,434</u> | <u>(15,119,580)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 24,543,807 | 28,990,783 | 24,429,376 | 4,561,407 |
| Pupil personnel services | 3,110,480 | 6,667,212 | 5,152,885 | 1,514,327 |
| Instruction and curriculum development services | 6,398,670 | 7,983,601 | 4,854,237 | 3,129,364 |
| Instructional staff training services | 8,344,761 | 4,414,122 | 932,302 | 3,481,820 |
| Instruction related technology | - | 51,955 | 51,673 | 282 |
| General administration | 1,435,446 | 2,241,529 | 1,513,092 | 728,437 |
| School administration | 1,054,451 | 1,057,398 | 823,186 | 234,212 |
| Pupil transportation services | 70,260 | 61,350 | 7,114 | 54,236 |
| Operation of plant | - | 16,708 | 16,688 | 20 |
| Community services | - | 4,398 | 4,101 | 297 |
| Capital Outlay: | | | | |
| Other capital outlay | 1,625,332 | 1,531,958 | 116,780 | 1,415,178 |
| Total expenditures | <u>46,583,207</u> | <u>53,021,014</u> | <u>37,901,434</u> | <u>15,119,580</u> |
| Excess (Deficiency) of revenues over (under) | | | | |
| expenditures | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, July 1, 2009 | - | - | - | - |
| Fund balances, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

District School Board of Volusia County, Florida
Statement of Net Assets -
Proprietary Funds
June 30, 2010

| | Governmental Activities - Internal Service Funds |
|------------------------------------|---|
| | |
| ASSETS | |
| Current assets: | |
| Investments | \$ 14,073,669 |
| Total assets | 14,073,669 |
| LIABILITIES | |
| Current liabilities: | |
| Salaries and benefits payable | 463 |
| Accounts payable | 26,696 |
| Estimated insurance claims payable | 1,699,588 |
| Noncurrent liabilities: | |
| Estimated insurance claims payable | 3,985,715 |
| Total liabilities | 5,712,462 |
| NET ASSETS | |
| Unrestricted | 8,361,207 |
| Total net assets | \$ 8,361,207 |

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenses, and
Changes in Fund Net Assets -
Proprietary Funds
For the Fiscal Year Ended June 30, 2010

| | Governmental Activities - Internal Service Funds |
|------------------------------------|---|
| OPERATING REVENUES | |
| Premium revenue | \$ 5,525,254 |
| OPERATING EXPENSES | |
| Salaries | 68,617 |
| Employee benefits | 18,582 |
| Purchased services | 3,941,228 |
| Materials and supplies | 626 |
| Insurance claims and related costs | 1,119,674 |
| Total operating expenses | 5,148,727 |
| Operating income | 376,527 |
| NONOPERATING REVENUES | |
| Federal grants | 15,452 |
| Interest | 45,537 |
| Total nonoperating revenues | 60,989 |
| Change in net assets | 437,516 |
| Net assets - July 1, 2009 | 7,923,691 |
| Net assets - June 30, 2010 | \$ 8,361,207 |

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

District School Board of Volusia County, Florida
Statement of Cash Flows -
Proprietary Funds
For the Fiscal Year Ended June 30, 2010

| | Governmental Activities - Internal Service Funds |
|---|---|
| | |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from premium revenues | \$ 5,525,254 |
| Payments to suppliers for goods and services | (3,915,638) |
| Payments to employees | (87,194) |
| Payments for insurance claims | (1,834,281) |
| | (311,859) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Federal grants | 15,452 |
| | 15,452 |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Proceeds from sale of investments | 316,542 |
| Interest income | 45,940 |
| Purchase of investments | (66,075) |
| | 296,407 |
| Net cash provided by investing activities | 296,407 |
| Net change in cash and cash equivalents | - |
| Cash and cash equivalents - July 1, 2009 | - |
| Cash and cash equivalents - June 30, 2010 | \$ - |
| Reconciliation of operating income to net cash used by operating activities: | |
| Operating income | \$ 376,527 |
| Adjustments to reconcile operating income to net cash used by operating activities: | |
| Changes in assets and liabilities: | |
| Increase in salaries and benefits payable | 5 |
| Increase in accounts payable | 26,216 |
| Decrease in estimated insurance claims payable | (714,607) |
| | (714,607) |
| Net cash used by operating activities | \$ (311,859) |
| Noncash investing activities: | |
| Net increase in the fair value of investments | \$ 45,537 |

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

District School Board of Volusia County, Florida
Statement of Fiduciary Net Assets -
Fiduciary Funds
June 30, 2010

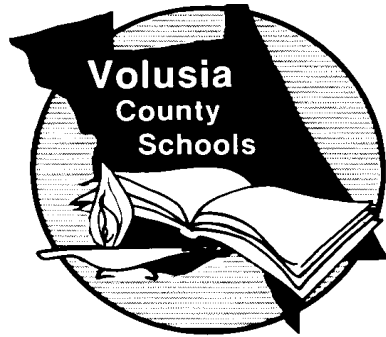
| | Private-Purpose Trust Funds | Agency Funds |
|---------------------------------------|--|-------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ - | \$ 2,378,664 |
| Investments | 837,066 | 4,738,279 |
| Total assets | 837,066 | \$ 7,116,943 |
| LIABILITIES | | |
| Accounts payable | \$ - | \$ 977,957 |
| Deposits held for others | - | 6,138,986 |
| Total liabilities | - | \$ 7,116,943 |
| NET ASSETS | | |
| Assets held in trust for scholarships | \$ 837,066 | |

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

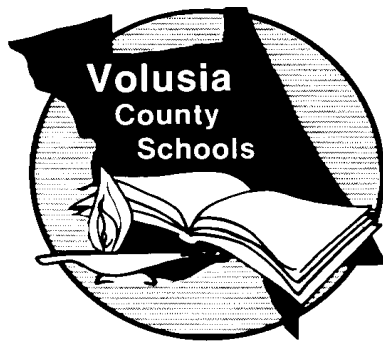
District School Board of Volusia County, Florida
Statement of Changes in Fiduciary Net Assets -
Fiduciary Funds
For the Fiscal Year Ended June 30, 2010

| | Private-Purpose Trust Funds |
|----------------------------|--|
| ADDITIONS | |
| Interest earnings | \$ 1,593 |
| DEDUCTIONS | |
| Scholarship payments | 8,095 |
| Change in net assets | (6,502) |
| Net assets - July 1, 2009 | 843,568 |
| Net assets - June 30, 2010 | \$ 837,066 |

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



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Notes to the Financial Statements

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On July 1, 2000, the Volusia County District School Board and the State Board of Education executed a charter school district contract that became effective July 1, 2000. The original contract was for three years, but was extended on July 1, 2003, for an additional five-year duration through June 30, 2008. On July 1, 2008 the contract was extended for two additional years, and has an expiration date of July 1, 2010. The Charter School District Pilot Program terminates on July 1, 2010 and districts are no longer eligible for this designation.

The District School Board of Volusia County (the District) has direct responsibility for operation, control, and supervision of District schools, and is considered a primary government for financial reporting. The District is part of the Florida system of public education. The governing body of the District is the Volusia County District School Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the District. Geographic boundaries of the District correspond with those of Volusia County.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

The District considered its charter school operated by Easter Seals Educational Services, Inc., for inclusion in its reporting entity; however, because Easter Seals Educational Services, Inc. is a component unit of a nongovernmental not-for-profit organization, it does not meet the criteria for inclusion as a component unit of the District. The charter school's financial statements were audited by an independent certified public accountant and are filed in the District's administrative office.

Based on the application of the above criteria, the following component units are included within the District's reporting entity:

Blended Component Unit. The Volusia School Board Leasing Corporation (the Corporation) was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and the Corporation, the financial activities of the Corporation are included in the accompanying basic financial statements. Separate financial statements for the Corporation are not published.

Discretely Presented Component Units. The component units' columns in the basic financial statements include the financial data of the District's other component units. These component units consist of Futures, Inc.(Futures) and five of the District's charter schools: Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn Academy West, and Volusia Elementary Charter School, Inc. d/b/a Boston Avenue Charter School (Volusia Elementary).

Futures is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to provide charitable and educational aid to the District, to promote education, and to encourage research, learning and dissemination of information. Futures is considered to be a component unit of the District, because the District must approve all members of Futures' Board, and the District has the ability to impose its will on Futures. It is considered to be a discretely presented component unit, because the two boards are not the same and Futures does not provide services entirely or nearly entirely to the District. An audit of the direct-support organization's financial statements for the fiscal year ended June 30, 2010, was conducted by an independent certified public accountant and is filed in the District's administrative office.

The District's charter schools, Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn Academy West, and Volusia Elementary, are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the District School Board of Volusia County, and are considered to be component units of the District since they are fiscally dependent on the District for their tax levy and the majority of their budget. Audits of the charter schools' financial statements for the

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2010

fiscal year ended June 30, 2010, were conducted by independent certified public accountants and are filed in the District's administrative office.

B. Basis of Presentation

Government-wide Financial Statements – Government-wide financial statements, including the statement of net assets and the statement of activities, present information about the School District as a whole. These statements include the nonfiduciary financial activity of the primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Eliminations have been made to minimize the double-counting of internal service fund activities. The effect of interfund activities has been eliminated from the government-wide statements, except for interfund services provided and used.

Fund Financial Statements – Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

ARRA Economic Stimulus Funds – to account for programs funded by the American Recovery and Reinvestment Act.

Certificates of Participation – Debt Service Fund – to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs on the Certificates of Participation.

Local Capital Improvement - Capital Projects Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, leases on relocatable educational facilities, and debt service payments on Certificates of Participation.

Certificates of Participation – Capital Projects Fund – to account for financial resources provided by the various Certificates of Participation.

Additionally the District reports the following proprietary and fiduciary fund types:

Internal Service Funds – to account for the District's individual self-insurance programs.

Private-Purpose Trust Funds – to account for the DeLand High, Spruce Creek High, Seabreeze High, and Samsula Elementary Scholarship Trust Funds.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2010

Agency Funds – to account for resources of the school internal funds that are used to administer moneys collected at the several schools in connection with school, student athletic, class, and club activities and to account for resources that are held for a voluntary employee benefits program.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared utilizing the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants, and interest on investments. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Agency (Fiduciary) Funds are purely custodial in nature (assets equal liabilities) and, as such, do not have a measurement focus.

In applying the "susceptible to accrual" concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended for the specific purpose before the District will receive any amounts; therefore, revenues are recognized based upon the incurrence of the expenditures. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the "susceptible to accrual" criteria are met. In all cases, monies received before the revenue recognition criteria have been met, are reported as deferred revenue.

The Proprietary Funds are prepared under the economic resources measurement focus and the accrual basis of accounting. 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 the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for workers' compensation, general liability, and property insurance. The principal operating expenses include salaries and benefits for employees, insurance claims, and excess coverage insurance. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Retained earnings in the internal service funds are designated for future losses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

Futures is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2010

D. New Pronouncements

The GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) effective for reporting periods after June 15, 2010. The statement establishes fund balance classifications, provides for a hierarchy of spending constraints for spendable resources and requires disclosure of nonspendable and spendable resources. The District has elected early adoption of GASB 54 in the fiscal year 2009-10 financial statements and has disclosed information about fund balance reporting in a subsequent note on fund balance reporting.

E. Deposits and Investments

The amount reported as cash and cash equivalents consists of cash on hand, demand deposits, and cash placed with the State Board of Administration (SBA) Florida PRIME fund, created pursuant to Section 218.405, Florida Statutes. The statement of cash flows considers cash and cash equivalents as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Under this definition, the District considers amounts invested in Florida PRIME to be cash equivalents. The amount reported as cash and cash equivalents for the Agency Funds consists of cash on hand and demand deposits.

Cash deposits are held by banks qualified as public depositories under Florida law, and at June 30, 2010, the bank balances totaled \$7,660,113. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

At June 30, 2010, the District reported as cash equivalents \$7,925,464 of moneys held in Florida PRIME administered by SBA, pursuant to Section 215.47, Florida Statutes. The District's investments in Florida PRIME, which SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2010, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. Florida PRIME carried a credit rating of AAAM by Standard & Poor's and had a weighted average days to maturity (WAM) of 46 days at June 30, 2010. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate investments. WAM measures the sensitivity of LGIP to interest rate changes. The investments in LGIP are reported at fair value, which is amortized cost.

Investments consist of amounts placed with SBA in a debt service account, amounts placed with SBA for participation in the Fund B Surplus Funds Trust Fund (Fund B) investment pools created by Section 218.417, Florida Statutes, and those made locally. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in the SBA Debt Service accounts are administered by the State Board of Education (SBE) to provide for debt service payments on bonded debt issued by SBE for the benefit of the District. Disclosures for the debt service accounts are included in the notes to the financial statements of the State of Florida's comprehensive annual financial report.

The District's investments in Fund B are accounted for as a fluctuating net asset value pool, with a fair value factor of 0.67353149 at June 30, 2010. Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by SBA, are effected by transferring eligible cash or securities to Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation date of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within Florida PRIME.

Investments made locally consist of United States Treasury Obligations, Obligations of United States Government Agencies and Instrumentalities, certificates of deposit, and money market funds and are reported at fair value. Agency funds report money market funds as investments. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

F. Inventories

Inventories consist of expendable supplies held for consumption in the course of District operations. Warehouse, transportation, maintenance, and purchased food inventories are valued on a moving average basis, except for purchased food inventories at the schools which are valued at cost on the first-in, first-out basis. The United States

District School Board of Volusia County, Florida
Notes to the Financial Statements
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Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

G. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net assets but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$750. Such assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated assets are recorded at fair value at the date of donation. Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|-----------------------------------|------------------------|
| Improvements Other than Buildings | 20 years |
| Buildings and Fixed Equipment | 40 years |
| Furniture, Fixtures and Equipment | 5 years |
| Motor Vehicles | 10 years |
| Audio Visual Materials | 3 years |
| Computer Software | 5 years |

Land and Construction in Progress are not depreciated. Current-year information relative to changes in capital assets is described in a subsequent note.

H. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net assets. Bond and certificates of participation premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Bonds and certificates of participation payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. 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 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.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources. The liability is liquidated with expendable available resources, and expenditures are recognized as payments come due each period upon the occurrence of relevant events, such as employee resignations and retirements.

Changes in long-term debt for the current year are reported in a subsequent note.

I. State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of nine months following the date of the original reporting. Such amendments may

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impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental funds financial statements for the balance of categorical educational program resources.

The State allocates gross receipt taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

J. District Property Taxes

The School Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Volusia County Property Appraiser and property taxes are collected by the Volusia County Finance Department.

The School Board adopted the 2009 tax levy on September 15, 2009. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment. Taxes become an enforceable lien on January 1.

Taxes become delinquent on April 1 of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Volusia County Finance Department at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in a subsequent note.

K. School Capital Outlay Surtax (Local Sales Tax)

The citizens of Volusia County, on October 9, 2001, approved a one-half cent sales tax authorized under Section 212.055(6), Florida Statutes. The surtax levy commenced on January 1, 2002, and shall remain in effect for a period of fifteen years through December 31, 2016.

L. Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

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2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows procedures established by Chapter 1001.51, Florida Statutes, and State Board of Education Administrative Rules, Chapter 6A-1, in establishing budget balances for governmental funds as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- The legal level of control is at the functional level (e.g., instruction, pupil personnel services, and school administration) with control exercised at the object level (e.g., salaries, purchased services, and capital outlay) within each function. Appropriations are amended accordingly by resolution at any School Board meeting prior to the due date of the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

3. INVESTMENTS

As of June 30, 2010, the District had the following investments and maturities:

| Investments | Fair Value | Investment Maturities | |
|---|-----------------------|-----------------------|------------------|
| | | < 6 Months | > 5 Years |
| State Board of Administration (SBA): | | | |
| Fund B Surplus Funds Trust Fund (Fund B) | \$ 40,861 | \$ - | \$ 40,861 |
| Debt Service Accounts | 364,013 | 364,013 | - |
| Obligations of United States: | | | |
| Treasury | 34,767,349 | 34,767,349 | - |
| Government Agencies and Instrumentalities | 107,084,015 | 107,084,015 | - |
| Certificates of Deposit | 30,000,000 | 30,000,000 | - |
| Money Market Funds: | | | |
| Columbia Government | 5,382 | 5,382 | - |
| Fidelity Government | 40,306,643 | 40,306,643 | - |
| PFM Government | 41,867,758 | 41,867,758 | - |
| Dreyfus Government | 7,726,425 | 7,726,425 | - |
| Total Investments-Primary Government | \$ 262,162,446 | \$ 262,121,585 | \$ 40,861 |

Custodial Credit Risk

District policies require that all securities be held in the District's name in custodial accounts by a third party custodian. All securities were held in custodial accounts in the District's name by a third party custodial bank.

Interest Rate Risk

The District's investment policy limits the length of investments to the type of investments up to a maximum of five years and, to the extent possible, investment of current operating funds to twelve months. SBA Fund B had a weighted average life (WAL) of 8.05 years. A portfolio's WAL is the dollar weighted average length of time until securities held reach maturity. WAL, which also measures the sensitivity of the portfolio to interest rate changes, is

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based on legal final maturity dates for Fund B as of June 30, 2010. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the WAL.

As of June 30, 2010, the District had the following investments by fund and interest rate risk:

| Investments by Fund | Fair Value | Investment Maturities | |
|---|-----------------------|-----------------------|------------------|
| | | < 6 Months | > 5 Years |
| Major Governmental Funds: | | | |
| General | \$ 90,457,609 | \$ 90,457,609 | \$ - |
| Debt Service Funds: | | | |
| Certificates of Participation | 249,027 | 249,027 | - |
| Capital Project Funds: | | | |
| Local Capital Improvement | 62,124,542 | 62,083,681 | 40,861 |
| Certificates of Participation | 42,595,125 | 42,595,125 | - |
| Nonmajor Governmental Funds | 47,087,129 | 47,087,129 | - |
| Internal Service Funds | 14,073,669 | 14,073,669 | - |
| Fiduciary Funds | 5,575,345 | 5,575,345 | - |
| Total Investments-Primary Government | \$ 262,162,446 | \$ 262,121,585 | \$ 40,861 |

Credit Risk

District policy allows for the following investments:

Investments in negotiable direct obligations of the United States Government, Governmental Agencies, and Federal Instrumentalities with maturities less than five years. As of June 30, 2010, the District had investments in United States Treasury Securities with a fair market value of \$34,767,349 and in Obligations of the United States Government Agencies and Federal Instrumentalities with a fair market value of \$107,084,015. Obligations of the United States Government Agencies and Instrumentalities were rated "AAA" for long term and "A-1" for short term investments by Standard & Poor's.

Investment in SBA Fund B. As of June 30, 2010, the District had investments in Fund B with a fair market value of \$40,861. Fund B is not rated.

Investments in interest bearing time deposit or savings accounts with maturities no greater than one year which are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. As of June 30, 2010, the District had investments in a certificate of deposit with a value of \$30,000,000 which was secured by the Florida Security for Public Deposits Act.

Investments in money market mutual funds that are rated "AAAm" by Standard & Poor's. As of June 30, 2010, the District had investments in Columbia Government Reserves with a fair value of \$5,382, in Fidelity Institutional Government with a fair value of \$40,306,643, PFM Government with a fair value of \$41,867,758 and in Dreyfus Government Cash Management with a fair value of \$7,726,425, which were rated "AAAm" by Standard & Poor's.

Investments in the SBA Debt Service accounts totaling \$364,013 are administered by SBA to provide for debt service payments on bonded debt issued by the State Board of Education for the benefit of the District. The District has no formal policy for managing interest rate risk or credit risk for this account, but relies on policies developed by SBA. Disclosures for these debt service accounts are included in the notes to the basic financial statements of the State of Florida's Comprehensive Annual Financial Report.

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Concentration of Credit Risk

Composition of investment portfolio is limited by District policy as follows:

- United States government securities are limited to 100 percent of the portfolio.
- Federal instrumentalities are limited to 75 percent of the portfolio and a maximum of 25 percent with any single issuer.
- Commercial paper is limited to 35 percent of the portfolio and a maximum of 10 percent with any single issuer.
- Interest bearing time deposit or savings accounts are limited to 25 percent of the portfolio and a maximum of 15 percent with any single issuer; registered investment companies (money market mutual funds) are limited to 75 percent of the portfolio and a maximum of 25 percent with any single issuer.
- Florida local government surplus trust funds (SBA) are limited to 25 percent of the portfolio.

All investments are in compliance with District policy in relation to interest rate risk, credit risk, and concentration of credit risk.

4. DUE FROM OTHER AGENCIES

At June 30, 2010, the District had a total of \$8,405,348 due from other agencies as follows:

General Fund:

- Approximately \$0.2 million is due from Volusia County for taxes receivable.
- Approximately \$1.2 million is due from Medicaid for reimbursement for services performed.
- Approximately \$0.2 million is due from Federal, State, and local governments for various grant programs.
- Approximately \$0.6 million is due from State and local governments for miscellaneous items.

Local Capital Improvement – Capital Projects Funds:

- Approximately \$0.1 million is due from Volusia County for taxes receivable.

Nonmajor Governmental Funds:

- Approximately \$5.1 million is due from the State for sales taxes.
- Approximately \$0.7 million is due from the County for impact fees.
- Approximately \$0.2 million is due from the State for reimbursement of expenditures and miscellaneous items.
- Approximately \$0.1 million is due from local agencies for miscellaneous items.

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5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

| GOVERNMENTAL ACTIVITIES | July 1, 2009 | | June 30, 2010 | |
|--|-------------------------|-----------------------|-----------------------|-------------------------|
| | Balance | Additions | Deletions | Balance |
| Capital Assets Not Being Depreciated: | | | | |
| Land | \$ 54,775,959 | \$ - | \$ 233,856 | \$ 54,542,103 |
| Construction in progress | 124,757,938 | 52,944,571 | 144,868,577 | 32,833,932 |
| Total Capital Assets Not Being Depreciated: | 179,533,897 | 52,944,571 | 145,102,433 | 87,376,035 |
| Capital Assets Being Depreciated: | | | | |
| Improvements other than buildings | 75,355,895 | 13,270,131 | 950,097 | 87,675,929 |
| Buildings and fixed equipment | 1,108,325,161 | 144,868,577 | 5,304,422 | 1,247,889,316 |
| Furniture, fixtures, and equipment | 72,030,832 | 5,830,140 | 4,524,614 | 73,336,358 |
| Motor vehicles | 38,080,869 | - | 1,080,770 | 37,000,099 |
| Audio-visual materials | 124,143 | - | 2,762 | 121,381 |
| Computer software | 17,158,677 | 1,429,705 | 134,457 | 18,453,925 |
| Total Capital Assets Being Depreciated: | 1,311,075,577 | 165,398,553 | 11,997,122 | 1,464,477,008 |
| Less Accumulated Depreciation for: | | | | |
| Improvements other than buildings | 20,810,489 | 4,437,431 | 950,097 | 24,297,823 |
| Buildings and fixed equipment | 207,306,256 | 33,427,437 | 5,304,422 | 235,429,271 |
| Furniture, fixtures, and equipment | 57,066,881 | 7,386,279 | 4,524,614 | 59,928,546 |
| Motor vehicles | 17,537,252 | 3,588,402 | 1,080,770 | 20,044,884 |
| Audio-visual materials | 118,114 | - | 2,762 | 115,352 |
| Computer software | 15,175,414 | 1,182,542 | 134,457 | 16,223,499 |
| Total Accumulated Depreciation | 318,014,406 | 50,022,091 | 11,997,122 | 356,039,375 |
| Total Capital Assets Being Depreciated, Net | 993,061,171 | 115,376,462 | - | 1,108,437,633 |
| Governmental Activities - Capital Assets, Net | \$ 1,172,595,068 | \$ 168,321,033 | \$ 145,102,433 | \$ 1,195,813,668 |

The District's capital assets serve several functions; accordingly, depreciation expense, which totaled \$50,022,091 was not charged to functions but is separately reported on the statement of activities.

6. CERTIFICATES OF PARTICIPATION

The District entered into a financing arrangement on May 3, 2005, to advance refund the Certificates of Participation, Series 1995, maturing on and after August 1, 2006, and to pay the Series 1995 Certificates maturing on August 1, 2005, issued on behalf of the District by the Volusia School Board Leasing Corporation (Leasing Corporation). The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated May 3, 2005. The refunding was accomplished through the issuance of Certificates of Participation, Series 2005A, totaling \$26,730,000, to be repaid from the proceeds of rents paid by the School District.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on August 1, 1991, and runs until the earlier of: (a) the date on which the Series 2005A Certificates have been paid in full, or (b) July 1, 2016. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

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The District properties included in the ground lease under this arrangement, and supplements thereto, include Friendship Elementary School, Pine Ridge High School, Sweetwater Elementary School, Forest Lake Elementary School, Heritage Middle School, and DeBary Elementary School.

The District entered into a financing arrangement on September 1, 1999, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition and construction of facilities and equipment in the total amount of \$65,685,000. The financing was accomplished through the issuance of Certificates of Participation, Series 1999, to be repaid from the proceeds of rents paid by the District. The District entered into a crossover refunding arrangement on March 10, 2005, to advance refund the Certificates of Participation, Series 1999, which mature on or after August 1, 2010. The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated March 1, 2005. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2005B, totaling \$47,180,000.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on September 1, 1999, and runs until the earlier of (a) the date on which the Series 2005B Certificates (or any Certificates issued to refund the Series 2005B Certificates) have been paid in full, or (b) June 30, 2034. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement, and supplements thereto, include Creekside Middle School, Maintenance Facility, Campbell Middle School, Seabreeze High School, and Deltona High School.

The District entered into a financing arrangement on June 30, 2005, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction and installation of certain education facilities in the total amount of \$39,010,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2005C, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on June 1, 2005, and runs until the earlier of (a) the date on which the Series 2005C Certificates (or any Certificates issued to refund the Series 2005C Certificates) have been paid in full, or (b) July 1, 2035. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement include Osteen Elementary School, Cypress Creek Elementary School, and the Community Learning Center East.

The District entered into a financing arrangement on January 31, 2006, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction and installation of certain education facilities in the total amount of \$135,175,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2006A, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on January 1, 2006, and runs until the earlier of (a) the date on which the Series 2006A Certificates (or any Certificates issued to refund the Series 2006A Certificates) have been paid in full, or (b) July 30, 2036. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If

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the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement include University High School and River Springs Middle School.

The District entered into a financing arrangement on April 25, 2007, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction, and installation of certain education facilities in the total amount of \$97,975,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2007, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on April 1, 2007, and runs until the earlier of (a) the date on which the Series 2007 Certificates (or any Certificates issued to refund the Series 2007 Certificates) have been paid in full, or (b) July 31, 2037. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement, amended in June 2009, include Holly Hill K-8 School, Ormond Beach Middle School, Pride Elementary School, and Hurst Elementary School replacement.

The lease payments are payable by the District, semiannually, on August 1 and February 1 at interest rates ranging from 3.0 to 5.0 percent. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

| <u>Fiscal Year Ending June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|------------------------------|------------------------------|------------------------------|
| 2011 | \$ 8,830,000 | \$ 17,936,664 | \$ 26,766,664 |
| 2012 | 9,200,000 | 17,467,176 | 26,667,176 |
| 2013 | 9,520,000 | 16,980,426 | 26,500,426 |
| 2014 | 9,850,000 | 16,534,665 | 26,384,665 |
| 2015 | 10,205,000 | 16,073,121 | 26,278,121 |
| 2016-2020 | 58,130,000 | 71,635,119 | 129,765,119 |
| 2021-2025 | 73,270,000 | 52,666,475 | 125,936,475 |
| 2026-2030 | 93,500,000 | 29,951,250 | 123,451,250 |
| 2031-2032 | 44,265,000 | 6,565,100 | 50,830,100 |
| Total Minimum Lease Payments | <u>316,770,000</u> | <u>245,809,996</u> | <u>562,579,996</u> |
| Plus: Unamortized Net Premiums | <u>10,426,870</u> | <u>-</u> | <u>10,426,870</u> |
| Total Certificates of Participation | <u>\$ 327,196,870</u> | <u>\$ 245,809,996</u> | <u>\$ 573,006,866</u> |

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7. BONDS PAYABLE

Bonds payable at June 30, 2010, are as follows:

| Bond Type | Amount Issued | Amount Outstanding | Remaining Interest Rates (Percent) | Annual Maturity To |
|---------------------------------------|-----------------------|-----------------------|---|--------------------------|
| State School Bonds: | | | | |
| Series 2003-A | \$ 560,000 | \$ 435,000 | 3.000 - 4.250 | 2023 |
| Series 2005-B, refunding | 13,575,000 | 11,390,000 | 5.000 | 2020 |
| Series 2009-A, refunding | 1,390,000 | 1,210,000 | 3.000 - 5.000 | 2019 |
| Sales Tax Revenue Bonds: | | | | |
| Series 2002 | 146,845,000 | 84,060,000 | 4.000 - 5.500 | 2017 |
| Series 2004 | 57,825,000 | 36,190,000 | 3.000 - 5.250 | 2017 |
| Series 2006 | 59,125,000 | 41,010,000 | 3.700 - 5.000 | 2017 |
| Subtotal | 279,320,000 | 174,295,000 | | |
| Plus Unamortized Net Premiums: | | | | |
| Sales Tax Revenue Bonds, Series 2002 | 4,414,904 | 1,765,961 | | |
| Sales Tax Revenue Bonds, Series 2004 | 3,835,659 | 1,770,302 | | |
| Sales Tax Revenue Bonds, Series 2006 | 1,322,003 | 721,093 | | |
| Total Unamortized Net Premiums | 9,572,566 | 4,257,356 | | |
| Total Bonds Payable | \$ 288,892,566 | \$ 178,552,356 | | |

The various bonds were issued to finance capital outlay projects of the District. The following is a description of bonded debt issues:

State School Bonds

These bonds are issued by the State Board of Education on behalf of the District. The bonds mature serially and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration.

Sales Tax Revenue Bonds

Sales Tax Revenue Bonds are authorized by Chapter 1001, Florida Statutes, and secured by a one-half cent discretionary sales surtax levied pursuant to Section 212.055(6), Florida Statutes. As required by the bond resolution, the District has established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

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Annual requirements to amortize all bonded debt outstanding as of June 30, 2010, are as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total |
|--------------------------------------|-----------------------|----------------------|-----------------------|
| State School Bonds: | | | |
| 2011 | \$ 1,335,000 | \$ 640,563 | \$ 1,975,563 |
| 2012 | 1,380,000 | 577,212 | 1,957,212 |
| 2013 | 1,470,000 | 510,213 | 1,980,213 |
| 2014 | 1,530,000 | 438,631 | 1,968,631 |
| 2015 | 1,615,000 | 362,556 | 1,977,556 |
| 2016-2020 | 5,565,000 | 612,356 | 6,177,356 |
| 2021-2023 | 140,000 | 12,056 | 152,056 |
| Total State School Bonds | 13,035,000 | 3,153,587 | 16,188,587 |
| Sales Tax Revenue Bonds: | | | |
| 2011 | 19,945,000 | 7,437,516 | 27,382,516 |
| 2012 | 20,780,000 | 6,522,709 | 27,302,709 |
| 2013 | 21,775,000 | 5,470,214 | 27,245,214 |
| 2014 | 22,885,000 | 4,320,185 | 27,205,185 |
| 2015 | 24,075,000 | 3,138,751 | 27,213,751 |
| 2016-2017 | 51,800,000 | 2,524,826 | 54,324,826 |
| Total Sales Tax Revenue Bonds | 161,260,000 | 29,414,201 | 190,674,201 |
| Subtotal | 174,295,000 | 32,567,788 | 206,862,788 |
| Plus Unamortized Net Premiums | 4,257,356 | - | 4,257,356 |
| Total | \$ 178,552,356 | \$ 32,567,788 | \$ 211,120,144 |

Annual requirements to amortize net premiums as of June 30, 2010, are as follows:

| Fiscal Year Ending June 30 | Amortized Expense |
|---------------------------------|----------------------|
| Sales Tax Revenue Bonds: | |
| 2011 | \$ 709,560 |
| 2012 | 709,560 |
| 2013 | 709,560 |
| 2014 | 709,560 |
| 2015 | 709,560 |
| 2016 | 709,556 |
| Total | \$ 4,257,356 |

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8. DEFEASED DEBT

The Florida Department of Education issued State Board of Education (SBE), Capital Outlay Bonds, Series 2009A, on August 15, 2009 for \$52,915,000. A portion of these bonds totaling \$39,415,000 was used to refund \$42,050,000 of the SBE, Capital Outlay Bonds, Series 1999A bonds.

The District's portion of Series 2009A bonds totaled \$1,390,000 and was used to refund \$1,505,000 of the District's portion of Series 1999A bonds. The District's pro rata share of the net proceeds of the Series 2009A bonds totaling \$1,502,981 (after deduction of \$12,621 by the Florida Department of Education for the District's pro rata share of underwriting fees, insurance, and other issuance costs) was placed in an irrevocable trust to refund the Series 1999A bonds, that matures on or after January 1, 2010. On September 24, 2009, all outstanding SBE bonds, Series 1999A, were called.

The Series 2009A bonds were issued to reduce the total debt service over the next ten years by approximately \$3,597,256 and to obtain an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$3,154,842. The District's portion resulted in a reduction of \$149,742 over the next 10 years and \$135,702 in economic gain.

9. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

| Description | July 1, 2009 Balance | Additions | Deductions | June 30, 2010 Balance | Due in One Year |
|--|------------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Bonds Payable | \$ 194,830,000 | \$ 1,390,000 | \$ 21,925,000 | \$ 174,295,000 | \$ 21,280,000 |
| Plus Unamortized Net Premium | 4,966,916 | - | 709,560 | 4,257,356 | 709,560 |
| Net Bonds Payable | <u>199,796,916</u> | <u>1,390,000</u> | <u>22,634,560</u> | <u>178,552,356</u> | <u>21,989,560</u> |
| Certificates of Participation Payable | 373,375,000 | - | 56,605,000 | 316,770,000 | 8,830,000 |
| Plus Unamortized Net Premium | 11,206,773 | - | 779,903 | 10,426,870 | 560,328 |
| Net Certificates of Participation Payable | <u>384,581,773</u> | <u>-</u> | <u>57,384,903</u> | <u>327,196,870</u> | <u>9,390,328</u> |
| Compensated Absences Payable | 56,237,459 | 12,472,048 | 5,741,449 | 62,968,058 | 5,741,449 |
| Estimated Insurance Claims Payable | 6,399,910 | 1,119,674 | 1,834,281 | 5,685,303 | 1,699,588 |
| Post Employment Health Care Benefits Payable | <u>7,336,326</u> | <u>3,999,629</u> | <u>1,950,394</u> | <u>9,385,561</u> | <u>-</u> |
| Total Governmental Activities | <u>\$ 654,352,384</u> | <u>\$ 18,981,351</u> | <u>\$ 89,545,587</u> | <u>\$ 583,788,148</u> | <u>\$ 38,820,925</u> |

For the governmental activities, compensated absences and postemployment healthcare benefits are generally liquidated with resources of the General Fund. The estimated insurance claims payable are generally liquidated with resources of the Internal Service Funds as discussed in Note 20.

District School Board of Volusia County, Florida
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10. CHANGES IN SHORT-TERM DEBT

The following is a schedule of changes in short-term debt:

| Description | July 1, 2009 Balance | Additions | Deductions | June 30, 2010 Balance |
|--------------------------------|-------------------------|---------------|---------------|--------------------------|
| <u>Governmental Activities</u> | | | | |
| Tax Anticipation Notes | \$ 35,000,000 | \$ 30,000,000 | \$ 35,000,000 | \$ 30,000,000 |

The Tax Anticipation Note, Series 2009, with an interest rate of 3.00%, was issued on September 24, 2009 for \$30,000,000 and matures on September 7, 2010. The proceeds were used for the payment of operating expenditures for 2009-10 fiscal year prior to receipt of ad valorem taxes.

11. FUND BALANCE REPORTING

The District has adopted GASB 54 as part of its 2009-10 fiscal year reporting. Implementation of GASB 54 is required for fiscal years beginning after June 15, 2010; however, the District has elected early adoption during the current fiscal year. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District has inventories that are considered nonspendable. The District does not have any prepaid items or nonspendable funds related to endowments.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- **Restricted:** Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** Fund balances that contain self imposed constraints of the government from its highest level of decision making authority.
- **Assigned:** Fund balances that contain self imposed constraints of the government to be used for a particular purpose.
- **Unassigned:** Fund balance of the General Fund that is not constrained for any particular purpose.

The District has classified its fund balances with the following hierarchy:

Nonspendable: The District has inventories totaling \$3,295,323 that are classified as nonspendable.

Spendable: The District has classified the spendable fund balances as *Restricted*, *Assigned*, and *Unassigned* and considered each to have been spent when expenditures are incurred. The District currently has no funds classified as *Committed*.

- **Restricted for State Categorical Programs, Food Services, Debt Service, and Capital Projects:**

Federal laws, Florida Statutes and local ordinances require that certain revenues be specifically designated for the purposes of State categorical programs, food service, debt service, and capital projects. These funds have been included in the *Restricted* category of fund balance. The restricted fund balances totaled \$162,783,059 and represented \$5,454,486 in State categorical programs, \$5,387,221 in food service, \$18,144,801 in debt service and \$133,796,551 in capital projects.

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• **Assigned for State and Local Programs and Capital Projects:**

The District has set aside certain spendable fund balances for State and local programs and capital projects. At year end, the assigned fund balance is \$13,655,946 of which \$11,547,648 is for state and local programs and \$2,108,298 is for capital projects.

• **Unassigned:**

The unassigned fund balance in the General Fund is \$27,045,582.

| | Major Funds | | | | | |
|--------------------------|----------------------|---|---|---|-----------------------------|--------------------------|
| | General Fund | Certificates of Participation - Debt Service Fund | Local Capital Improvement - Capital Projects Fund | Certificates of Participation - Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
| Fund Balances: | | | | | | |
| Nonspendable: | | | | | | |
| Inventories: | | | | | | |
| General Fund | \$ 1,520,218 | \$ - | \$ - | \$ - | \$ - | \$ 1,520,218 |
| Food Service | - | - | - | - | 1,775,105 | 1,775,105 |
| Restricted: | | | | | | |
| Categorical Programs | 5,454,486 | - | - | - | - | 5,454,486 |
| Food Service | - | - | - | - | 5,387,221 | 5,387,221 |
| Debt Service | 857,500 | 737 | - | - | 17,286,564 | 18,144,801 |
| Capital Projects | - | - | 68,613,565 | 36,717,589 | 28,465,397 | 133,796,551 |
| Assigned: | | | | | | |
| State and Local Programs | 11,547,648 | - | - | - | - | 11,547,648 |
| Capital Projects | - | - | - | - | 2,108,298 | 2,108,298 |
| Unassigned: | 27,045,582 | - | - | - | - | 27,045,582 |
| Total Fund Balance: | <u>\$ 46,425,434</u> | <u>\$ 737</u> | <u>\$ 68,613,565</u> | <u>\$ 36,717,589</u> | <u>\$ 55,022,585</u> | <u>\$ 206,779,910</u> |

The Board has established policy number 722 which requires the District to maintain a minimum 3 percent unreserved fund balance with the desirability of 5 percent. At June 30, 2010, the unassigned fund balance for the General Fund was \$27,045,582, or 6.4 percent of total General Fund revenues. Of this amount, the District has set aside \$20,970,400 "contingency reserves" to stabilize the current year budget for potential revenue shortfalls, emergencies, and unanticipated expenditures after the current year's budget adoption.

12. ENCUMBRANCES

Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. The District uses encumbrance accounting for recording purchase order commitments. At June 30, 2010, the District has recorded \$52,485,314 in encumbrances as follows: \$1,136,303 for the General Fund; \$12,049,088 for the Local Capital Improvement – Capital Projects Fund; \$31,288,357 for the Certificates of Participation – Capital Projects Fund; and \$8,011,566 for the Nonmajor Governmental Funds.

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13. INTERFUND TRANSFERS

The following is a summary of interfund transfers reported in the fund financial statements:

| <u>Transfers Out</u> | <u>Transfers In</u> | | | <u>Total</u> |
|---|----------------------|--|------------------------------------|----------------------|
| | <u>General Fund</u> | <u>Certificates of Participation - Debt Service Fund</u> | <u>Nonmajor Governmental Funds</u> | |
| Local Capital Improvement - Capital Projects Fund | \$ 18,262,955 | \$ 14,758,557 | \$ - | \$ 33,021,512 |
| Certificates of Participation - Capital Projects Fund | - | 49,498 | - | 49,498 |
| Nonmajor Governmental Funds | 1,358,989 | 9,062,237 | 27,781,677 | 38,202,903 |
| Total | \$ 19,621,944 | \$ 23,870,292 | \$ 27,781,677 | \$ 71,273,913 |

A portion of the transfers out of the Local Capital Improvement – Capital Projects Fund and Non-major Governmental Funds was to provide debt service principal and interest payments and to assist in funding maintenance operations of the District. A portion of the transfers out of the Local Capital Improvement – Capital Projects Fund was to cover property and casualty insurance. The remaining transfers between funds were operational in nature.

14. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2009-10 fiscal year:

| <u>Sources</u> | <u>Amount</u> |
|---|-----------------------|
| Florida Education Finance Program | \$ 127,316,297 |
| Categorical Educational Programs: | |
| Class Size Reduction | 64,773,816 |
| School Recognition | 2,743,781 |
| Other | 610,627 |
| Discretionary Lottery Funds | 170,592 |
| Gross Receipts Tax (Public Education Capital Outlay) | 953,879 |
| Motor Vehicle License Tax (Capital Outlay and Debt Service) | 2,319,036 |
| Mobile Home License Tax | 525,372 |
| Charter School Capital Outlay Funding | 405,110 |
| Food Service Supplement | 352,971 |
| State Grants and Other State Sources | 1,062,118 |
| Total | \$ 201,233,599 |

Accounting policies relating to certain State revenue sources are described in Note 1.

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15. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2009 tax roll for the 2009-10 fiscal year:

| | <u>Millages</u> | <u>Taxes Levied</u> |
|---|-----------------|-----------------------|
| <u>General Fund</u> | | |
| Nonvoted School Tax: | | |
| Required Local Effort | 5.307 | \$ 177,357,707 |
| Basic Discretionary Local Effort | 0.748 | 24,997,845 |
| Supplemental Discretionary Local Effort | 0.250 | 8,354,895 |
| <u>Capital Projects Funds</u> | | |
| Nonvoted Tax: | | |
| Local Capital Improvements | 1.500 | 50,129,369 |
| Total | 7.805 | \$ 260,839,816 |

16. STATE RETIREMENT PROGRAM

Defined Benefit Plan

All regular employees of the District are covered by the State-administered Florida Retirement System (FRS). Provisions related to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein Plan eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of FRS. FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

Employees in the Plan vest at six years of service. All vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Defined Contribution Plan

As provided in Section 121.4501, Florida Statutes, eligible FRS employees may elect to participate in PEORP. District employees participating in DROP are not eligible to participate in PEORP. Employer contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. PEORP is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in PEORP vest after one year of service. There were 900 District participants during the 2009-10 fiscal year. Required employer contributions made to the program for the fiscal year ending June 30, 2008, June 30, 2009, and June 30, 2010, totaled \$2,927,296, \$3,047,637, and \$2,984,504, respectively.

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Funding Policy

The contribution rates for members are established, and may be amended, by the Florida Legislature. During the 2009-10 fiscal year, contribution rates were as follows:

| <u>Class</u> | <u>Percent of Gross Salary</u> | |
|--|--------------------------------|--------------------|
| | <u>Employee</u> | <u>Employer(A)</u> |
| Florida Retirement System, Regular | 0.00 | 9.85 |
| Florida Retirement System, Elected County Officers | 0.00 | 16.53 |
| Florida Retirement System, Senior Management Service | 0.00 | 13.12 |
| Deferred Retirement Option Program (DROP) - Applicable to Members from All of the Above Classes | 0.00 | 10.91 |
| Florida Retirement System, Reemployed Retiree | (B) | (B) |

Notes:

- (A) Employer rates, other than DROP participants, include 1.11 percent for the postemployment health insurance supplement and 0.05 percent for administrative costs of PEORP.
- (B) Contribution rates are dependent upon the retirement class in which reemployed.

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions (including employee contributions) for the fiscal years ending June 30, 2008, June 30, 2009, and June 30, 2010, totaled \$31,820,940, \$28,667,320, and \$28,610,591 respectively, which were equal to the required contributions for each fiscal year.

Pension Reporting

The financial statements and other supplementary information of FRS are included in the comprehensive annual financial report of the State of Florida, which may be obtained by contacting the Department of Financial Services in Tallahassee, Florida. Also, an annual report on FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement.

17. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The District administers a single-employer defined benefit healthcare plan (the “Retiree Health Plan”). Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District, and their eligible dependents, may continue to participate in the District's group insurance plan for medical and prescription drug coverage. The District implicitly subsidizes the premium rates paid by retirees by allowing them to participate in the plan at blended group premium rates for both active and retired employees. The rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Additionally, if a retiree participates in a medical plan they receive a monthly Health Insurance Subsidy (HIS) from the District in the amount of \$.50 per year of service (maximum \$20) until age 65. Retirees are required to enroll in the Federal Medicare programs parts A and B for their primary coverage as soon as they are eligible. The postemployment healthcare plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or other entity.

Funding Policy - For the Retiree Health Plan, contribution requirements of the District are established and may be amended by the Board. The District has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation. At July 1, 2009, 482 retirees and 101 eligible dependents received postemployment health care benefits. For the 2009-10 fiscal year, the District provided required contributions of \$1,950,394 toward the annual OPEB costs, comprised of payments made on behalf of retirees net of retiree contributions totaling \$3,699,413, which represents 1.1 percent of covered payroll. Required contributions are based on projected pay-as-you-go financing.

Annual OPEB Cost and Net OPEB Obligation – The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement No. 45. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a

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period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for the Retiree Health Plan:

| Description | Amount |
|--|--------------|
| Normal Cost (service cost for one year) | \$ 2,541,525 |
| Amortization of Unfunded Actuarial Accrued Liability | 1,274,044 |
| Interest on Normal Cost and Amortization | 152,623 |
| Annual Required Contribution | 3,968,192 |
| Interest on Net OPEB Obligation | 293,453 |
| Adjustment to Annual Required Contribution | (262,016) |
| Annual OPEB Cost (Expense) | 3,999,629 |
| Contribution Toward the OPEB Cost | (1,950,394) |
| Increase in Net OPEB Obligation | 2,049,235 |
| Net OPEB Obligation, Beginning of Year | 7,336,326 |
| Net OPEB Obligation, End of Year | \$ 9,385,561 |

The District's historical annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of the June 30, 2010, and the preceding fiscal year end, is as follows:

| Fiscal Year | Annual OPEB Cost | Amount Contributed | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|----------------|---------------------|-----------------------|--|------------------------|
| 6/30/2009 | \$ 5,039,590 | \$ 887,450 | 17.6% | \$ 7,336,327 |
| 6/30/2010 | 3,999,629 | 1,950,394 | 48.8% | 9,385,561 |

Funding Status and Funding Progress – As of June 30, 2010, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$34,750,176 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$34,750,176 and a funded ratio of 0 percent. The covered payroll (annual payroll for active participating employees) was \$331,446,181 for the 2009-10 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 10.5 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. The required schedule of funding progress immediately following the notes to financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating 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 participating members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's OPEB actuarial valuation for the 2009-10 fiscal year used the entry age normal cost actuarial method to estimate the unfunded actuarial liability and to determine the annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions

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also included a payroll growth rate of 3.5 percent per year, and an annual healthcare cost trend rate of 10.5 percent for the 2009-10 fiscal year, reduced to an ultimate rate of 5.5 percent for the fiscal year ending June 30, 2017. The initial healthcare cost trend rate was selected based on historical experience, future healthcare budgets and an examination of the Fall 2009 Aon Health Care Trend Survey. The ultimate rate was selected based on an analysis conducted utilizing the Society of Actuaries model for evaluating and developing long-term retiree healthcare trends. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The unfunded actuarial accrued liability was amortized over 30 years in calculating the District's 2009-10 fiscal year annual required contribution.

18. CONSTRUCTION CONTRACT COMMITMENTS

The following is a summary of major construction contract commitments remaining at fiscal year-end:

| Project | Contract Amount | Completed to Date | Balance Committed |
|---|----------------------|----------------------|----------------------|
| ORMOND BEACH MIDDLE SCHOOL - New Construction: | | | |
| Architect | \$ 2,565,958 | \$ 2,372,770 | \$ 193,188 |
| Contractor | 34,442,637 | 17,621,476 | 16,821,161 |
| NEW ELEMENTARY SCHOOL "Z" - New Construction: | | | |
| Architect | 776,930 | 733,480 | 43,450 |
| Contractor | 10,137,721 | 7,789,521 | 2,348,200 |
| NEW HOLLY HILL K-8 FACILITY - New Construction: | | | |
| Architect | 907,025 | 643,024 | 264,001 |
| Contractor | 10,026,634 | 300,800 | 9,725,834 |
| Total | \$ 58,856,905 | \$ 29,461,071 | \$ 29,395,834 |

19. JOINT VENTURE

A joint venture is a legal entity or other organization that results from a contractual agreement, and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain: (a) an ongoing financial interest or (b) ongoing financial responsibility. As discussed below, the District participates in a joint venture.

The District entered into an agreement with the Flagler County District School Board and Daytona State College pursuant to Section 163.01, Florida Statutes, and Chapter 98-302, Laws of Florida, to construct and operate a charter technical career center. The charter technical career center does business as the Volusia Flagler Advanced Technology College, Inc. (ATC), a separate legal entity, and is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, and Section 1002.34, Florida Statutes. Because the sponsoring governments (sponsors) have an on-going financial interest and financial responsibility, the ATC is considered a joint venture. The ATC Board of Directors, which oversees the ATC's operations, has 11 members: one member is the chief executive officer from a sponsor, and is appointed on a rotating basis from each sponsor to a one-year term; six members are appointed by the sponsors (two members are appointed by each sponsor); and four members are elected by the seven appointed board members.

The District's capital contribution was \$10,000,000 as provided in the agreement and is reported as an investment in joint venture in the Statement of Net Assets. The agreement provides a vested interest for each sponsor for the purposes of recouping of investments and the allocating of assets and assuming liabilities upon termination of the agreement. In the event of termination of the agreement, the capital assets purchased by the ATC will be appraised and sold. The profits will revert to the sponsors based on their proportionate equity in the ATC as defined by the agreement. As of June 30, 2010, the District's proportionate share of profits to be distributed in the event of termination of the agreement was 58.8 percent.

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The total cost to construct the ATC facility was \$25,500,000 and was financed through capital contributions from each sponsor as provided in the agreement. However, the District holds title to, and is considered the owner of, the facility and the site on which the facility is located. Pursuant to the agreement, the District must lease the facility to Daytona State College for a period of 40 years.

Daytona State College serves as the fiscal agent for the joint venture.

ATC is accounted for as a proprietary joint venture. An audit of the ATC's financial statements was conducted by an independent certified public accountant, and copies of the audit report can be obtained from the ATC's administrative office or the District's administrative office.

20. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, general liability, and fleet coverage are being provided on a self-insured basis up to specified limits. The District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims, minus specific excess coverage, exceed the loss fund established annually by the District. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

Property and casualty coverage is obtained through purchased commercial insurance. The property insurance fund is used to track premiums and any claims expense. In the 2009-10 fiscal year, property insurance coverage amounts remained at \$50 million for wind and \$125 million for all other perils with no significant change in premiums.

A liability in the amount of \$5,685,303 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2010.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance program:

| <u>Fiscal Years</u> | <u>Beginning-of- Fiscal-Year Liability</u> | <u>Current-Year Claims and Changes in Estimates</u> | <u>Claims Payments</u> | <u>Balance at Fiscal Year-End</u> |
|-------------------------|--|---|----------------------------|---|
| 2008-09 | \$ 8,618,180 | \$ 760,375 | \$ (2,978,645) | \$ 6,399,910 |
| 2009-10 | 6,399,910 | 1,119,674 | (1,834,281) | 5,685,303 |

Health and hospitalization coverage are being provided through purchased commercial insurance.

Settled claims resulting from the risks described above have not exceeded commercial coverage in any of the past three fiscal years.

21. LITIGATION

The District is involved in several pending and threatened legal actions. In the opinion of District management, the range of potential loss from all such claims and actions should not materially affect the financial condition of the District.

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

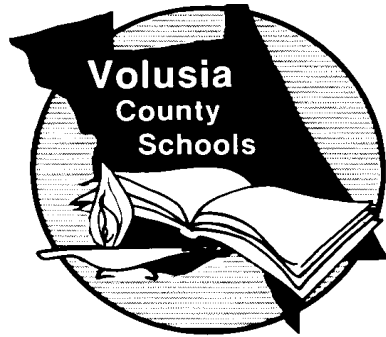
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22. RELATED PARTY TRANSACTIONS

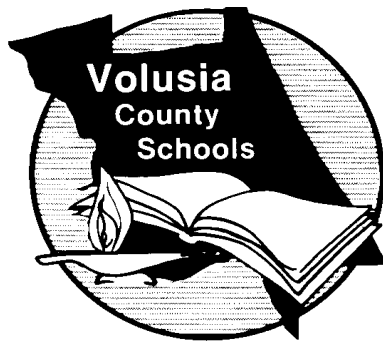
The Board leases to The Chiles Academy, Inc. (charter school), land and buildings occupied by the charter school. In lieu of rental payments, The Chiles Academy, Inc., pays all expenses associated with the upkeep and maintenance of the property. The charter school is a discretely presented component unit of the District.

23. SUBSEQUENT EVENTS

On September 7, 2010, the District paid the Tax Anticipation Notes, Series 2009, in the amount of \$30 million.



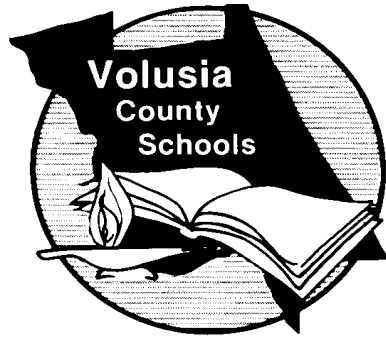
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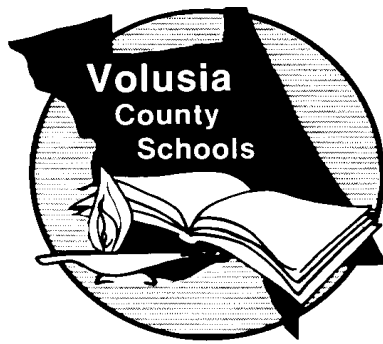
Required Supplementary Information

**District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of Funding Progress -
Other Postemployment Benefits Plan
For the Fiscal Year Ended June 30, 2010**

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percent of Covered Payroll [(b-a)/c] |
|--------------------------------|--|--|---------------------------------|-----------------------|---------------------------|--|
| July 1, 2007 | \$ - | \$ 41,775,090 | \$ 41,775,090 | 0.0% | \$ 362,409,985 | 11.5% |
| June 30, 2009 | - | 48,329,014 | 48,329,014 | 0.0% | 333,889,200 | 14.5% |
| June 30, 2010 | - | 34,750,176 | 34,750,176 | 0.0% | 331,446,181 | 10.5% |



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Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Food Service Fund - Used to account for the activities of the District's food services function. These activities are funded primarily through local charges and federal awards.

Contracted Federal Programs Fund - Used to account for programs funded by Federal sources requiring separate accountability because of legal or regulatory restrictions.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

SBE/COBI Bonds Fund - Used to account for the payment of principal, interest, and related costs on the state school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.

Sales Tax Revenue Bonds Fund - Used to account for the payment of principal, interest, and related costs pertaining to the District's Local Sales Tax Revenue Bonds.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects.

Capital Outlay and Debt Service Fund - Used to account for capital project activity funded by the District's portion of the State Capital Outlay and Debt Service program.

Impact Fees Fund - Used to account for capital project activity funded through impact fees.

Local Sales Tax Fund - Used to account for capital project activity funded through local sales tax.

Sale of Property Fund - Used to account for capital project activity funded through the sale of property.

Classrooms for Kids Fund - Used to account for capital project activity funded through Classrooms for Kids. Lottery funds are the primary funding source for Classrooms for Kids.

Charter Schools' Capital Outlay Fund - Used to account for capital project activity for the charter schools' capital outlay funds.

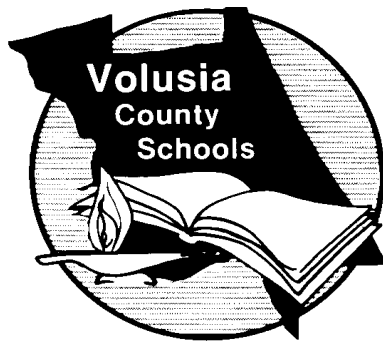
Public Education Capital Outlay Fund - Used to account for capital project activity funded through the State Public Education Capital Outlay program. The primary funding source for PECO is the gross receipts tax on utilities.

District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2010

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Debt Service Funds | Total Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--|--|--|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,603,513 | \$ - | \$ - | \$ 1,603,513 |
| Investments | 4,656,019 | 17,286,932 | 25,144,178 | 47,087,129 |
| Interest receivable | - | - | 25,858 | 25,858 |
| Due from other agencies | 246,106 | - | 5,903,748 | 6,149,854 |
| Inventories | 1,775,105 | - | - | 1,775,105 |
| Total assets | <u>\$ 8,280,743</u> | <u>\$ 17,286,932</u> | <u>\$ 31,073,784</u> | <u>\$ 56,641,459</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Salaries and benefits payable | \$ 845,315 | \$ - | \$ - | \$ 845,315 |
| Accounts payable | 272,848 | 368 | 2,365 | 275,581 |
| Construction contracts payable | - | - | 394,509 | 394,509 |
| Construction contracts payable-retainage | - | - | 103,215 | 103,215 |
| Due to other agencies | 254 | - | - | 254 |
| Total liabilities | <u>1,118,417</u> | <u>368</u> | <u>500,089</u> | <u>1,618,874</u> |
| Fund balances: | | | | |
| Nonspendable | 1,775,105 | - | - | 1,775,105 |
| Restricted | 5,387,221 | 17,286,564 | 28,465,397 | 51,139,182 |
| Assigned | - | - | 2,108,298 | 2,108,298 |
| Total fund balances | <u>7,162,326</u> | <u>17,286,564</u> | <u>30,573,695</u> | <u>55,022,585</u> |
| Total liabilities and fund balances | <u>\$ 8,280,743</u> | <u>\$ 17,286,932</u> | <u>\$ 31,073,784</u> | <u>\$ 56,641,459</u> |

**District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2010**

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Debt Service Funds | Total Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--|--|--|
| REVENUES | | | | |
| Federal direct | \$ 325,686 | \$ - | \$ - | \$ 325,686 |
| Federal through State | 56,147,246 | - | - | 56,147,246 |
| State sources | 352,971 | 1,960,009 | 1,788,100 | 4,101,080 |
| Local sources | 7,344,991 | 22,418 | 34,738,477 | 42,105,886 |
| Total revenues | <u>64,170,894</u> | <u>1,982,427</u> | <u>36,526,577</u> | <u>102,679,898</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 17,743,802 | - | - | 17,743,802 |
| Pupil personnel services | 5,031,957 | - | - | 5,031,957 |
| Instruction and curriculum development services | 8,049,767 | - | - | 8,049,767 |
| Instructional staff training services | 3,242,949 | - | - | 3,242,949 |
| Instruction related technology | 47,292 | - | - | 47,292 |
| General administration | 1,432,277 | - | - | 1,432,277 |
| School administration | 2,681,482 | - | - | 2,681,482 |
| Facilities services - non-capitalized | - | - | 692,426 | 692,426 |
| Food services | 22,452,464 | - | - | 22,452,464 |
| Central services | 102,463 | - | - | 102,463 |
| Pupil transportation services | 1,031,754 | - | - | 1,031,754 |
| Operation of plant | 9,578 | - | - | 9,578 |
| Administrative technology services | 47,294 | - | - | 47,294 |
| Debt service: | | | | |
| Principal | - | 20,420,000 | - | 20,420,000 |
| Interest and fiscal charges | - | 8,977,623 | 1,197 | 8,978,820 |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | - | - | 10,985,055 | 10,985,055 |
| Other capital outlay | 254,491 | - | 86,695 | 341,186 |
| Total expenditures | <u>62,127,570</u> | <u>29,397,623</u> | <u>11,765,373</u> | <u>103,290,566</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>2,043,324</u> | <u>(27,415,196)</u> | <u>24,761,204</u> | <u>(610,668)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Refunding bonds issued | - | 1,390,000 | - | 1,390,000 |
| Premium on refunding bonds | - | 125,602 | - | 125,602 |
| Payment to refunded bond escrow agent | - | (1,502,981) | - | (1,502,981) |
| Proceeds from sale of capital assets | - | - | 911,510 | 911,510 |
| Transfers in | - | 27,781,677 | - | 27,781,677 |
| Transfers out | - | - | (38,202,903) | (38,202,903) |
| Total other financing sources (uses) | <u>-</u> | <u>27,794,298</u> | <u>(37,291,393)</u> | <u>(9,497,095)</u> |
| Net change in fund balances | <u>2,043,324</u> | <u>379,102</u> | <u>(12,530,189)</u> | <u>(10,107,763)</u> |
| Fund balances, July 1, 2009 | 5,119,002 | 16,907,462 | 43,103,884 | 65,130,348 |
| Fund balances, June 30, 2010 | <u>\$ 7,162,326</u> | <u>\$ 17,286,564</u> | <u>\$ 30,573,695</u> | <u>\$ 55,022,585</u> |



Special Revenue Funds

**District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds - Special Revenue Funds
June 30, 2010**

| | Food Service | Contracted Federal Programs | Total Nonmajor Special Revenue Funds |
|--------------------------------------|-------------------------|--|---|
| ASSETS | | | |
| Cash and cash equivalents | \$ 762,443 | \$ 841,070 | \$ 1,603,513 |
| Investments | 4,656,019 | - | 4,656,019 |
| Due from other agencies | 65,077 | 181,029 | 246,106 |
| Inventories | 1,775,105 | - | 1,775,105 |
| Total assets | <u>\$ 7,258,644</u> | <u>\$ 1,022,099</u> | <u>\$ 8,280,743</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Salaries and benefits payable | \$ 72,591 | \$ 772,724 | \$ 845,315 |
| Accounts payable | 23,727 | 249,121 | 272,848 |
| Due to other agencies | - | 254 | 254 |
| Total liabilities | <u>96,318</u> | <u>1,022,099</u> | <u>1,118,417</u> |
| Fund balances: | | | |
| Nonspendable | 1,775,105 | - | 1,775,105 |
| Restricted | 5,387,221 | - | 5,387,221 |
| Total fund balances | <u>7,162,326</u> | <u>-</u> | <u>7,162,326</u> |
| Total liabilities and fund balances | <u>\$ 7,258,644</u> | <u>\$ 1,022,099</u> | <u>\$ 8,280,743</u> |

**District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds - Special Revenue Funds
For the Fiscal Year Ended June 30, 2010**

| | <u>Food Service</u> | <u>Contracted Federal Programs</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|-------------------------|--|---|
| REVENUES | | | |
| Federal direct | \$ - | \$ 325,686 | \$ 325,686 |
| Federal through State | 16,912,474 | 39,234,772 | 56,147,246 |
| State sources | 352,971 | - | 352,971 |
| Local sources | 7,344,991 | - | 7,344,991 |
| Total revenues | <u>24,610,436</u> | <u>39,560,458</u> | <u>64,170,894</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction | - | 17,743,802 | 17,743,802 |
| Pupil personnel services | - | 5,031,957 | 5,031,957 |
| Instruction and curriculum development services | - | 8,049,767 | 8,049,767 |
| Instructional staff training services | - | 3,242,949 | 3,242,949 |
| Instruction related technology | - | 47,292 | 47,292 |
| General administration | - | 1,432,277 | 1,432,277 |
| School administration | - | 2,681,482 | 2,681,482 |
| Food services | 22,452,464 | - | 22,452,464 |
| Central services | - | 102,463 | 102,463 |
| Pupil transportation services | - | 1,031,754 | 1,031,754 |
| Operation of plant | - | 9,578 | 9,578 |
| Administrative technology services | - | 47,294 | 47,294 |
| Capital Outlay: | | | |
| Other capital outlay | 114,648 | 139,843 | 254,491 |
| Total expenditures | <u>22,567,112</u> | <u>39,560,458</u> | <u>62,127,570</u> |
| Excess of revenues over expenditures | <u>2,043,324</u> | - | <u>2,043,324</u> |
| Net change in fund balances | 2,043,324 | - | 2,043,324 |
| Fund balances, July 1, 2009 | 5,119,002 | - | 5,119,002 |
| Fund balances, June 30, 2010 | <u>\$ 7,162,326</u> | <u>\$ -</u> | <u>\$ 7,162,326</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u> |
|---|-------------------------|---------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Federal direct | \$ 907,686 | \$ 907,686 | \$ 325,686 | \$ (582,000) |
| Federal through State: | | | | |
| School lunch reimbursement | 10,800,000 | 12,166,508 | 12,166,508 | - |
| School breakfast reimbursement | 2,750,000 | 3,016,901 | 3,016,901 | - |
| USDA donated foods | 1,200,000 | 1,287,042 | 1,287,042 | - |
| Vocational Education Acts | 842,107 | 941,382 | 905,982 | (35,400) |
| Improving Teacher Quality State Grants | 3,439,056 | 3,386,619 | 2,938,661 | (447,958) |
| Individuals with Disabilities Education Act (IDEA) | 30,520,322 | 30,453,871 | 22,909,558 | (7,544,313) |
| Elementary and Secondary Education Act, Title I | 35,746,568 | 37,581,479 | 26,334,177 | (11,247,302) |
| State Fiscal Stabilization Funds - K-12 | 20,542,664 | 20,672,715 | 20,672,418 | (297) |
| Other Federal through State | 2,321,160 | 4,453,865 | 3,817,433 | (636,432) |
| Total Federal through State | <u>108,161,877</u> | <u>113,960,382</u> | <u>94,048,680</u> | <u>(19,911,702)</u> |
| State supplements | 370,000 | 352,971 | 352,971 | - |
| Local sources: | | | | |
| Interest Income | 12,000 | 16,916 | 16,916 | - |
| Student lunches | 3,750,000 | 3,290,975 | 3,290,975 | - |
| Student breakfasts | 360,000 | 281,888 | 281,888 | - |
| Student and adult a la carte | 3,730,000 | 3,219,402 | 3,219,402 | - |
| Other food service revenues | 515,000 | 534,512 | 534,512 | - |
| Other local sources | 1,600 | 1,298 | 1,298 | - |
| Total local sources | <u>8,368,600</u> | <u>7,344,991</u> | <u>7,344,991</u> | <u>-</u> |
| Total revenues | <u>117,808,163</u> | <u>122,566,030</u> | <u>102,072,328</u> | <u>(20,493,702)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 43,135,207 | 48,915,359 | 42,173,178 | 6,742,181 |
| Pupil personnel services | 9,707,218 | 11,959,090 | 10,184,842 | 1,774,248 |
| Instruction and curriculum development services | 16,643,497 | 16,444,650 | 12,904,004 | 3,540,646 |
| Instructional staff training services | 12,597,443 | 9,087,025 | 4,175,251 | 4,911,774 |
| Instruction related technology | - | 99,252 | 98,965 | 287 |
| General administration | 3,148,952 | 4,470,843 | 2,945,369 | 1,525,474 |
| School administration | 3,627,019 | 3,739,288 | 3,504,668 | 234,620 |
| Food services | 24,871,294 | 23,331,806 | 22,452,464 | 879,342 |
| Central services | 156,548 | 102,506 | 102,463 | 43 |
| Pupil transportation services | 3,307,795 | 1,332,392 | 1,038,868 | 293,524 |
| Operation of plant | 14,232 | 28,106 | 26,266 | 1,840 |
| Administrative technology services | - | 47,294 | 47,294 | - |
| Community services | - | 4,398 | 4,101 | 297 |
| Capital Outlay: | | | | |
| Other capital outlay | 2,053,996 | 1,846,234 | 371,271 | 1,474,963 |
| Total expenditures | <u>119,263,201</u> | <u>121,408,243</u> | <u>100,029,004</u> | <u>21,379,239</u> |
| Excess (deficiency) of revenues over (under) expenditures | (1,455,038) | 1,157,787 | 2,043,324 | 885,537 |
| Net change in fund balances | (1,455,038) | 1,157,787 | 2,043,324 | 885,537 |
| Fund balances, July 1, 2009 | 5,119,002 | 5,119,002 | 5,119,002 | - |
| Fund balances, June 30, 2010 | <u>\$ 3,663,964</u> | <u>\$ 6,276,789</u> | <u>\$ 7,162,326</u> | <u>\$ 885,537</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Food Service - Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

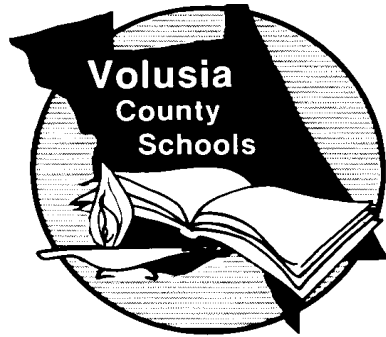
| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|---------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Federal through State: | | | | |
| School lunch reimbursement | \$ 10,800,000 | \$ 12,166,508 | \$ 12,166,508 | \$ - |
| School breakfast reimbursement | 2,750,000 | 3,016,901 | 3,016,901 | - |
| USDA donated foods | 1,200,000 | 1,287,042 | 1,287,042 | - |
| Other Federal through State | 297,656 | 442,023 | 442,023 | - |
| Total Federal through State | <u>15,047,656</u> | <u>16,912,474</u> | <u>16,912,474</u> | <u>-</u> |
| State supplements | <u>370,000</u> | <u>352,971</u> | <u>352,971</u> | <u>-</u> |
| Local sources: | | | | |
| Interest Income | 12,000 | 16,916 | 16,916 | - |
| Student lunches | 3,750,000 | 3,290,975 | 3,290,975 | - |
| Student breakfasts | 360,000 | 281,888 | 281,888 | - |
| Student and adult a la carte | 3,730,000 | 3,219,402 | 3,219,402 | - |
| Other food service revenues | 515,000 | 534,512 | 534,512 | - |
| Other local sources | 1,600 | 1,298 | 1,298 | - |
| Total local sources | <u>8,368,600</u> | <u>7,344,991</u> | <u>7,344,991</u> | <u>-</u> |
| Total revenues | <u>23,786,256</u> | <u>24,610,436</u> | <u>24,610,436</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Food services | 24,871,294 | 23,331,806 | 22,452,464 | 879,342 |
| Capital Outlay: | | | | |
| Other capital outlay | 370,000 | 120,843 | 114,648 | 6,195 |
| Total expenditures | <u>25,241,294</u> | <u>23,452,649</u> | <u>22,567,112</u> | <u>885,537</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,455,038)</u> | <u>1,157,787</u> | <u>2,043,324</u> | <u>885,537</u> |
| Net change in fund balances | <u>(1,455,038)</u> | <u>1,157,787</u> | <u>2,043,324</u> | <u>885,537</u> |
| Fund balances, July 1, 2009 | 5,119,002 | 5,119,002 | 5,119,002 | - |
| Fund balances, June 30, 2010 | <u>\$ 3,663,964</u> | <u>\$ 6,276,789</u> | <u>\$ 7,162,326</u> | <u>\$ 885,537</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Contracted Federal Programs - Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

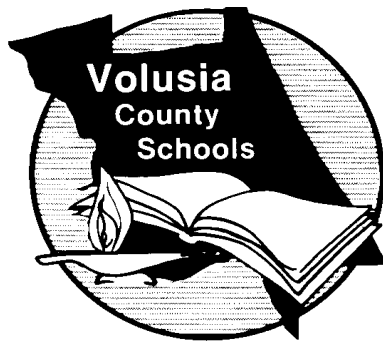
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|-------------------|---------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Federal direct | \$ 907,686 | \$ 907,686 | \$ 325,686 | \$ (582,000) |
| Federal through State: | | | | |
| Vocational Education Acts | 842,107 | 941,382 | 905,982 | (35,400) |
| Improving Teacher Quality State Grants | 3,439,056 | 3,386,619 | 2,938,661 | (447,958) |
| Individuals with Disabilities Education Act (IDEA) | 15,479,655 | 15,413,204 | 15,277,226 | (135,978) |
| Elementary and Secondary Education Act, Title I | 25,369,352 | 22,314,149 | 18,496,584 | (3,817,565) |
| Other Federal through State | 1,400,844 | 1,971,540 | 1,616,319 | (355,221) |
| Total Federal through State | <u>46,531,014</u> | <u>44,026,894</u> | <u>39,234,772</u> | <u>(4,792,122)</u> |
| Total revenues | 47,438,700 | 44,934,580 | 39,560,458 | (5,374,122) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 18,591,400 | 19,924,576 | 17,743,802 | 2,180,774 |
| Pupil personnel services | 6,596,738 | 5,291,878 | 5,031,957 | 259,921 |
| Instruction and curriculum development services | 10,244,827 | 8,461,049 | 8,049,767 | 411,282 |
| Instructional staff training services | 4,252,682 | 4,672,903 | 3,242,949 | 1,429,954 |
| Instruction related technology | - | 47,297 | 47,292 | 5 |
| General administration | 1,713,506 | 2,229,314 | 1,432,277 | 797,037 |
| School administration | 2,572,568 | 2,681,890 | 2,681,482 | 408 |
| Central services | 156,548 | 102,506 | 102,463 | 43 |
| Pupil transportation services | 3,237,535 | 1,271,042 | 1,031,754 | 239,288 |
| Operation of plant | 14,232 | 11,398 | 9,578 | 1,820 |
| Administrative technology services | - | 47,294 | 47,294 | - |
| Capital Outlay: | | | | |
| Other capital outlay | 58,664 | 193,433 | 139,843 | 53,590 |
| Total expenditures | <u>47,438,700</u> | <u>44,934,580</u> | <u>39,560,458</u> | <u>5,374,122</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, July 1, 2009 | - | - | - | - |
| Fund balances, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
American Recovery and Reinvestment Act (ARRA) Economic Stimulus Funds -
Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|-------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Federal through State: | | | | |
| State Fiscal Stabilization Funds - K-12 | \$ 20,542,664 | \$ 20,672,715 | \$ 20,672,418 | \$ (297) |
| Individuals with Disabilities Education Act (IDEA) | 15,040,667 | 15,040,667 | 7,632,332 | (7,408,335) |
| Elementary and Secondary Education Act, Title I | 10,377,216 | 15,267,330 | 7,837,593 | (7,429,737) |
| Other Federal through State | 622,660 | 2,040,302 | 1,759,091 | (281,211) |
| Total Federal through State | <u>46,583,207</u> | <u>53,021,014</u> | <u>37,901,434</u> | <u>(15,119,580)</u> |
| Total revenues | 46,583,207 | 53,021,014 | 37,901,434 | (15,119,580) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 24,543,807 | 28,990,783 | 24,429,376 | 4,561,407 |
| Pupil personnel services | 3,110,480 | 6,667,212 | 5,152,885 | 1,514,327 |
| Instruction and curriculum development services | 6,398,670 | 7,983,601 | 4,854,237 | 3,129,364 |
| Instructional staff training services | 8,344,761 | 4,414,122 | 932,302 | 3,481,820 |
| Instruction related technology | - | 51,955 | 51,673 | 282 |
| General administration | 1,435,446 | 2,241,529 | 1,513,092 | 728,437 |
| School administration | 1,054,451 | 1,057,398 | 823,186 | 234,212 |
| Pupil transportation services | 70,260 | 61,350 | 7,114 | 54,236 |
| Operation of plant | - | 16,708 | 16,688 | 20 |
| Community services | - | 4,398 | 4,101 | 297 |
| Capital Outlay: | | | | |
| Other capital outlay | 1,625,332 | 1,531,958 | 116,780 | 1,415,178 |
| Total expenditures | <u>46,583,207</u> | <u>53,021,014</u> | <u>37,901,434</u> | <u>15,119,580</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, July 1, 2009 | - | - | - | - |
| Fund balances, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |



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Debt Service Funds

**District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds - Debt Service Funds
June 30, 2010**

| | SBE/COBI Bonds | Sales Tax Revenue Bonds | Total Nonmajor Debt Service Funds |
|--------------------------------------|---------------------------|--|--|
| ASSETS | | | |
| Investments | \$ 364,013 | \$ 16,922,919 | \$ 17,286,932 |
| Total assets | \$ 364,013 | \$ 16,922,919 | \$ 17,286,932 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ - | \$ 368 | \$ 368 |
| Total liabilities | - | 368 | 368 |
| Fund balances: | | | |
| Restricted | 364,013 | 16,922,551 | 17,286,564 |
| Total fund balances | 364,013 | 16,922,551 | 17,286,564 |
| Total liabilities and fund balances | \$ 364,013 | \$ 16,922,919 | \$ 17,286,932 |

**District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds - Debt Service Funds
For the Fiscal Year Ended June 30, 2010**

| | SBE/COBI Bonds | Sales Tax Revenue Bonds | Total Nonmajor Debt Service Funds |
|---|---------------------------|--|--|
| REVENUES | | | |
| State sources | \$ 1,960,009 | \$ - | \$ 1,960,009 |
| Local sources | - | 22,418 | 22,418 |
| Total revenues | <u>1,960,009</u> | <u>22,418</u> | <u>1,982,427</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal | 1,295,000 | 19,125,000 | 20,420,000 |
| Interest and fiscal charges | 708,113 | 8,269,510 | 8,977,623 |
| Total expenditures | <u>2,003,113</u> | <u>27,394,510</u> | <u>29,397,623</u> |
| Deficiency of revenues under expenditures | <u>(43,104)</u> | <u>(27,372,092)</u> | <u>(27,415,196)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Refunding bonds issued | 1,390,000 | - | 1,390,000 |
| Premium on refunding bonds | 125,602 | - | 125,602 |
| Payment to refunded bond escrow agent | (1,502,981) | - | (1,502,981) |
| Transfers in | - | 27,781,677 | 27,781,677 |
| Total other financing sources (uses) | <u>12,621</u> | <u>27,781,677</u> | <u>27,794,298</u> |
| Net change in fund balances | <u>(30,483)</u> | <u>409,585</u> | <u>379,102</u> |
| Fund balances, July 1, 2009 | 394,496 | 16,512,966 | 16,907,462 |
| Fund balances, June 30, 2010 | <u>\$ 364,013</u> | <u>\$ 16,922,551</u> | <u>\$ 17,286,564</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Debt Service Funds
For the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|----------------------|---------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources | | | | |
| CO&DS withheld for SBE/COBI bonds | \$ 1,995,981 | \$ 1,958,867 | \$ 1,958,867 | \$ - |
| SBE/COBI bond interest | - | 1,142 | 1,142 | - |
| Total State sources | <u>1,995,981</u> | <u>1,960,009</u> | <u>1,960,009</u> | <u>-</u> |
| Local sources | | | | |
| Interest income and other | - | 22,418 | 22,418 | - |
| Total local sources | <u>-</u> | <u>22,418</u> | <u>22,418</u> | <u>-</u> |
| Total revenues | <u>1,995,981</u> | <u>1,982,427</u> | <u>1,982,427</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 28,875,000 | 28,885,000 | 28,885,000 | - |
| Interest and fiscal charges | <u>24,310,506</u> | <u>24,382,958</u> | <u>24,382,958</u> | <u>-</u> |
| Total expenditures | <u>53,185,506</u> | <u>53,267,958</u> | <u>53,267,958</u> | <u>-</u> |
| Deficiency of revenues under expenditures | <u>(51,189,525)</u> | <u>(51,285,531)</u> | <u>(51,285,531)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Refunding bonds issued | - | 1,390,000 | 1,390,000 | - |
| Premium on refunding bonds | - | 125,602 | 125,602 | - |
| Payment to refunded bond escrow agent | - | (50,124,381) | (50,124,381) | - |
| Transfers in | <u>51,599,110</u> | <u>51,651,969</u> | <u>51,651,969</u> | <u>-</u> |
| Total other financing sources (uses) | <u>51,599,110</u> | <u>3,043,190</u> | <u>3,043,190</u> | <u>-</u> |
| Net change in fund balances | 409,585 | (48,242,341) | (48,242,341) | - |
| Fund balances, July 1, 2009 | <u>65,529,642</u> | <u>65,529,642</u> | <u>65,529,642</u> | <u>-</u> |
| Fund balances, June 30, 2010 | <u>\$ 65,939,227</u> | <u>\$ 17,287,301</u> | <u>\$ 17,287,301</u> | <u>\$ -</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Certificates of Participation - Debt Service Fund
For the Fiscal Year Ended June 30, 2010

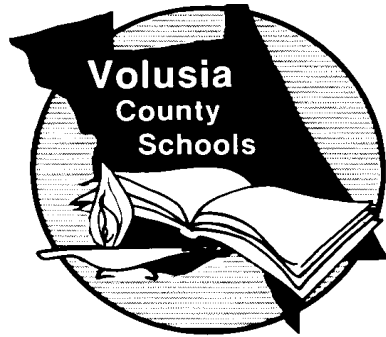
| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|---------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | \$ 8,465,000 | \$ 8,465,000 | \$ 8,465,000 | - |
| Interest and fiscal charges | 15,333,490 | 15,405,335 | 15,405,335 | - |
| Total expenditures | <u>23,798,490</u> | <u>23,870,335</u> | <u>23,870,335</u> | - |
| Deficiency of revenues under expenditures | <u>(23,798,490)</u> | <u>(23,870,335)</u> | <u>(23,870,335)</u> | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Payment to refunded certificates of participation escrow agent | | | | |
| | - | (48,621,400) | (48,621,400) | - |
| Transfers in | 23,798,490 | 23,870,292 | 23,870,292 | - |
| Total other financing sources (uses) | <u>23,798,490</u> | <u>(24,751,108)</u> | <u>(24,751,108)</u> | - |
| Net change in fund balances | - | (48,621,443) | (48,621,443) | - |
| Fund balances, July 1, 2009 | 48,622,180 | 48,622,180 | 48,622,180 | - |
| Fund balances, June 30, 2010 | <u>\$ 48,622,180</u> | <u>\$ 737</u> | <u>\$ 737</u> | <u>\$ -</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
SBE/COBI Bonds - Debt Service Fund
For the Fiscal Year Ended June 30, 2010

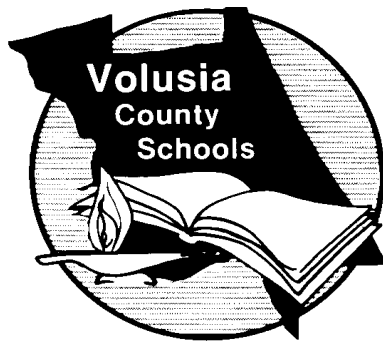
| | <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u> |
|---|-------------------------|-------------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| State sources: | | | | |
| CO&DS withheld for SBE/COBI bonds | \$ 1,995,981 | \$ 1,958,867 | \$ 1,958,867 | \$ - |
| SBE/COBI bond interest | - | 1,142 | 1,142 | - |
| Total State sources | <u>1,995,981</u> | <u>1,960,009</u> | <u>1,960,009</u> | <u>-</u> |
| Total revenues | <u>1,995,981</u> | <u>1,960,009</u> | <u>1,960,009</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 1,285,000 | 1,295,000 | 1,295,000 | - |
| Interest and fiscal charges | 710,981 | 708,113 | 708,113 | - |
| Total expenditures | <u>1,995,981</u> | <u>2,003,113</u> | <u>2,003,113</u> | <u>-</u> |
| Deficiency of revenues under expenditures | <u>-</u> | <u>(43,104)</u> | <u>(43,104)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Refunding bonds issued | - | 1,390,000 | 1,390,000 | - |
| Premium on refunding bonds | - | 125,602 | 125,602 | - |
| Payment to refunded bond escrow agent | - | (1,502,981) | (1,502,981) | - |
| Total other financing sources (uses) | <u>-</u> | <u>12,621</u> | <u>12,621</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>(30,483)</u> | <u>(30,483)</u> | <u>-</u> |
| Fund balances, July 1, 2009 | 394,496 | 394,496 | 394,496 | - |
| Fund balances, June 30, 2010 | <u>\$ 394,496</u> | <u>\$ 364,013</u> | <u>\$ 364,013</u> | <u>\$ -</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Sales Tax Revenue Bonds - Debt Service Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|----------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Interest income | \$ - | \$ 22,418 | \$ 22,418 | \$ - |
| Total local sources | - | 22,418 | 22,418 | - |
| Total revenues | - | 22,418 | 22,418 | - |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 19,125,000 | 19,125,000 | 19,125,000 | - |
| Interest and fiscal charges | 8,266,035 | 8,269,510 | 8,269,510 | - |
| Total expenditures | 27,391,035 | 27,394,510 | 27,394,510 | - |
| Deficiency of revenues under expenditures | (27,391,035) | (27,372,092) | (27,372,092) | - |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | 27,800,620 | 27,781,677 | 27,781,677 | - |
| Total other financing sources | 27,800,620 | 27,781,677 | 27,781,677 | - |
| Net change in fund balances | 409,585 | 409,585 | 409,585 | - |
| Fund balances, July 1, 2009 | 16,512,966 | 16,512,966 | 16,512,966 | - |
| Fund balances, June 30, 2010 | <u>\$ 16,922,551</u> | <u>\$ 16,922,551</u> | <u>\$ 16,922,551</u> | <u>\$ -</u> |



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Capital Projects Funds

**District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Capital Projects Funds
June 30, 2010**

| | Capital Outlay and Debt Service | Impact Fees | Local Sales Tax |
|--|--|------------------------|--------------------------------|
| ASSETS | | | |
| Investments | \$ 35,480 | \$ 22,029,590 | \$ 991,294 |
| Interest receivable | - | 25,858 | - |
| Due from other agencies | - | 737,314 | 5,135,758 |
| Total assets | <u>\$ 35,480</u> | <u>\$ 22,792,762</u> | <u>\$ 6,127,052</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ - | \$ 2,272 | \$ - |
| Construction contracts payable | - | 339,255 | 55,155 |
| Construction contracts payable-retainage | - | 93,215 | - |
| Total liabilities | <u>-</u> | <u>434,742</u> | <u>55,155</u> |
| Fund balances: | | | |
| Restricted | 35,480 | 22,358,020 | 6,071,897 |
| Assigned | - | - | - |
| Total fund balances | <u>35,480</u> | <u>22,358,020</u> | <u>6,071,897</u> |
| Total liabilities and fund balances | <u>\$ 35,480</u> | <u>\$ 22,792,762</u> | <u>\$ 6,127,052</u> |

| Sale of Property | Classrooms for Kids | Charter Schools' Capital Outlay | Public Education Capital Outlay | Total Nonmajor Capital Projects Funds |
|-------------------------|----------------------------|--|--|--|
| \$ 2,087,814 | \$ - | \$ - | \$ - | \$ 25,144,178 |
| - | - | - | - | 25,858 |
| 30,676 | - | - | - | 5,903,748 |
| <u>\$ 2,118,490</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 31,073,784</u> |
| | | | | |
| \$ 93 | \$ - | \$ - | \$ - | \$ 2,365 |
| 99 | - | - | - | 394,509 |
| 10,000 | - | - | - | 103,215 |
| <u>10,192</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>500,089</u> |
| | | | | |
| - | - | - | - | 28,465,397 |
| 2,108,298 | - | - | - | 2,108,298 |
| <u>2,108,298</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>30,573,695</u> |
| <u>\$ 2,118,490</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 31,073,784</u> |

**District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2010**

| REVENUES | Capital Outlay and Debt Service | Impact Fees | Local Sales Tax |
|---|--|------------------------|--------------------------------|
| State sources | | | |
| Public education capital outlay | \$ - | \$ - | \$ - |
| Other state revenues | 324,661 | - | - |
| Total state sources | <u>324,661</u> | <u>-</u> | <u>-</u> |
| Local sources | | | |
| Local sales taxes | - | - | 29,781,220 |
| Impact fees | - | 4,840,676 | - |
| Other local revenues | - | 75,188 | 26,387 |
| Total local sources | <u>-</u> | <u>4,915,864</u> | <u>29,807,607</u> |
| Total revenues | <u>324,661</u> | <u>4,915,864</u> | <u>29,807,607</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Facilities services - non-capitalized | - | 5,699 | - |
| Debt Service: | | | |
| Interest and fiscal charges | 1,197 | - | - |
| Capital Outlay: | | | |
| Facilities acquisition and construction | 334,486 | 1,808,158 | 4,732,008 |
| Other capital outlay | - | 4,631 | 44,102 |
| Total expenditures | <u>335,683</u> | <u>1,818,488</u> | <u>4,776,110</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(11,022)</u> | <u>3,097,376</u> | <u>25,031,497</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from sale of capital assets | - | - | - |
| Transfers out | - | (7,488,108) | (29,355,806) |
| Total other financing sources (uses) | <u>-</u> | <u>(7,488,108)</u> | <u>(29,355,806)</u> |
| Net change in fund balances | (11,022) | (4,390,732) | (4,324,309) |
| Fund balances, July 1, 2009 | 46,502 | 26,748,752 | 10,396,206 |
| Fund balances, June 30, 2010 | <u>\$ 35,480</u> | <u>\$ 22,358,020</u> | <u>\$ 6,071,897</u> |

| Sale of Property | Classrooms for Kids | Charter Schools' Capital Outlay | Public Education Capital Outlay | Total Nonmajor Capital Projects Funds |
|-------------------------|----------------------------|--|--|--|
| \$ - | \$ - | \$ - | \$ 953,879 | \$ 953,879 |
| 104,450 | - | 405,110 | - | 834,221 |
| <u>104,450</u> | <u>-</u> | <u>405,110</u> | <u>953,879</u> | <u>1,788,100</u> |
| - | - | - | - | 29,781,220 |
| - | - | - | - | 4,840,676 |
| 11,288 | 3,718 | - | - | 116,581 |
| <u>11,288</u> | <u>3,718</u> | <u>-</u> | <u>-</u> | <u>34,738,477</u> |
| <u>115,738</u> | <u>3,718</u> | <u>405,110</u> | <u>953,879</u> | <u>36,526,577</u> |
| 603,133 | 83,594 | - | - | 692,426 |
| - | - | - | - | 1,197 |
| 166,848 | 3,943,555 | - | - | 10,985,055 |
| - | 37,962 | - | - | 86,695 |
| <u>769,981</u> | <u>4,065,111</u> | <u>-</u> | <u>-</u> | <u>11,765,373</u> |
| <u>(654,243)</u> | <u>(4,061,393)</u> | <u>405,110</u> | <u>953,879</u> | <u>24,761,204</u> |
| 911,510 | - | - | - | 911,510 |
| - | - | (405,110) | (953,879) | (38,202,903) |
| <u>911,510</u> | <u>-</u> | <u>(405,110)</u> | <u>(953,879)</u> | <u>(37,291,393)</u> |
| 257,267 | (4,061,393) | - | - | (12,530,189) |
| 1,851,031 | 4,061,393 | - | - | 43,103,884 |
| <u>\$ 2,108,298</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 30,573,695</u> |

District School Board of Volusia County, Florida
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Capital Project Funds
For the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|----------------------|---------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources: | | | | |
| Public Education Capital Outlay (PECO) | \$ 953,879 | \$ 953,879 | \$ 953,879 | \$ - |
| CO&DS distributed | 300,000 | 297,831 | 297,831 | - |
| Interest on undistributed CO&DS | 20,000 | 26,830 | 26,830 | - |
| Charter school capital outlay funding | - | 405,110 | 405,110 | - |
| Other State sources | - | 104,450 | 104,450 | - |
| Total State sources | <u>1,273,879</u> | <u>1,788,100</u> | <u>1,788,100</u> | <u>-</u> |
| Local sources: | | | | |
| Ad valorem taxes | 47,844,665 | 48,988,701 | 48,988,701 | - |
| Local sales tax | 30,500,000 | 29,781,220 | 29,781,220 | - |
| Interest income | 3,500,000 | 1,127,524 | 1,127,524 | - |
| Impact fees | 3,800,000 | 4,840,676 | 4,840,676 | - |
| Other local sources | - | 227,704 | 227,704 | - |
| Total local sources | <u>85,644,665</u> | <u>84,965,825</u> | <u>84,965,825</u> | <u>-</u> |
| Total revenues | <u>86,918,544</u> | <u>86,753,925</u> | <u>86,753,925</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 3,753,800 | 10,887,691 | 7,249,129 | 3,638,562 |
| Debt Service: | | | | |
| Interest and fiscal charges | - | 1,197 | 1,197 | - |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 129,274,962 | 120,794,141 | 66,164,371 | 54,629,770 |
| Other capital outlay | 27,644,256 | 20,279,734 | 6,624,557 | 13,655,177 |
| Total expenditures | <u>160,673,018</u> | <u>151,962,763</u> | <u>80,039,254</u> | <u>71,923,509</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(73,754,474)</u> | <u>(65,208,838)</u> | <u>6,714,671</u> | <u>71,923,509</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Loss recoveries | - | 122,780 | 122,780 | - |
| Proceeds from sale of capital assets | - | 911,510 | 911,510 | - |
| Transfers out | <u>(70,810,360)</u> | <u>(71,273,913)</u> | <u>(71,273,913)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(70,810,360)</u> | <u>(70,239,623)</u> | <u>(70,239,623)</u> | <u>-</u> |
| Net change in fund balances | <u>(144,564,834)</u> | <u>(135,448,461)</u> | <u>(63,524,952)</u> | <u>71,923,509</u> |
| Fund balances, July 1, 2009 | 199,429,801 | 199,429,801 | 199,429,801 | - |
| Fund balances, June 30, 2010 | <u>\$ 54,864,967</u> | <u>\$ 63,981,340</u> | <u>\$ 135,904,849</u> | <u>\$ 71,923,509</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Local Capital Improvement - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|----------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 47,844,665 | \$ 48,988,701 | \$ 48,988,701 | \$ - |
| Interest income | 1,000,000 | 304,976 | 304,976 | - |
| Other local sources | - | 211,263 | 211,263 | - |
| Total local sources | <u>48,844,665</u> | <u>49,504,940</u> | <u>49,504,940</u> | <u>-</u> |
| Total revenues | <u>48,844,665</u> | <u>49,504,940</u> | <u>49,504,940</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 2,903,490 | 7,575,122 | 4,536,380 | 3,038,742 |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 45,213,704 | 39,718,932 | 24,856,359 | 14,862,573 |
| Other capital outlay | 20,314,461 | 15,393,601 | 5,399,865 | 9,993,736 |
| Total expenditures | <u>68,431,655</u> | <u>62,687,655</u> | <u>34,792,604</u> | <u>27,895,051</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(19,586,990)</u> | <u>(13,182,715)</u> | <u>14,712,336</u> | <u>27,895,051</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Loss recoveries | - | 122,780 | 122,780 | - |
| Transfers out | <u>(34,468,373)</u> | <u>(33,021,512)</u> | <u>(33,021,512)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(34,468,373)</u> | <u>(32,898,732)</u> | <u>(32,898,732)</u> | <u>-</u> |
| Net change in fund balances | <u>(54,055,363)</u> | <u>(46,081,447)</u> | <u>(18,186,396)</u> | <u>27,895,051</u> |
| Fund balances, July 1, 2009 | 86,799,961 | 86,799,961 | 86,799,961 | - |
| Fund balances, June 30, 2010 | <u>\$ 32,744,598</u> | <u>\$ 40,718,514</u> | <u>\$ 68,613,565</u> | <u>\$ 27,895,051</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Certificates of Participation - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|---------------------|---------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Interest income | \$ 2,195,000 | \$ 721,542 | \$ 721,542 | \$ - |
| Other local revenue | - | 866 | 866 | - |
| Total local sources | <u>2,195,000</u> | <u>722,408</u> | <u>722,408</u> | <u>-</u> |
| Total revenues | <u>2,195,000</u> | <u>722,408</u> | <u>722,408</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 153,098 | 2,609,814 | 2,020,323 | 589,491 |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 61,431,935 | 62,467,960 | 30,322,957 | 32,145,003 |
| Other capital outlay | 7,161,358 | 4,296,694 | 1,137,997 | 3,158,697 |
| Total expenditures | <u>68,746,391</u> | <u>69,374,468</u> | <u>33,481,277</u> | <u>35,893,191</u> |
| Deficiency of revenues under expenditures | <u>(66,551,391)</u> | <u>(68,652,060)</u> | <u>(32,758,869)</u> | <u>35,893,191</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | - | (49,498) | (49,498) | - |
| Total other financing uses | <u>-</u> | <u>(49,498)</u> | <u>(49,498)</u> | <u>-</u> |
| Net change in fund balances | <u>(66,551,391)</u> | <u>(68,701,558)</u> | <u>(32,808,367)</u> | <u>35,893,191</u> |
| Fund balances, July 1, 2009 | 69,525,956 | 69,525,956 | 69,525,956 | - |
| Fund balances, June 30, 2010 | <u>\$ 2,974,565</u> | <u>\$ 824,398</u> | <u>\$ 36,717,589</u> | <u>\$ 35,893,191</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Capital Outlay and Debt Service - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|------------------|---------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| State sources: | | | | |
| CO&DS distributed | \$ 300,000 | \$ 297,831 | \$ 297,831 | \$ - |
| Interest on undistributed CO&DS | 20,000 | 26,830 | 26,830 | - |
| Total State sources | <u>320,000</u> | <u>324,661</u> | <u>324,661</u> | <u>-</u> |
| Total revenues | <u>320,000</u> | <u>324,661</u> | <u>324,661</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Interest and fiscal charges | - | 1,197 | 1,197 | - |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 20,699 | 334,486 | 334,486 | - |
| Total expenditures | <u>20,699</u> | <u>335,683</u> | <u>335,683</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>299,301</u> | <u>(11,022)</u> | <u>(11,022)</u> | <u>-</u> |
| Net change in fund balances | 299,301 | (11,022) | (11,022) | - |
| Fund balances, July 1, 2009 | 46,502 | 46,502 | 46,502 | - |
| Fund balances, June 30, 2010 | <u>\$ 345,803</u> | <u>\$ 35,480</u> | <u>\$ 35,480</u> | <u>\$ -</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Impact Fees - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|----------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Impact fees | \$ 3,800,000 | \$ 4,840,676 | \$ 4,840,676 | \$ - |
| Interest income | 200,000 | 75,188 | 75,188 | - |
| Total local sources | <u>4,000,000</u> | <u>4,915,864</u> | <u>4,915,864</u> | <u>-</u> |
| Total revenues | <u>4,000,000</u> | <u>4,915,864</u> | <u>4,915,864</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | - | 16,028 | 5,699 | 10,329 |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 12,358,431 | 8,361,617 | 1,808,158 | 6,553,459 |
| Other capital outlay | - | 304,631 | 4,631 | 300,000 |
| Total expenditures | <u>12,358,431</u> | <u>8,682,276</u> | <u>1,818,488</u> | <u>6,863,788</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(8,358,431)</u> | <u>(3,766,412)</u> | <u>3,097,376</u> | <u>6,863,788</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | (7,488,108) | (7,488,108) | (7,488,108) | - |
| Total other financing uses | <u>(7,488,108)</u> | <u>(7,488,108)</u> | <u>(7,488,108)</u> | <u>-</u> |
| Net change in fund balances | (15,846,539) | (11,254,520) | (4,390,732) | 6,863,788 |
| Fund balances, July 1, 2009 | 26,748,752 | 26,748,752 | 26,748,752 | - |
| Fund balances, June 30, 2010 | <u>\$ 10,902,213</u> | <u>\$ 15,494,232</u> | <u>\$ 22,358,020</u> | <u>\$ 6,863,788</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Local Sales Tax - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|---------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Local sales tax | \$ 30,500,000 | \$ 29,781,220 | \$ 29,781,220 | \$ - |
| Interest income | 100,000 | 16,239 | 16,239 | - |
| Other local sources | - | 10,148 | 10,148 | - |
| Total local sources | <u>30,600,000</u> | <u>29,807,607</u> | <u>29,807,607</u> | <u>-</u> |
| Total revenues | <u>30,600,000</u> | <u>29,807,607</u> | <u>29,807,607</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 11,112 | - | - | - |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 8,142,164 | 5,798,699 | 4,732,008 | 1,066,691 |
| Other capital outlay | 920 | 246,846 | 44,102 | 202,744 |
| Total expenditures | <u>8,154,196</u> | <u>6,045,545</u> | <u>4,776,110</u> | <u>1,269,435</u> |
| Excess of revenues over expenditures | <u>22,445,804</u> | <u>23,762,062</u> | <u>25,031,497</u> | <u>1,269,435</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | (27,900,000) | (29,355,806) | (29,355,806) | - |
| Total other financing uses | <u>(27,900,000)</u> | <u>(29,355,806)</u> | <u>(29,355,806)</u> | <u>-</u> |
| Net change in fund balances | (5,454,196) | (5,593,744) | (4,324,309) | 1,269,435 |
| Fund balances, July 1, 2009 | 10,396,206 | 10,396,206 | 10,396,206 | - |
| Fund balances, June 30, 2010 | <u>\$ 4,942,010</u> | <u>\$ 4,802,462</u> | <u>\$ 6,071,897</u> | <u>\$ 1,269,435</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Sale of Property - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|-------------------------|---------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| State sources: | | | | |
| Other State sources | \$ - | \$ 104,450 | \$ 104,450 | \$ - |
| Total State sources | <u>-</u> | <u>104,450</u> | <u>104,450</u> | <u>-</u> |
| Local sources: | | | | |
| Interest income | 5,000 | 5,861 | 5,861 | - |
| Other local sources | - | 5,427 | 5,427 | - |
| Total local sources | <u>5,000</u> | <u>11,288</u> | <u>11,288</u> | <u>-</u> |
| Total revenues | <u>5,000</u> | <u>115,738</u> | <u>115,738</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 600,000 | 603,133 | 603,133 | - |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 30,000 | 168,892 | 166,848 | 2,044 |
| Total expenditures | <u>630,000</u> | <u>772,025</u> | <u>769,981</u> | <u>2,044</u> |
| Deficiency of revenues under expenditures | <u>(625,000)</u> | <u>(656,287)</u> | <u>(654,243)</u> | <u>2,044</u> |
| OTHER FINANCING SOURCES | | | | |
| Proceeds from sale of capital assets | - | 911,510 | 911,510 | - |
| Total other financing sources | <u>-</u> | <u>911,510</u> | <u>911,510</u> | <u>-</u> |
| Net change in fund balances | (625,000) | 255,223 | 257,267 | 2,044 |
| Fund balances, July 1, 2009 | 1,851,031 | 1,851,031 | 1,851,031 | - |
| Fund balances, June 30, 2010 | <u>\$ 1,226,031</u> | <u>\$ 2,106,254</u> | <u>\$ 2,108,298</u> | <u>\$ 2,044</u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Classrooms for Kids - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

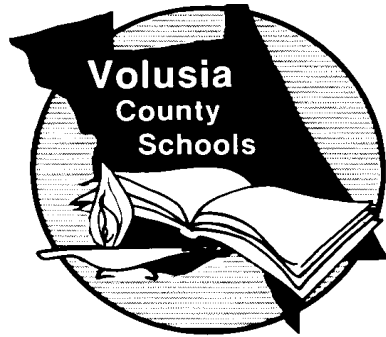
| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---|----------------------------|--------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Local sources: | | | | |
| Interest income | \$ - | \$ 3,718 | \$ 3,718 | \$ - |
| Total local sources | <u>-</u> | <u>3,718</u> | <u>3,718</u> | <u>-</u> |
| Total revenues | <u>-</u> | <u>3,718</u> | <u>3,718</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Facilities services - non-capitalized | 86,100 | 83,594 | 83,594 | - |
| Capital Outlay: | | | | |
| Facilities acquisition and construction | 2,078,029 | 3,943,555 | 3,943,555 | - |
| Other capital outlay | <u>167,517</u> | <u>37,962</u> | <u>37,962</u> | <u>-</u> |
| Total expenditures | <u>2,331,646</u> | <u>4,065,111</u> | <u>4,065,111</u> | <u>-</u> |
| Deficiency of revenues under expenditures | <u>(2,331,646)</u> | <u>(4,061,393)</u> | <u>(4,061,393)</u> | <u>-</u> |
| Net change in fund balances | <u>(2,331,646)</u> | <u>(4,061,393)</u> | <u>(4,061,393)</u> | <u>-</u> |
| Fund balances, July 1, 2009 | 4,061,393 | 4,061,393 | 4,061,393 | - |
| Fund balances, June 30, 2010 | <u><u>\$ 1,729,747</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Charter Schools' Capital Outlay - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

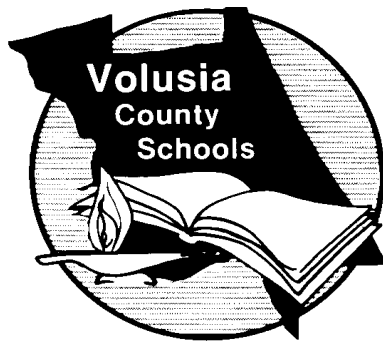
| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|---------------------------------------|-------------------------|--------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| State sources: | | | | |
| Charter school capital outlay funding | \$ - | \$ 405,110 | \$ 405,110 | \$ - |
| Total State sources | - | 405,110 | 405,110 | - |
| Total revenues | - | 405,110 | 405,110 | - |
| Excess of revenues over expenditures | - | 405,110 | 405,110 | - |
| OTHER FINANCING USES | | | | |
| Transfers out | - | (405,110) | (405,110) | - |
| Total other financing uses | - | (405,110) | (405,110) | - |
| Net change in fund balances | - | - | - | - |
| Fund balances, July 1, 2009 | - | - | - | - |
| Fund balances, June 30, 2010 | \$ - | \$ - | \$ - | \$ - |

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Public Education Capital Outlay - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| State sources: | | | | |
| Public Education Capital Outlay (PECO) | \$ 953,879 | \$ 953,879 | \$ 953,879 | \$ - |
| Total State sources | <u>953,879</u> | <u>953,879</u> | <u>953,879</u> | <u>-</u> |
| Total revenues | <u>953,879</u> | <u>953,879</u> | <u>953,879</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>953,879</u> | <u>953,879</u> | <u>953,879</u> | <u>-</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | <u>(953,879)</u> | <u>(953,879)</u> | <u>(953,879)</u> | <u>-</u> |
| Total other financing uses | <u>(953,879)</u> | <u>(953,879)</u> | <u>(953,879)</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - |
| Fund balances, July 1, 2009 | - | - | - | - |
| Fund balances, June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |



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Internal Service Funds

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments within the school district on a cost reimbursement basis.

Workers' Compensation Fund - Used to account for the financial activities of the District's self-insured workers' compensation program.

Property Insurance Fund - Used to account for the financial activities of the District's property insurance coverages.

General Liability Fund - Used to account for the financial activities of the District's self-insured general liability coverages.

Fleet Insurance Fund - Used to account for the financial activities of the District's self-insured fleet coverages.

**District School Board of Volusia County, Florida
Combining Statement of Net Assets -
Internal Service Funds
June 30, 2010**

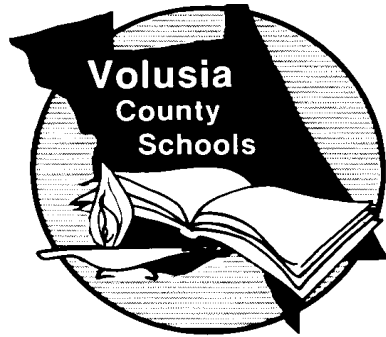
| | <u>Workers' Compensation</u> | <u>Property Insurance</u> | <u>General Liability</u> | <u>Fleet Insurance</u> | <u>Total Internal Service Funds</u> |
|---|----------------------------------|-------------------------------|------------------------------|----------------------------|---|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Investments | \$ 5,174,602 | \$ 5,102,419 | \$ 2,587,978 | \$ 1,208,670 | \$ 14,073,669 |
| Total current assets | <u>5,174,602</u> | <u>5,102,419</u> | <u>2,587,978</u> | <u>1,208,670</u> | <u>14,073,669</u> |
| Total assets | <u>5,174,602</u> | <u>5,102,419</u> | <u>2,587,978</u> | <u>1,208,670</u> | <u>14,073,669</u> |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Salaries and benefits payable | \$ 463 | \$ - | \$ - | \$ - | \$ 463 |
| Accounts payable | 26,123 | 280 | 200 | 93 | 26,696 |
| Estimated insurance claims payable | 1,369,909 | - | 214,625 | 115,054 | 1,699,588 |
| Noncurrent liabilities: | | | | | |
| Estimated liability for long-term claims | <u>3,212,079</u> | <u>-</u> | <u>680,113</u> | <u>93,523</u> | <u>3,985,715</u> |
| Total noncurrent liabilities | <u>4,608,574</u> | <u>280</u> | <u>894,938</u> | <u>208,670</u> | <u>5,712,462</u> |
| Total liabilities | <u>4,608,574</u> | <u>280</u> | <u>894,938</u> | <u>208,670</u> | <u>5,712,462</u> |
| NET ASSETS | | | | | |
| Unrestricted | 566,028 | 5,102,139 | 1,693,040 | 1,000,000 | 8,361,207 |
| Total net assets | <u>\$ 566,028</u> | <u>\$ 5,102,139</u> | <u>\$ 1,693,040</u> | <u>\$ 1,000,000</u> | <u>\$ 8,361,207</u> |

District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets -
Internal Service Funds
For the Fiscal Year Ended June 30, 2010

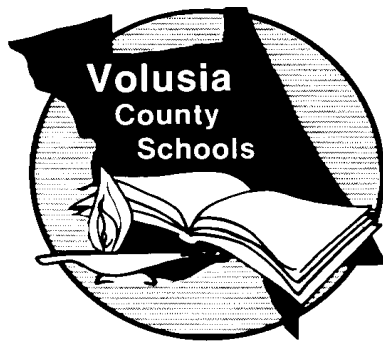
| | <u>Workers'</u> <u>Compensation</u> | <u>Property</u> <u>Insurance</u> | <u>General</u> <u>Liability</u> | <u>Fleet</u> <u>Insurance</u> | <u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u> |
|------------------------------------|--|-------------------------------------|------------------------------------|----------------------------------|---|
| OPERATING REVENUES | | | | | |
| Premium revenue | \$ 1,526,870 | \$ 2,814,643 | \$ 833,330 | \$ 350,411 | \$ 5,525,254 |
| Total operating revenues | <u>1,526,870</u> | <u>2,814,643</u> | <u>833,330</u> | <u>350,411</u> | <u>5,525,254</u> |
| OPERATING EXPENSES | | | | | |
| Salaries | 67,746 | - | - | 871 | 68,617 |
| Employee benefits | 18,582 | - | - | - | 18,582 |
| Purchased services | 666,299 | 2,827,099 | 302,073 | 145,757 | 3,941,228 |
| Materials and supplies | 44 | - | - | 582 | 626 |
| Insurance claims and related costs | 794,472 | - | 118,049 | 207,153 | 1,119,674 |
| Total operating expenses | <u>1,547,143</u> | <u>2,827,099</u> | <u>420,122</u> | <u>354,363</u> | <u>5,148,727</u> |
| Operating income (loss) | <u>(20,273)</u> | <u>(12,456)</u> | <u>413,208</u> | <u>(3,952)</u> | <u>376,527</u> |
| NONOPERATING REVENUES | | | | | |
| Federal grants | - | 15,452 | - | - | 15,452 |
| Interest | 20,273 | 12,456 | 8,856 | 3,952 | 45,537 |
| Total nonoperating revenues | <u>20,273</u> | <u>27,908</u> | <u>8,856</u> | <u>3,952</u> | <u>60,989</u> |
| Change in net assets | - | 15,452 | 422,064 | - | 437,516 |
| Net assets - July 1, 2009 | <u>566,028</u> | <u>5,086,687</u> | <u>1,270,976</u> | <u>1,000,000</u> | <u>7,923,691</u> |
| Net assets - June 30, 2010 | <u>\$ 566,028</u> | <u>\$ 5,102,139</u> | <u>\$ 1,693,040</u> | <u>\$ 1,000,000</u> | <u>\$ 8,361,207</u> |

District School Board of Volusia County, Florida
Combining Statement of Cash Flows -
Internal Service Funds
For the Fiscal Year Ended June 30, 2010

| | Workers' Compensation | Property Insurance | General Liability | Fleet Insurance | Total Internal Service Funds |
|--|----------------------------------|-------------------------------|------------------------------|----------------------------|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from premium revenues | \$ 1,526,870 | \$ 2,814,643 | \$ 833,330 | \$ 350,411 | \$ 5,525,254 |
| Payments to suppliers | (640,620) | (2,826,819) | (301,953) | (146,246) | (3,915,638) |
| Payments to employees | (86,323) | - | - | (871) | (87,194) |
| Payments for insurance claims | (1,136,944) | - | (540,113) | (157,224) | (1,834,281) |
| Net cash provided (used) by operating activities | <u>(337,017)</u> | <u>(12,176)</u> | <u>(8,736)</u> | <u>46,070</u> | <u>(311,859)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Federal grants | - | 15,452 | - | - | 15,452 |
| Net cash provided by noncapital financing activities | <u>-</u> | <u>15,452</u> | <u>-</u> | <u>-</u> | <u>15,452</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Proceeds from sale of investments | 316,542 | - | - | - | 316,542 |
| Interest | 20,475 | 12,520 | 8,951 | 3,994 | 45,940 |
| Purchase of investments | - | (15,796) | (215) | (50,064) | (66,075) |
| Net cash provided (used) by investing activities | <u>337,017</u> | <u>(3,276)</u> | <u>8,736</u> | <u>(46,070)</u> | <u>296,407</u> |
| Net increase in cash and cash equivalents | - | - | - | - | - |
| Cash and cash equivalents - July 1, 2009 | - | - | - | - | - |
| Cash and cash equivalents - June 30, 2010 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Reconciliation of operating income (loss) to net cash provided (used) used by operating activities: | | | | | |
| Operating income (loss) | \$ (20,273) | \$ (12,456) | \$ 413,208 | \$ (3,952) | \$ 376,527 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Increase in salaries and benefits payable | 5 | - | - | - | 5 |
| Increase in accounts payable | 25,723 | 280 | 120 | 93 | 26,216 |
| Decrease in estimated insurance claims payable | (342,472) | - | (422,064) | 49,929 | (714,607) |
| Net cash provided (used) by operating activities | <u>\$ (337,017)</u> | <u>\$ (12,176)</u> | <u>\$ (8,736)</u> | <u>\$ 46,070</u> | <u>\$ (311,859)</u> |
| Noncash investing activities: | | | | | |
| Net increase in the fair value of investments | <u>\$ 20,273</u> | <u>\$ 12,456</u> | <u>\$ 8,856</u> | <u>\$ 3,952</u> | <u>\$ 45,537</u> |



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Fiduciary Funds

Fiduciary Funds

Fiduciary Funds are used to report resources held by a governmental unit in a trustee or agency capacity for others and therefore, cannot be used to support the government's own programs.

Private-Purpose Trust Funds - Used to account for the resources of the District's trust and endowment funds for DeLand High, Spruce Creek High, Seabreeze High, and Samsula Elementary.

Agency Funds - Used to account for resources of the school internal funds which are used to administer monies collected at the schools for student, athletic, class, and club activities and to account for resources that are held for a voluntary employee benefits program.

**District School Board of Volusia County, Florida
Combining Statement of Fiduciary Net Assets -
Private-Purpose Trust Funds
June 30, 2010**

| | <u>DeLand High</u> | <u>Spruce Creek High</u> | <u>Seabreeze High</u> | <u>Samsula Elementary</u> | <u>Total Private-Purpose Trust Funds</u> |
|--|------------------------|----------------------------------|---------------------------|-------------------------------|--|
| ASSETS | | | | | |
| Investments | <u>\$ 3,696</u> | <u>\$ 31,642</u> | <u>\$ 762,657</u> | <u>\$ 39,071</u> | <u>\$ 837,066</u> |
| Total assets | <u>3,696</u> | <u>31,642</u> | <u>762,657</u> | <u>39,071</u> | <u>837,066</u> |
| NET ASSETS | | | | | |
| Assets held in trust for scholarships and other purposes | <u>\$ 3,696</u> | <u>\$ 31,642</u> | <u>\$ 762,657</u> | <u>\$ 39,071</u> | <u>\$ 837,066</u> |

**District School Board of Volusia County, Florida
Combining Statement of Changes in Fiduciary Net Assets -
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2010**

| | <u>DeLand High</u> | <u>Spruce Creek High</u> | <u>Seabreeze High</u> | <u>Samsula Elementary</u> | <u>Total Private-Purpose Trust Funds</u> |
|----------------------------|------------------------|----------------------------------|---------------------------|-------------------------------|--|
| ADDITIONS | | | | | |
| Interest earnings | \$ 4 | \$ 31 | \$ 1,427 | \$ 131 | \$ 1,593 |
| DEDUCTIONS | | | | | |
| Scholarship payments | <u>1,000</u> | <u>6,000</u> | <u>295</u> | <u>800</u> | <u>8,095</u> |
| Change in net assets | <u>(996)</u> | <u>(5,969)</u> | <u>1,132</u> | <u>(669)</u> | <u>(6,502)</u> |
| Net assets - July 1, 2009 | <u>4,692</u> | <u>37,611</u> | <u>761,525</u> | <u>39,740</u> | <u>843,568</u> |
| Net assets - June 30, 2010 | <u><u>\$ 3,696</u></u> | <u><u>\$ 31,642</u></u> | <u><u>\$ 762,657</u></u> | <u><u>\$ 39,071</u></u> | <u><u>\$ 837,066</u></u> |

District School Board of Volusia County, Florida
Schedule of Assets and Liabilities -
Agency Funds
June 30, 2010

| | School Internal Funds | Employee Benefits Program | Total Agency Funds |
|---------------------------|--------------------------------------|--|-----------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 2,378,664 | \$ - | \$ 2,378,664 |
| Investments | 3,760,322 | 977,957 | 4,738,279 |
| Total assets | <u>\$ 6,138,986</u> | <u>\$ 977,957</u> | <u>\$ 7,116,943</u> |
| LIABILITIES | | | |
| Accounts payable | \$ - | \$ 977,957 | \$ 977,957 |
| Deposits held for others | 6,138,986 | - | 6,138,986 |
| Total liabilities | <u>\$ 6,138,986</u> | <u>\$ 977,957</u> | <u>\$ 7,116,943</u> |

District School Board of Volusia County, Florida
Schedule of Changes in Assets and Liabilities -
Agency Funds
For the Fiscal Year Ended June 30, 2010

SCHOOL INTERNAL FUNDS

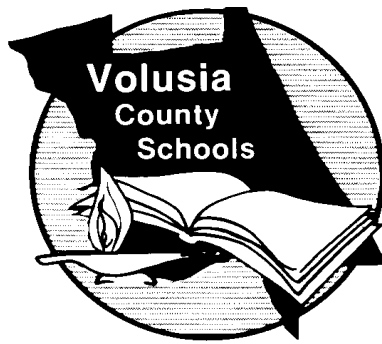
| | Balance July 1, 2009 | Additions | Deductions | Balance June 30, 2010 |
|---------------------------|---------------------------------|----------------------|----------------------|----------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 2,477,975 | \$ 11,731,105 | \$ 11,830,416 | \$ 2,378,664 |
| Investments | 3,825,686 | - | 65,364 | 3,760,322 |
| Total assets | <u>\$ 6,303,661</u> | <u>\$ 11,731,105</u> | <u>\$ 11,895,780</u> | <u>\$ 6,138,986</u> |
| LIABILITIES | | | | |
| Deposits held for others | \$ 6,303,661 | \$ 11,731,105 | \$ 11,895,780 | \$ 6,138,986 |
| Total liabilities | <u>\$ 6,303,661</u> | <u>\$ 11,731,105</u> | <u>\$ 11,895,780</u> | <u>\$ 6,138,986</u> |

EMPLOYEE BENEFITS PROGRAM

| | Balance July 1, 2009 | Additions | Deductions | Balance June 30, 2010 |
|--------------------|---------------------------------|---------------------|---------------------|----------------------------------|
| ASSETS | | | | |
| Investments | \$ 668,509 | \$ 1,370,513 | \$ 1,061,065 | \$ 977,957 |
| Total assets | <u>\$ 668,509</u> | <u>\$ 1,370,513</u> | <u>\$ 1,061,065</u> | <u>\$ 977,957</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 668,509 | \$ 1,370,513 | \$ 1,061,065 | \$ 977,957 |
| Total liabilities | <u>\$ 668,509</u> | <u>\$ 1,370,513</u> | <u>\$ 1,061,065</u> | <u>\$ 977,957</u> |

TOTAL AGENCY FUNDS

| | Balance July 1, 2009 | Additions | Deductions | Balance June 30, 2010 |
|---------------------------|---------------------------------|----------------------|----------------------|----------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 2,477,975 | \$ 11,731,105 | \$ 11,830,416 | \$ 2,378,664 |
| Investments | 4,494,195 | 1,370,513 | 1,126,429 | 4,738,279 |
| Total assets | <u>\$ 6,972,170</u> | <u>\$ 13,101,618</u> | <u>\$ 12,956,845</u> | <u>\$ 7,116,943</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 668,509 | \$ 1,370,513 | \$ 1,061,065 | \$ 977,957 |
| Deposits held for others | 6,303,661 | 11,731,105 | 11,895,780 | 6,138,986 |
| Total liabilities | <u>\$ 6,972,170</u> | <u>\$ 13,101,618</u> | <u>\$ 12,956,845</u> | <u>\$ 7,116,943</u> |



Nonmajor Discretely Presented
Component Units

Nonmajor Discretely Presented Component Units

The component units columns in the basic financial statements include the financial data of the District's nonmajor discretely presented component units.

Reading Edge Academy, Inc., The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Richard Milburn Academy West and Volusia Elementary Charter School, Inc. d/b/a Boston Avenue Charter School (Volusia Elementary), Charter Schools - are separate not for profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District since they are fiscally dependent on the District.

Futures, Inc. - is a not for profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires Futures to be authorized and approved by the District. It is considered to be a component unit of the District since the District must approve all members of Futures' Board and the District has the ability to impose its will on the organization. It is considered to be a discretely presented component unit, because the two boards are not the same and Futures does not provide services entirely or nearly entirely to the District.

District School Board of Volusia County, Florida
Combining Schedule of Net Assets -
Nonmajor Discretely Presented Component Units
June 30, 2010

| | Charter Schools | | |
|--|-------------------------------|-----------------------------|---|
| | Reading Edge Academy, Inc. | The Chiles Academy, Inc. | Richard Milburn Academy of Volusia County |
| ASSETS | | | |
| Cash and cash equivalents | \$ 51,388 | \$ 97,216 | \$ 535,988 |
| Investments | - | - | - |
| Accounts receivable | 192 | 18,547 | 24,452 |
| Deposits receivable | 9,700 | 26,275 | - |
| Due from other agencies | - | - | 31,061 |
| Inventories | 4,543 | 4,800 | - |
| Prepaid items | 357 | 6,227 | - |
| Other assets | - | - | 25,816 |
| Capital assets: | | | |
| Land | 703,616 | - | - |
| Construction in progress | 1,371,546 | - | - |
| Leasehold improvements | - | - | 5,244 |
| Buildings and fixed equipment, net | 2,516,151 | - | - |
| Furniture, fixtures and equipment, net | 25,138 | 8,118 | 4,081 |
| Motor vehicles, net | 2,463 | - | - |
| Computer software, net | - | 51,176 | - |
| Total assets | <u>4,685,094</u> | <u>212,359</u> | <u>626,642</u> |
| LIABILITIES AND NET ASSETS | | | |
| LIABILITIES | | | |
| Accounts payable | 28,862 | 10,588 | 65,133 |
| Construction contracts payable | 124,178 | - | - |
| Due to other agencies | - | - | 110,451 |
| Accrued liabilities | 5,797 | - | - |
| Deferred revenue | - | 3,774 | - |
| Long-term liabilities: | | | |
| Portion due within one year: | | | |
| Notes payable | 733,075 | - | - |
| Compensated absences payable | 31,072 | - | - |
| Total liabilities | <u>922,984</u> | <u>14,362</u> | <u>175,584</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 3,885,839 | 59,294 | 9,325 |
| Restricted for: | | | |
| Capital projects | - | - | 121,453 |
| Other purposes | - | - | - |
| Unrestricted | (123,729) | 138,703 | 320,280 |
| Total net assets (deficit) | <u>\$ 3,762,110</u> | <u>\$ 197,997</u> | <u>\$ 451,058</u> |

| Charter Schools | | | | |
|---|-------------------------------|----------------------|-----------|--------------------------------------|
| Richard Milburn Academy West | Volusia Elementary | Futures, Inc. | | Total Component Units |
| \$ 39,946 | \$ 123,525 | \$ 619,440 | \$ | 1,467,503 |
| - | - | 180,459 | | 180,459 |
| 50,091 | 33,020 | 27,716 | | 154,018 |
| - | - | - | | 35,975 |
| 36,220 | - | - | | 67,281 |
| - | - | - | | 9,343 |
| - | 9,260 | 431,028 | | 446,872 |
| 5,972 | - | 12,982 | | 44,770 |
| - | - | - | | 703,616 |
| 2,481 | - | - | | 1,374,027 |
| - | 54,861 | - | | 60,105 |
| - | - | - | | 2,516,151 |
| 2,713 | 38,586 | - | | 78,636 |
| - | 34,031 | - | | 36,494 |
| - | - | - | | 51,176 |
| <u>137,423</u> | <u>293,283</u> | <u>1,271,625</u> | | <u>7,226,426</u> |
| 180,149 | 103,368 | 3,058 | | 391,158 |
| - | - | - | | 124,178 |
| 30,490 | - | - | | 140,941 |
| - | - | - | | 5,797 |
| - | - | - | | 3,774 |
| - | - | - | | 733,075 |
| - | - | - | | 31,072 |
| <u>210,639</u> | <u>103,368</u> | <u>3,058</u> | | <u>1,429,995</u> |
| 5,194 | 127,478 | - | | 4,087,130 |
| - | - | - | | 121,453 |
| - | - | 543,909 | | 543,909 |
| (78,410) | 62,437 | 724,658 | | 1,043,939 |
| <u>\$ (73,216)</u> | <u>\$ 189,915</u> | <u>\$ 1,268,567</u> | <u>\$</u> | <u>5,796,431</u> |

**District School Board of Volusia County, Florida
Combining Schedule of Activities -
Nonmajor Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2010**

| FUNCTIONS | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets |
|---|---------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Charter schools: | | | | | |
| Instruction | \$ 3,995,254 | \$ - | \$ 652,418 | \$ - | \$ (3,342,836) |
| Pupil personnel services | 160,987 | - | 13,359 | - | (147,628) |
| Instruction and curriculum development services | 24,540 | - | 1,385 | - | (23,155) |
| Instructional staff training services | 113,792 | - | 33,684 | - | (80,108) |
| Board | 72,244 | - | - | - | (72,244) |
| General administration | 348,279 | - | - | - | (348,279) |
| School administration | 1,298,027 | - | 56,462 | - | (1,241,565) |
| Facilities services - non-capitalized | 156,591 | - | - | 288,693 | 132,102 |
| Fiscal services | 633,551 | - | 16,316 | - | (617,235) |
| Food services | 289,284 | 27,242 | 164,915 | - | (97,127) |
| Central services | 22,017 | - | - | - | (22,017) |
| Pupil transportation services | 154,982 | - | - | - | (154,982) |
| Operation of plant | 755,202 | - | 45,903 | 13,511 | (695,788) |
| Maintenance of plant | 20,040 | - | 5,584 | - | (14,456) |
| Community services | 389,613 | 257,222 | 116,340 | - | (16,051) |
| Interest on long-term debt | 49,883 | - | - | - | (49,883) |
| Depreciation expense | 11,811 | - | - | - | (11,811) |
| Total charter schools | <u>\$ 8,496,097</u> | <u>\$ 284,464</u> | <u>\$ 1,106,366</u> | <u>\$ 302,204</u> | <u>(6,803,063)</u> |
| Futures, Inc.: | | | | | |
| Community services | 519,168 | 23,103 | 489,481 | - | (6,584) |
| Total Component Units | <u>\$ 9,015,265</u> | <u>\$ 307,567</u> | <u>\$ 1,595,847</u> | <u>\$ 302,204</u> | <u>\$ (6,809,647)</u> |
| General revenues: | | | | | |
| Grants and contributions not restricted to specific programs | | | | | |
| Investment earnings | | | | | |
| Miscellaneous | | | | | |
| Total general revenues | | | | | |
| Change in net assets | | | | | |
| Net assets - July 1, 2009 | | | | | |
| Net assets - June 30, 2010 | | | | | |
| | | | | | 7,127,862 |
| | | | | | 32,088 |
| | | | | | 127,406 |
| | | | | | <u>7,287,356</u> |
| | | | | | 477,709 |
| | | | | | 5,318,722 |
| | | | | | <u>\$ 5,796,431</u> |

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
Reading Edge Academy, Inc.
For the Fiscal Year Ended June 30, 2010

| FUNCTIONS | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets |
|---------------------------------------|----------------------------|---------------------------------|---|---|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Charter school activities: | | | | | |
| Instruction | \$ 1,778,805 | \$ - | \$ - | \$ - | \$(1,778,805) |
| Instructional staff training services | 63,506 | - | - | - | (63,506) |
| General administration | 64,730 | - | - | - | (64,730) |
| School administration | 360,427 | - | - | - | (360,427) |
| Facilities services - non-capitalized | - | - | - | 189,862 | 189,862 |
| Fiscal services | 156,554 | - | - | - | (156,554) |
| Food services | 55,732 | - | - | - | (55,732) |
| Pupil transportation services | 52,569 | - | - | - | (52,569) |
| Operation of plant | 196,429 | - | - | - | (196,429) |
| Community services | 115,693 | 169,059 | - | - | 53,366 |
| Interest on long-term debt | 49,883 | - | - | - | (49,883) |
| Total charter school | <u>\$ 2,894,328</u> | <u>\$ 169,059</u> | <u>\$ -</u> | <u>\$ 189,862</u> | <u>(2,535,407)</u> |

General revenues:

Grants and contributions not restricted to
specific programs

2,607,845

Total general revenues

2,607,845

Change in net assets

72,438

Net assets - July 1, 2009

3,689,672

Net assets - June 30, 2010

\$ 3,762,110

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
The Chiles Academy, Inc.
For the Fiscal Year Ended June 30, 2010

| FUNCTIONS | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Assets |
|--|---------------------|---------------------------------|---|---|--|
| Charter school activities: | | | | | |
| Instruction | \$ 764,906 | \$ - | \$ 469,474 | \$ - | \$ (295,432) |
| Pupil personnel services | 90,973 | - | 13,359 | - | (77,614) |
| Instruction and curriculum development services | 1,385 | - | 1,385 | - | - |
| Instructional staff training services | 45,611 | - | 33,684 | - | (11,927) |
| General administration | 13,709 | - | - | - | (13,709) |
| School administration | 202,251 | - | 56,462 | - | (145,789) |
| Fiscal services | 78,090 | - | 16,316 | - | (61,774) |
| Food services | 132,827 | 9,183 | 78,646 | - | (44,998) |
| Pupil transportation services | 50,178 | - | - | - | (50,178) |
| Operation of plant | 168,141 | - | 45,903 | - | (122,238) |
| Maintenance of plant | 7,895 | - | 5,584 | - | (2,311) |
| Community services | 180,097 | 88,163 | 116,340 | - | 24,406 |
| Depreciation expense | 11,811 | - | - | - | (11,811) |
| Total charter school | <u>\$ 1,747,874</u> | <u>\$ 97,346</u> | <u>\$ 837,153</u> | <u>\$ -</u> | <u>(813,375)</u> |

General revenues:

| | |
|---|-------------------|
| Grants and contributions not restricted to specific programs | 864,871 |
| Miscellaneous | 28,562 |
| Total general revenues | <u>893,433</u> |
| Change in net assets | 80,058 |
| Net assets - July 1, 2009 | 117,939 |
| Net assets - June 30, 2010 | <u>\$ 197,997</u> |

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
Richard Milburn Academy of Volusia County
For the Fiscal Year Ended June 30, 2010

| <u>FUNCTIONS</u> | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Assets</u> |
|--|---------------------|---------------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Charter school activities: | | | | | |
| Instruction | \$ 492,659 | \$ - | \$ 37,041 | \$ - | \$ (455,618) |
| Pupil personnel services | 69,093 | - | - | - | (69,093) |
| Instruction and curriculum development services | 5,578 | - | - | - | (5,578) |
| Board | 19,944 | - | - | - | (19,944) |
| General administration | 135,032 | - | - | - | (135,032) |
| School administration | 204,718 | - | - | - | (204,718) |
| Facilities services - non-capitalized | 150,378 | - | - | 98,831 | (51,547) |
| Fiscal services | 240,536 | - | - | - | (240,536) |
| Food services | 2,136 | - | - | - | (2,136) |
| Central services | 228 | - | - | - | (228) |
| Operation of plant | 96,027 | - | - | 13,511 | (82,516) |
| Community services | 74,285 | - | - | - | (74,285) |
| Total charter school | <u>\$ 1,490,614</u> | <u>\$ -</u> | <u>\$ 37,041</u> | <u>\$ 112,342</u> | <u>(1,341,231)</u> |

General revenues:

| | |
|---|-------------------|
| Grants and contributions not restricted to specific programs | 1,511,865 |
| Total general revenues | <u>1,511,865</u> |
| Change in net assets | 170,634 |
| Net assets - July 1, 2009 | <u>280,424</u> |
| Net assets - June 30, 2010 | <u>\$ 451,058</u> |

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
Richard Milburn Academy West
For the Fiscal Year Ended June 30, 2010

| <u>FUNCTIONS</u> | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Assets</u> |
|-----------------------------------|-------------------|---------------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Charter school activities: | | | | | |
| Instruction | \$ 354,457 | \$ - | \$ 126,836 | \$ - | \$ (227,621) |
| Pupil personnel services | 921 | - | - | - | (921) |
| Board | 17,501 | - | - | - | (17,501) |
| General administration | 70,654 | - | - | - | (70,654) |
| School administration | 157,651 | - | - | - | (157,651) |
| Fiscal services | 117,313 | - | - | - | (117,313) |
| Central services | 643 | - | - | - | (643) |
| Operation of plant | 156,354 | - | - | - | (156,354) |
| Total charter school | <u>\$ 875,494</u> | <u>\$ -</u> | <u>\$ 126,836</u> | <u>\$ -</u> | <u>(748,658)</u> |

General revenues:

| | |
|---|--------------------|
| Grants and contributions not restricted to specific programs | 656,548 |
| Miscellaneous | 35,149 |
| Total general revenues | <u>691,697</u> |
| Change in net assets | (56,961) |
| Net deficit - July 1, 2009 | <u>(16,255)</u> |
| Net deficit - June 30, 2010 | <u>\$ (73,216)</u> |

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
Volusia Elementary Charter School, Inc. d/b/a Boston Avenue Charter School (Volusia Elementary)
For the Fiscal Year Ended June 30, 2010

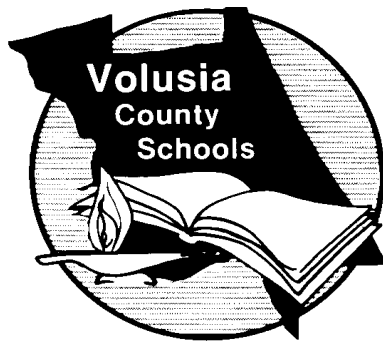
| <u>FUNCTIONS</u> | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Assets</u> |
|--|---------------------|---------------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Charter school activities: | | | | | |
| Instruction | \$ 604,427 | \$ - | \$ 19,067 | \$ - | \$ (585,360) |
| Instruction and curriculum development services | 17,577 | | | | (17,577) |
| Instructional staff training services | 4,675 | - | - | - | (4,675) |
| Board | 34,799 | - | - | - | (34,799) |
| General administration | 64,154 | - | - | - | (64,154) |
| School administration | 372,980 | - | - | - | (372,980) |
| Facilities services - non-capitalized | 6,213 | - | - | - | (6,213) |
| Fiscal services | 41,058 | - | - | - | (41,058) |
| Food services | 98,589 | 18,059 | 86,269 | - | 5,739 |
| Central services | 21,146 | - | - | - | (21,146) |
| Pupil transportation services | 52,235 | - | - | - | (52,235) |
| Operation of plant | 138,251 | - | - | - | (138,251) |
| Maintenance of plant | 12,145 | - | - | - | (12,145) |
| Community services | 19,538 | - | - | - | (19,538) |
| Total charter school | <u>\$ 1,487,787</u> | <u>\$ 18,059</u> | <u>\$ 105,336</u> | <u>\$ -</u> | <u>(1,364,392)</u> |

General revenues:

| | |
|---|-------------------|
| Grants and contributions not restricted to specific programs | 1,486,733 |
| Miscellaneous | 63,695 |
| Total general revenues | <u>1,550,428</u> |
| Change in net assets | 186,036 |
| Net assets - July 1, 2009 | 3,879 |
| Net assets - June 30, 2010 | <u>\$ 189,915</u> |

District School Board of Volusia County, Florida
Schedule of Activities - Nonmajor Discretely Presented Component Units -
Futures, Inc.
For the Fiscal Year Ended June 30, 2009

| <u>FUNCTIONS</u> | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Assets</u> |
|--|-------------------|---------------------------------|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | |
| Direct-support organization activities: | | | | |
| Community services | \$ 519,168 | \$ 23,103 | \$ 489,481 | \$ (6,584) |
| Total direct-support organization | <u>\$ 519,168</u> | <u>\$ 23,103</u> | <u>\$ 489,481</u> | <u>\$ (6,584)</u> |
| | | General revenues: | | |
| | | | Investment earnings | <u>32,088</u> |
| | | | Total general revenues | <u>32,088</u> |
| | | | Change in net assets | 25,504 |
| | | | Net assets - July 1, 2009 | <u>1,243,063</u> |
| | | | Net assets - June 30, 2010 | <u>\$ 1,268,567</u> |



Statistical Section

Statistical Section

This part of the District'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 District's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | 99 |
| Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | 113 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | 118 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | 125 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | 127 |

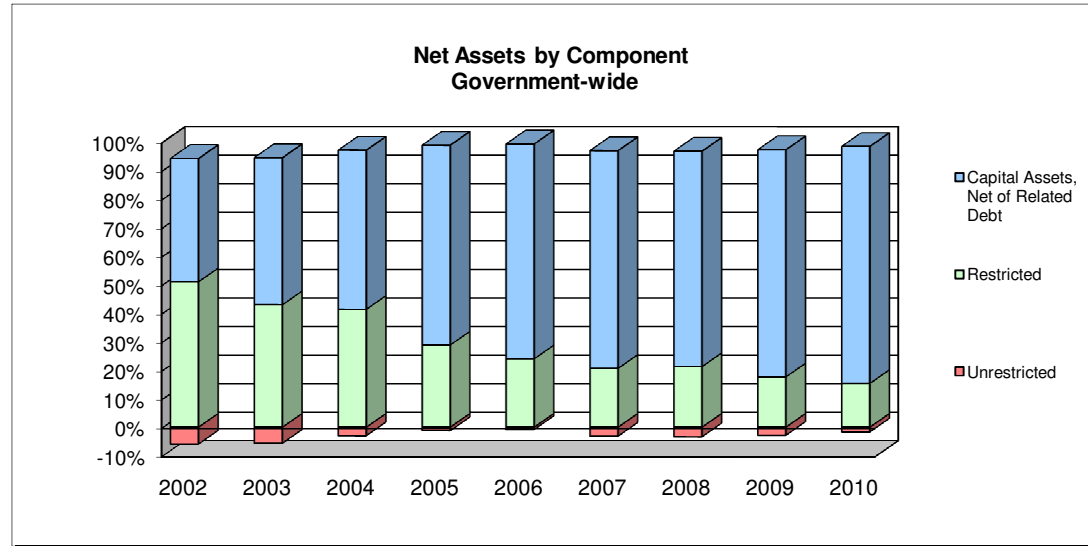
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

District School Board of Volusia County, Florida
Net Assets by Component - Government-wide
Last Nine Fiscal Years ⁽¹⁾
(Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Primary government: | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 219,414,319 | \$ 284,828,249 | \$ 328,401,965 | \$ 453,024,671 | \$ 534,830,900 | \$ 619,743,483 | \$ 662,439,492 | \$ 707,233,274 | \$ 726,782,031 |
| Restricted | 258,751,018 | 237,120,361 | 243,348,041 | 186,139,004 | 170,067,232 | 167,353,947 | 186,113,892 | 156,350,990 | 133,946,657 |
| Unrestricted | (30,022,294) | (31,033,641) | (17,474,191) | (7,903,399) | (5,767,367) | (25,499,290) | (29,443,574) | (25,131,781) | (14,566,442) |
| Total governmental activities net assets | \$ 448,143,043 | \$ 490,914,969 | \$ 554,275,815 | \$ 631,260,276 | \$ 699,130,765 | \$ 761,598,140 | \$ 819,109,810 | \$ 838,452,483 | \$ 846,162,246 |

⁽¹⁾ The District began to report accrual information when it implemented GASB Statement 34 in 2002.

Source: District records



District School Board of Volusia County, Florida
Changes in Net Assets - Government-wide
Last Nine Fiscal Years ⁽¹⁾
(Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Expenses | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Instruction | \$ 213,318,716 | \$ 227,594,168 | \$ 240,157,073 | \$ 257,929,426 | \$ 288,187,757 | \$ 322,497,809 | \$ 326,228,760 | \$ 298,373,524 | \$ 295,983,159 |
| Pupil personnel services | 18,214,060 | 19,938,915 | 20,150,550 | 21,124,508 | 23,169,573 | 26,248,325 | 26,914,771 | 25,522,584 | 28,595,805 |
| Instructional media services | 5,996,773 | 6,666,347 | 6,695,041 | 6,971,563 | 7,343,328 | 7,554,889 | 7,510,062 | 6,752,611 | 7,581,732 |
| Instruction and curriculum development services | 11,134,615 | 10,337,293 | 11,284,651 | 11,568,095 | 13,933,703 | 15,661,385 | 16,550,344 | 14,448,263 | 19,229,290 |
| Instructional staff training services | 4,476,893 | 4,783,473 | 4,894,301 | 7,001,523 | 8,839,340 | 8,839,892 | 5,900,382 | 4,786,267 | 5,559,960 |
| Instruction related technology (2) | - | - | - | - | 4,102,673 | 3,081,083 | 3,855,695 | 3,970,619 | 4,028,676 |
| Board of education | 335,061 | 365,919 | 366,791 | 466,004 | 519,889 | 447,349 | 714,623 | 667,477 | 570,094 |
| General administration | 2,928,426 | 2,930,750 | 3,632,266 | 4,030,529 | 3,394,346 | 3,675,637 | 3,276,095 | 3,005,115 | 4,757,016 |
| School administration | 28,478,245 | 30,844,455 | 31,261,978 | 32,892,990 | 36,934,562 | 40,476,781 | 39,437,633 | 39,120,584 | 38,496,856 |
| Facilities services - non-capitalized | 5,623,268 | 3,015,564 | 8,968,360 | 12,428,485 | 12,729,032 | 15,772,257 | 12,367,400 | 11,847,866 | 7,952,299 |
| Fiscal services | 2,506,261 | 2,495,708 | 2,374,602 | 2,473,857 | 2,711,616 | 3,071,588 | 3,031,626 | 2,875,952 | 2,802,078 |
| Food services | 17,685,516 | 18,879,572 | 19,074,392 | 20,888,480 | 21,985,268 | 23,438,412 | 25,819,083 | 23,086,186 | 22,798,479 |
| Central services | 10,514,558 | 11,237,929 | 11,281,131 | 12,029,958 | 5,536,321 | 6,495,756 | 7,178,652 | 5,103,596 | 5,553,004 |
| Pupil transportation services | 11,709,726 | 12,654,270 | 13,208,364 | 15,045,108 | 16,837,763 | 18,166,751 | 19,099,121 | 16,708,807 | 16,878,756 |
| Operation of plant | 29,125,890 | 29,953,234 | 30,972,833 | 32,543,373 | 37,472,736 | 44,983,769 | 43,273,381 | 42,508,764 | 43,054,229 |
| Maintenance of plant | 9,536,530 | 10,807,896 | 10,857,862 | 13,813,228 | 14,153,260 | 15,530,492 | 16,514,878 | 14,377,537 | 14,817,824 |
| Administrative technology services (2) | - | - | - | - | 3,862,846 | 5,855,638 | 5,365,149 | 5,466,861 | 5,566,867 |
| Community services | 1,679,972 | 1,914,220 | 1,754,829 | 1,668,177 | 1,612,862 | 4,660,131 | 5,051,357 | 5,117,929 | 4,920,377 |
| Interest on long-term debt | 10,242,297 | 14,703,119 | 12,666,965 | 14,355,846 | 19,501,861 | 25,304,753 | 29,004,391 | 28,189,824 | 24,569,386 |
| Unallocated depreciation expense | 27,300,446 | 29,541,447 | 31,441,677 | 29,077,484 | 32,275,209 | 36,275,249 | 46,509,697 | 46,813,575 | 50,022,091 |
| Total primary government expenses | 410,807,253 | 438,664,279 | 461,043,666 | 496,308,634 | 555,103,945 | 628,037,946 | 643,603,100 | 598,743,941 | 603,737,978 |
| Program Revenues | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Charges for services | | | | | | | | | |
| Instruction | 2,621,482 | 3,983,765 | 2,709,105 | 3,086,130 | 3,389,212 | - | - | - | - |
| Food services | 8,239,120 | 8,304,707 | 8,552,228 | 7,687,361 | 8,680,020 | 8,588,773 | 8,311,879 | 8,274,426 | 7,326,776 |
| Pupil transportation services | 814,447 | - | 699,998 | - | - | - | - | - | - |
| Community services | - | 1,225,217 | - | 854,693 | 991,659 | 4,341,097 | 5,109,709 | 4,954,119 | 4,976,587 |
| Operating grants and contributions | 20,382,556 | 23,757,919 | 22,182,865 | 30,888,569 | 31,124,132 | 30,666,253 | 31,131,213 | 29,381,645 | 18,511,651 |
| Capital grants and contributions | 11,216,225 | 11,766,955 | 12,277,013 | 27,521,165 | 17,184,270 | 38,887,502 | 31,788,955 | 10,161,294 | 7,687,602 |
| Total primary government program revenues | 43,273,830 | 49,038,563 | 46,421,209 | 70,037,918 | 61,369,293 | 82,483,625 | 76,341,756 | 52,771,484 | 38,502,616 |
| Total primary government net expense | (367,533,423) | (389,625,716) | (414,622,457) | (426,270,716) | (493,734,652) | (545,554,321) | (567,261,344) | (545,972,457) | (565,235,362) |

General Revenues and Other Changes in Net Assets

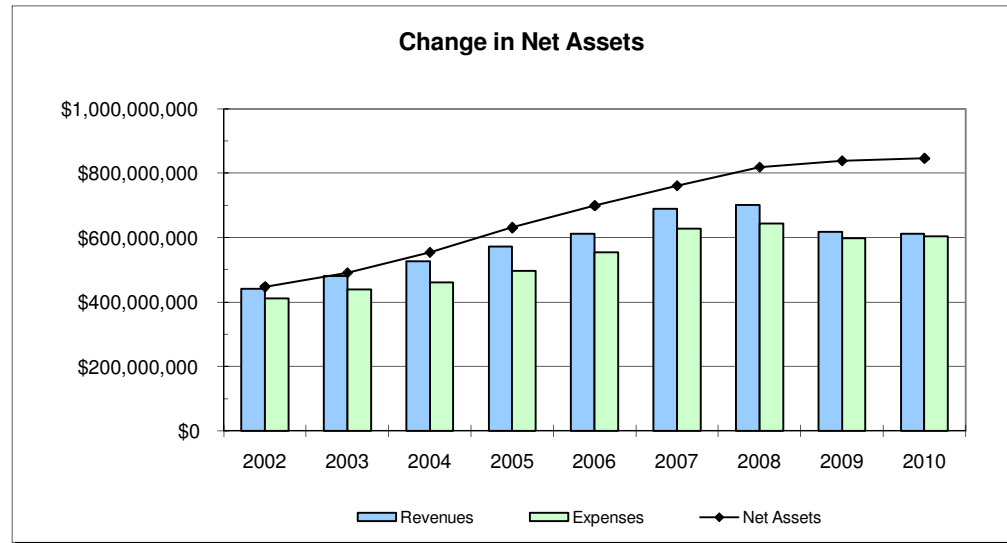
Governmental activities:

| | | | | | | | | | |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Property taxes: | | | | | | | | | |
| Levied for operational purposes | 108,752,183 | 118,508,547 | 131,394,434 | 147,307,956 | 172,453,066 | 210,137,155 | 217,062,977 | 220,261,301 | 204,979,478 |
| Levied for debt service | 10,359,570 | 9,707,724 | 9,980,321 | 10,320,982 | 9,434,299 | 32,424 | 9,178 | - | - |
| Levied for capital projects | 33,944,965 | 37,154,597 | 42,184,063 | 48,357,584 | 58,101,772 | 73,914,902 | 79,398,963 | 67,596,252 | 48,988,701 |
| Local sales tax | 15,063,254 | 30,747,285 | 34,135,494 | 34,774,547 | 37,737,410 | 35,956,023 | 33,948,264 | 30,299,663 | 29,781,220 |
| Unrestricted grants and contributions | 214,903,955 | 225,760,225 | 244,739,157 | 249,925,667 | 254,397,184 | 258,468,840 | 264,588,398 | 232,196,984 | 278,116,363 |
| Investment earnings | 6,509,111 | 4,978,893 | 4,021,869 | 6,320,351 | 12,375,391 | 22,416,645 | 19,927,969 | 8,468,708 | 2,346,711 |
| Miscellaneous | 8,036,449 | 5,540,371 | 14,157,425 | 6,248,090 | 7,106,019 | 7,095,707 | 9,837,265 | 6,492,222 | 8,732,652 |
| Total primary government | 397,569,487 | 432,397,642 | 480,612,763 | 503,255,177 | 551,605,141 | 608,021,696 | 624,773,014 | 565,315,130 | 572,945,125 |
| Change in Net Assets | 30,036,064 | 42,771,926 | 65,990,306 | 76,984,461 | 57,870,489 | 62,467,375 | 57,511,670 | 19,342,673 | 7,709,763 |
| Adjustment to beginning net assets | - | - | - | - | 10,000,000 | - | - | - | - |
| Total primary government | \$ 30,036,064 | \$ 42,771,926 | \$ 65,990,306 | \$ 76,984,461 | \$ 67,870,489 | \$ 62,467,375 | \$ 57,511,670 | \$ 19,342,673 | \$ 7,709,763 |

(1) The District began to report accrual information when it implemented GASB Statement 34 in 2002.

(2) In the fiscal year ending June 30, 2006, two new functional expense classifications were established to report technology expenses previously reported in other functional categories.

Source: District records



District School Board of Volusia County, Florida
Governmental Activities Tax Revenues by Source
Last Nine Fiscal Years ⁽¹⁾
(Accrual Basis of Accounting)
(Unaudited)

| Fiscal Year | Property Tax | | | Sales Tax | Total |
|-------------|----------------------|---------------|------------------|-------------------|----------------|
| | Operational Purposes | Debt Service | Capital Projects | | |
| 2002 | \$ 108,752,183 | \$ 10,359,570 | \$ 33,944,965 | \$ 15,063,254 (a) | \$ 168,119,972 |
| 2003 | 118,508,547 | 9,707,724 | 37,154,597 | 30,747,285 | 196,118,153 |
| 2004 | 131,394,434 | 9,980,321 | 42,184,063 | 34,135,494 | 217,694,312 |
| 2005 | 147,307,956 | 10,320,982 | 48,357,584 | 34,774,547 | 240,761,069 |
| 2006 | 172,453,066 | 9,434,299 | 58,101,772 | 37,737,410 | 277,726,547 |
| 2007 | 210,137,155 | 32,424 (b) | 73,914,902 | 35,956,023 | 320,040,504 |
| 2008 | 217,062,977 | 9,178 | 79,398,963 | 33,948,264 | 330,419,382 |
| 2009 | 220,261,301 | - | 67,596,252 | 30,299,663 | 318,157,216 |
| 2010 | 204,979,478 | - | 48,988,701 | 29,781,220 | 283,749,399 |

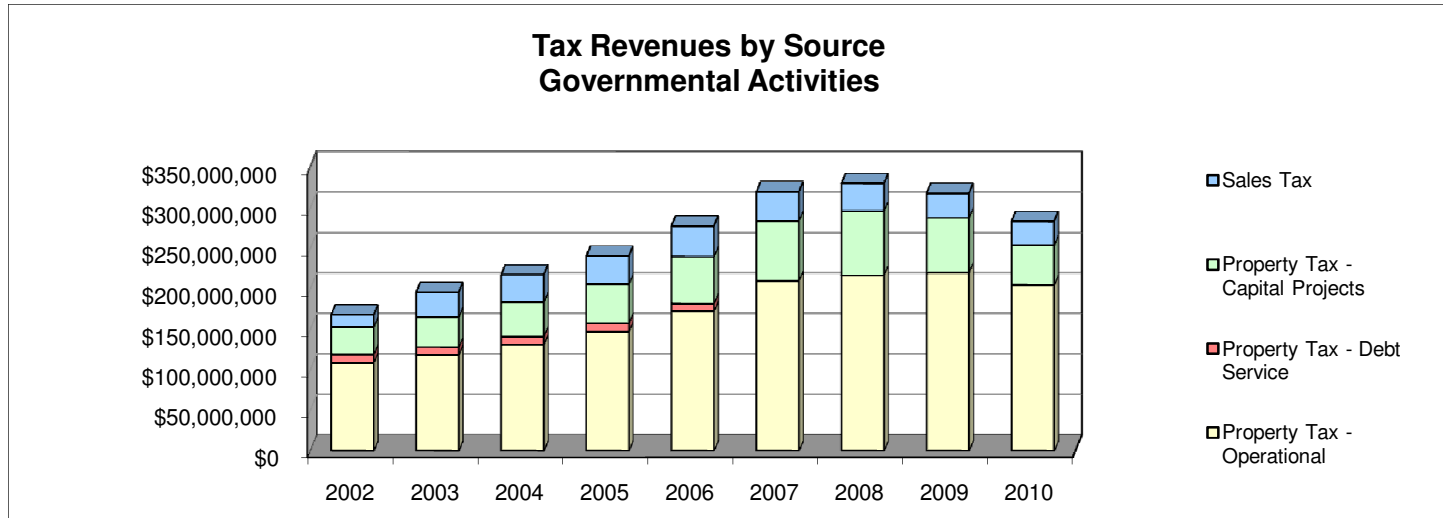
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(1) The District began to report accrual information when it implemented GASB Statement 34 in 2002.

(a) The discretionary sales surtax is effective for a 15-year period commencing January 1, 2002.

(b) Final payment on the General Obligation Bond was made on August 1, 2006.

Source: District records

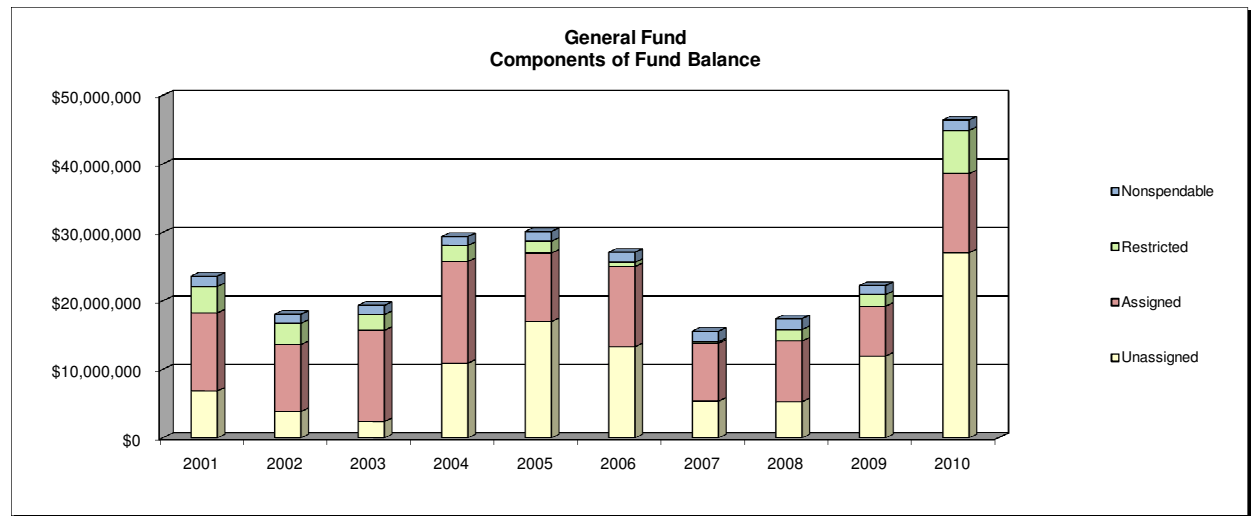


District School Board of Volusia County, Florida
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Restated * 2001 | Restated * 2002 | Restated * 2003 | Restated * 2004 | Restated * 2005 | Restated * 2006 | Restated * 2007 | Restated * 2008 | Restated * 2009 | 2010 |
| General Fund | | | | | | | | | | |
| Fund Balances: | | | | | | | | | | |
| Nonspendable | \$ 1,525,443 | \$ 1,303,194 | \$ 1,336,882 | \$ 1,283,304 | \$ 1,396,388 | \$ 1,464,863 | \$ 1,528,053 | \$ 1,581,808 | \$ 1,301,033 | \$ 1,520,218 |
| Spendable: | | | | | | | | | | |
| Restricted | 3,854,581 | 3,125,050 | 2,302,355 | 2,345,356 | 1,734,620 | 616,443 | 231,824 | 1,662,949 | 1,699,856 | 6,311,986 |
| Assigned | 11,395,836 | 9,768,599 | 13,315,790 | 14,845,180 | 9,998,480 | 11,702,081 | 8,451,067 | 8,879,882 | 7,265,663 | 11,547,648 |
| Unassigned | 6,860,848 | 3,855,905 | 2,406,917 | 10,928,779 | 16,997,183 | 13,326,836 | 5,376,408 | 5,289,000 | 11,968,210 | 27,045,582 |
| Total General Fund | \$ 23,636,708 | \$ 18,052,748 | \$ 19,361,944 | \$ 29,402,619 | \$ 30,126,671 | \$ 27,110,223 | \$ 15,587,352 | \$ 17,413,639 | \$ 22,234,762 | \$ 46,425,434 |
| All Other Governmental Funds | | | | | | | | | | |
| Fund Balances: | | | | | | | | | | |
| Nonspendable | \$ 1,873,170 | \$ 2,288,982 | \$ 1,447,284 | \$ 1,587,206 | \$ 1,829,153 | \$ 2,702,002 | \$ 2,592,729 | \$ 2,092,183 | \$ 1,767,481 | \$ 1,775,105 |
| Spendable: | | | | | | | | | | |
| Restricted | 122,788,521 | 249,937,486 | 229,884,328 | 234,806,600 | 267,973,442 | 394,891,717 | 420,129,837 | 362,134,126 | 266,459,932 | 156,471,073 |
| Assigned | 4,631,642 | 4,464,560 | 2,967,145 | 3,722,336 | 2,683,933 | 2,909,399 | 1,572,027 | 1,741,756 | 1,851,032 | 2,108,298 |
| Total all other governmental funds | \$ 129,293,333 | \$ 256,691,028 | \$ 234,298,757 | \$ 240,116,142 | \$ 272,486,528 | \$ 400,503,118 | \$ 424,294,593 | \$ 365,968,065 | \$ 270,078,445 | \$ 160,354,476 |

Note:
 * The District implemented GASB 54 for the fiscal year ended June 30, 2010. The fund balances from the prior fiscal years were restated for comparison purposes.

Source: District records



District School Board of Volusia County, Florida
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| Revenues | Fiscal Year | | | | | | | | | |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Federal sources: | | | | | | | | | | |
| Federal direct | \$ 1,511,802 | \$ 2,689,100 | \$ 1,395,307 | \$ 239,128 | \$ 978,924 | \$ 606,482 | \$ 623,162 | \$ 396,534 | \$ 416,005 | \$ 745,638 |
| Other Federal grants | 22,724,125 | 25,061,025 | 29,423,383 | 37,709,400 | 35,381,608 | 36,907,293 | 38,736,594 | 37,677,314 | 37,602,822 | 80,233,229 |
| Food services | 9,549,044 | 10,322,279 | 10,877,241 | 11,580,478 | 13,004,670 | 13,013,357 | 13,466,044 | 14,397,459 | 15,269,372 | 16,912,474 |
| Total Federal sources | 33,784,971 | 38,072,404 | 41,695,931 | 49,529,006 | 49,365,202 | 50,527,132 | 52,825,800 | 52,471,307 | 53,288,199 | 97,891,341 |
| State sources: | | | | | | | | | | |
| Florida education finance program | 174,721,657 | 163,970,223 | 175,296,247 | 177,191,959 | 171,131,377 | 161,012,577 | 148,629,296 | 143,589,001 | 115,155,112 | 127,316,297 |
| Categorical educational programs | 25,278,942 | 25,758,120 | 23,082,791 | 35,637,333 | 47,742,332 | 60,911,160 | 76,287,419 | 88,210,563 | 87,065,364 | 68,128,224 |
| Discretionary lottery funds | 4,648,894 | 5,616,922 | 4,471,775 | 3,025,560 | 3,525,608 | 3,099,587 | 2,547,490 | 3,046,139 | 1,511,940 | 170,592 |
| Public education capital outlay | 6,073,914 | 8,669,518 | 5,251,919 | 5,113,210 | 4,577,767 | 5,721,539 | 8,395,562 | 9,126,330 | 4,049,200 | 953,879 |
| Capital outlay and debt service | 2,356,908 | 2,354,320 | 2,375,318 | 2,410,354 | 2,483,709 | 2,516,052 | 2,523,822 | 2,494,925 | 2,357,301 | 2,319,036 |
| Mobile home license tax | 687,925 | 517,938 | 528,954 | 540,588 | 567,343 | 557,211 | 535,064 | 512,796 | 565,904 | 525,372 |
| Food services | 331,077 | 344,792 | 353,006 | 351,328 | 342,041 | 342,115 | 369,561 | 362,407 | 370,163 | 352,971 |
| Classrooms first program | - | - | - | - | - | - | - | - | - | - |
| School infrastructure thrift program | 1,587,741 | 80,858 | - | - | - | - | - | - | - | - |
| Effort index | 7,383,670 | - | - | - | - | - | - | - | - | - |
| Classrooms for kids | 249,472 | - | - | 4,670,960 | 11,241,124 | 1,867,621 | 17,488,878 | 10,107,881 | - | - |
| Charter school capital outlay funding | 246,264 | 111,529 | 100,296 | 82,488 | 73,427 | 77,810 | 136,791 | 132,278 | 390,295 | 405,110 |
| State grants and other State sources | 1,748,294 | 1,006,112 | 2,251,451 | 646,249 | 2,036,972 | 2,852,594 | 3,346,195 | 3,174,280 | 1,015,677 | 1,062,118 |
| Total State sources | 225,314,758 | 208,430,332 | 213,711,757 | 229,670,029 | 243,721,700 | 238,958,266 | 260,260,078 | 260,756,600 | 212,480,956 | 201,233,599 |
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | 146,471,419 | 153,056,718 | 165,370,868 | 183,558,818 | 205,986,522 | 239,989,137 | 284,084,481 | 296,471,118 | 287,857,553 | 253,968,179 |
| Local Sales tax | - | 15,063,254 | 30,747,285 | 34,135,494 | 34,774,547 | 37,737,410 | 35,956,023 | 33,948,264 | 30,299,663 | 29,781,220 |
| Food service sales | 7,855,083 | 8,239,120 | 7,857,290 | 8,053,476 | 7,711,022 | 8,680,020 | 8,592,385 | 8,313,123 | 8,274,426 | 7,326,777 |
| Interest income and other | 9,981,855 | 6,509,111 | 4,978,893 | 4,021,871 | 6,320,351 | 12,378,595 | 22,416,645 | 19,927,969 | 8,470,343 | 2,346,711 |
| Local grants and other local sources | 11,195,449 | 11,472,378 | 16,730,640 | 18,065,278 | 23,258,425 | 20,298,179 | 24,662,057 | 28,031,452 | 14,539,473 | 17,668,841 |
| Total local sources | 175,503,806 | 194,340,581 | 225,684,976 | 247,834,937 | 278,050,867 | 319,083,341 | 375,711,591 | 386,691,926 | 349,441,458 | 311,091,728 |
| Total revenues | \$ 434,603,535 | \$ 440,843,317 | \$ 481,092,664 | \$ 527,033,972 | \$ 571,137,769 | \$ 608,568,739 | \$ 688,797,469 | \$ 699,919,833 | \$ 615,210,613 | \$ 610,216,668 |

Expenditures

Current:

| | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Instruction | \$ 210,761,834 | \$ 215,626,219 | \$ 226,722,204 | \$ 241,406,105 | \$ 259,772,444 | \$ 284,772,006 | \$ 318,681,634 | \$ 323,606,180 | \$ 295,253,902 | \$ 290,923,820 |
| Pupil personnel services | 17,824,538 | 18,376,824 | 19,862,525 | 20,313,235 | 21,275,453 | 22,894,954 | 25,937,723 | 26,716,097 | 25,281,008 | 28,137,963 |
| Instructional media services | 6,015,456 | 6,050,361 | 6,640,807 | 6,749,093 | 7,021,378 | 7,256,291 | 7,465,491 | 7,449,204 | 6,677,055 | 7,447,687 |
| Instruction and curriculum development services | 10,815,233 | 11,234,116 | 10,297,689 | 11,375,758 | 11,650,755 | 13,768,554 | 15,476,061 | 16,474,338 | 14,365,621 | 18,951,337 |
| Instructional staff training services | 4,492,894 | 4,516,899 | 4,765,146 | 4,933,815 | 7,051,552 | 8,734,572 | 8,735,288 | 5,880,891 | 4,767,226 | 5,483,713 |
| Instruction related technology | - | - | - | - | - | 4,054,046 | 3,044,624 | 3,829,838 | 3,934,306 | 3,961,842 |
| Board of education | 330,909 | 338,055 | 364,517 | 369,752 | 469,334 | 513,727 | 442,055 | 711,009 | 663,236 | 561,211 |
| General administration | 2,570,974 | 2,954,595 | 2,919,522 | 3,661,591 | 4,059,329 | 3,354,107 | 3,632,143 | 3,259,092 | 2,985,846 | 4,687,782 |
| School administration | 28,530,480 | 28,732,731 | 30,726,283 | 31,514,372 | 33,128,027 | 36,496,795 | 39,997,812 | 39,111,109 | 38,692,279 | 37,821,537 |
| Facilities services - non-capitalized | 369,126 | 5,673,518 | 2,998,902 | 9,040,766 | 12,517,293 | 12,578,161 | 15,585,621 | 12,364,934 | 11,645,499 | 7,824,107 |
| Fiscal services | 2,166,170 | 2,528,657 | 2,486,146 | 2,393,773 | 2,491,534 | 2,679,477 | 3,035,241 | 3,007,082 | 2,845,410 | 2,752,829 |
| Food services | 16,752,751 | 17,843,557 | 18,811,451 | 19,228,389 | 21,037,739 | 21,724,687 | 23,161,061 | 25,692,680 | 22,947,623 | 22,452,464 |
| Central services | 9,412,333 | 10,608,518 | 11,194,874 | 11,372,209 | 12,115,918 | 5,470,702 | 6,418,891 | 7,129,390 | 6,241,962 | 5,889,957 |
| Pupil transportation services | 11,477,529 | 11,814,366 | 12,605,789 | 13,293,666 | 15,152,613 | 16,638,193 | 17,951,781 | 18,966,061 | 16,556,788 | 16,598,168 |
| Operation of plant | 26,686,232 | 29,386,164 | 29,838,477 | 31,222,892 | 32,775,912 | 37,028,590 | 42,560,796 | 43,056,783 | 42,251,740 | 42,399,942 |
| Maintenance of plant | 9,213,858 | 9,621,750 | 10,766,489 | 10,945,523 | 13,911,930 | 13,985,508 | 15,346,717 | 16,399,767 | 14,242,289 | 14,568,756 |
| Administrative technology services | - | - | - | - | - | 3,817,062 | 5,786,347 | 5,329,339 | 5,418,100 | 5,474,410 |
| Community services | 1,579,333 | 1,694,985 | 1,906,886 | 1,768,997 | 1,680,097 | 1,593,746 | 4,604,987 | 5,018,944 | 5,077,491 | 4,840,773 |

Debt Service:

| | | | | | | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Principal | 20,585,622 | 18,804,808 | 18,984,691 | 24,896,362 | 25,832,454 | 30,220,700 | 34,835,000 | 26,335,000 | 27,305,000 | 28,885,000 |
| Interest and fiscal charges | 11,479,780 | 12,155,970 | 15,379,008 | 14,549,585 | 17,333,601 | 23,768,678 | 27,806,218 | 29,111,606 | 29,513,476 | 25,442,385 |

Capital Outlay:

| | | | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Facilities acquisition and construction | 80,975,058 | 59,598,246 | 62,603,738 | 107,806,730 | 112,379,299 | 122,072,587 | 142,807,196 | 126,551,283 | 115,313,949 | 66,174,374 |
| Other capital outlay | 4,131,870 | 5,931,034 | 12,560,884 | 6,850,276 | 14,881,799 | 14,384,441 | 15,437,113 | 11,536,499 | 12,292,430 | 7,149,720 |
| Total expenditures | 476,171,980 | 473,491,373 | 502,436,028 | 573,692,889 | 626,538,461 | 687,807,584 | 778,749,800 | 757,537,126 | 704,272,236 | 648,429,777 |

| | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Excess (deficiency) of revenues over (under) expenditures | (41,568,445) | (32,648,056) | (21,343,364) | (46,658,917) | (55,400,692) | (79,238,845) | (89,952,331) | (57,617,293) | (89,061,623) | (38,213,109) |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

Other Financing Sources (Uses)

| | | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Notes payable | 9,366,346 | - | - | - | - | - | - | - | - | - |
| Bonds payable | - | 191,230,000 | - | 58,379,412 | - | 59,125,000 | - | - | - | - |
| Certificates of participation | - | - | - | - | 39,010,000 | 135,175,000 | 97,975,000 | - | - | - |
| Refunding certificates of participation | - | - | - | - | 73,910,000 | - | - | - | - | - |
| Refunding bonds issued | - | - | - | - | - | 13,575,000 | - | - | - | 1,390,000 |
| Payment to refunding bonds escrow agent | - | (45,834,957) | - | - | (28,255,935) | (14,845,313) | - | - | - | (50,124,381) |
| Premiums on long-term debt issued | - | 6,819,219 | - | 4,079,106 | 6,213,761 | 8,126,568 | 3,616,923 | - | - | 125,602 |
| Inception of capital lease | - | 2,067,873 | - | - | 635,700 | - | - | - | - | - |
| Proceeds from sale of capital assets | 198,671 | 149,439 | 160,289 | 58,459 | 456,010 | 315,000 | 354,652 | 445,120 | 666,901 | 938,591 |
| Loss recoveries | 4,343 | 30,217 | - | - | 1,525,594 | 2,767,732 | 274,360 | 671,932 | 326,225 | 350,000 |
| Transfers in | 21,804,427 | 29,806,782 | 39,691,600 | 39,486,771 | 41,366,599 | 53,822,417 | 64,310,901 | 65,988,949 | 70,813,365 | 71,273,913 |
| Transfers out | (22,190,195) | (29,806,782) | (39,591,600) | (39,486,771) | (46,366,599) | (53,822,417) | (64,310,901) | (65,988,949) | (73,813,365) | (71,273,913) |
| Total other financing sources (uses) | 9,183,592 | 154,461,791 | 260,289 | 62,516,977 | 88,495,130 | 204,238,987 | 102,220,935 | 1,117,052 | (2,006,874) | (47,320,188) |
| Net change in fund balance | (32,384,853) | 121,813,735 | (21,083,075) | 15,858,060 | 33,094,438 | 125,000,142 | 12,268,604 | (56,500,241) | (91,068,497) | (85,533,297) |
| Fund balance, beginning | 185,314,894 | 152,930,041 | 274,743,776 | 253,660,701 | 269,518,761 | 302,613,199 | 427,613,341 | 439,881,945 | 383,381,704 | 292,313,207 |
| Fund balance, ending | \$ 152,930,041 | \$ 274,743,776 | \$ 253,660,701 | \$ 269,518,761 | \$ 302,613,199 | \$ 427,613,341 | \$ 439,881,945 | \$ 383,381,704 | \$ 292,313,207 | \$ 206,779,910 |

| | | | | | | | | | | |
|---|------|------|------|------|------|------|-------|------|------|------|
| Debt service as a percentage of noncapital expenditures | 8.2% | 7.6% | 8.0% | 8.6% | 8.6% | 9.8% | 10.1% | 9.0% | 9.9% | 9.4% |
|---|------|------|------|------|------|------|-------|------|------|------|

Source: District records

District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balance -
General Fund
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Federal sources: | | | | | | | | | | |
| Federal direct | \$ 188,374 | \$ 192,949 | \$ 193,389 | \$ 239,128 | \$ 236,903 | \$ 277,674 | \$ 293,716 | \$ 386,899 | \$ 416,005 | \$ 419,952 |
| Other Federal grants | 1,318,900 | 1,412,103 | 817,704 | 1,349,252 | 931,263 | 1,533,963 | 1,972,731 | 1,971,257 | 2,164,248 | 3,097,023 |
| Total Federal sources | 1,507,274 | 1,605,052 | 1,011,093 | 1,588,380 | 1,168,166 | 1,811,637 | 2,266,447 | 2,358,156 | 2,580,253 | 3,516,975 |
| State sources: | | | | | | | | | | |
| Florida education finance program | 174,721,657 | 163,970,223 | 175,296,247 | 177,191,959 | 171,131,377 | 161,012,577 | 148,629,296 | 143,589,001 | 115,155,112 | 127,316,297 |
| Categoricals | 25,278,946 | 25,758,120 | 23,082,791 | 35,637,333 | 47,742,332 | 60,911,160 | 76,287,419 | 88,210,564 | 87,065,364 | 68,128,224 |
| Discretionary lottery funds | 4,648,894 | 5,616,922 | 4,471,775 | 3,025,560 | 3,525,608 | 3,099,587 | 2,547,490 | 3,046,139 | 1,511,940 | 170,592 |
| Capital Outlay and Debt Service | 34,273 | 34,366 | 34,896 | 35,709 | 36,740 | 37,017 | 36,726 | 36,502 | 34,785 | 34,366 |
| Mobile Home License Tax | 687,925 | 517,938 | 528,954 | 540,588 | 567,343 | 557,211 | 535,064 | 512,796 | 565,904 | 525,372 |
| State grants and other State sources | 1,594,356 | 888,269 | 2,128,620 | 545,476 | 1,950,581 | 2,744,542 | 3,230,496 | 3,056,860 | 905,669 | 957,668 |
| Total State sources | 206,966,051 | 196,785,838 | 205,543,283 | 216,976,625 | 224,953,981 | 228,362,094 | 231,266,491 | 238,451,862 | 205,238,774 | 197,132,519 |
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | 102,250,295 | 108,752,183 | 118,508,547 | 131,394,434 | 147,307,956 | 172,453,066 | 210,148,693 | 217,077,522 | 220,261,301 | 204,979,478 |
| Interest income | 2,161,117 | 1,159,248 | 624,518 | 645,103 | 1,331,794 | 2,593,466 | 3,180,676 | 4,154,175 | 1,757,708 | 1,179,853 |
| Local grants and other local sources | 6,106,689 | 6,418,086 | 8,612,733 | 8,147,544 | 8,517,978 | 8,656,310 | 9,681,945 | 14,361,400 | 10,719,874 | 12,599,163 |
| Total local sources | 110,518,101 | 116,329,517 | 127,745,798 | 140,187,081 | 157,157,728 | 183,702,842 | 223,011,314 | 235,593,097 | 232,738,883 | 218,758,494 |
| Total revenues | 318,991,426 | 314,720,407 | 334,300,174 | 358,752,086 | 383,279,875 | 413,876,573 | 456,544,252 | 476,403,115 | 440,557,910 | 419,407,988 |

Expenditures: (by object)

| | | | | | | | | | | |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Salaries | 220,441,611 | 224,626,764 | 236,551,648 | 243,922,842 | 262,600,281 | 288,197,715 | 319,082,588 | 324,395,109 | 294,315,744 | 267,867,607 |
| Employee Benefits | 58,656,146 | 59,584,573 | 60,423,402 | 68,252,486 | 73,040,733 | 81,608,024 | 97,524,588 | 101,192,922 | 94,580,845 | 90,124,480 |
| Purchased Services | 18,320,795 | 20,368,252 | 20,320,928 | 20,202,723 | 22,570,438 | 24,576,460 | 28,807,862 | 28,143,275 | 29,013,330 | 29,265,369 |
| Energy Services | 8,709,806 | 9,027,676 | 8,894,687 | 9,658,643 | 10,672,096 | 13,480,448 | 15,408,200 | 15,999,810 | 14,360,729 | 13,272,839 |
| Material and Supplies | 11,354,315 | 11,670,364 | 12,055,092 | 11,823,202 | 14,341,342 | 14,427,880 | 15,023,624 | 14,764,697 | 12,773,361 | 8,069,811 |
| Capital Outlay | 2,620,645 | 1,696,459 | 1,397,228 | 1,334,263 | 2,298,578 | 1,608,353 | 1,578,945 | 1,105,556 | 1,570,475 | 586,738 |
| Other Expenditures | 4,191,320 | 4,754,943 | 5,256,492 | 4,639,383 | 4,548,046 | 5,465,514 | 6,311,910 | 5,983,774 | 5,965,326 | 5,906,717 |
| Total expenditures | 324,294,638 | 331,729,031 | 344,899,477 | 359,833,542 | 390,071,514 | 429,364,394 | 483,737,717 | 491,585,143 | 452,579,810 | 415,093,561 |

Excess (deficiency) of revenues

| | | | | | | | | | | |
|---------------------------|-------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|-----------|
| over (under) expenditures | (5,303,212) | (17,008,624) | (10,599,303) | (1,081,456) | (6,791,639) | (15,487,821) | (27,193,465) | (15,182,028) | (12,021,900) | 4,314,427 |
|---------------------------|-------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|-----------|

Other financing sources (OFS), net

| | | | | | | | | | | |
|--|-----------|------------|------------|------------|-----------|------------|------------|------------|------------|------------|
| | 8,350,913 | 11,424,664 | 11,908,499 | 11,122,131 | 7,515,691 | 12,471,373 | 15,670,594 | 17,008,315 | 16,843,023 | 19,876,245 |
|--|-----------|------------|------------|------------|-----------|------------|------------|------------|------------|------------|

Excess (deficiency) of revenues

| | | | | | | | | | | |
|--|-----------|-------------|-----------|------------|---------|-------------|--------------|-----------|-----------|------------|
| and other sources over/(under) expenditures and other uses | 3,047,701 | (5,583,960) | 1,309,196 | 10,040,675 | 724,052 | (3,016,448) | (11,522,871) | 1,826,287 | 4,821,123 | 24,190,672 |
|--|-----------|-------------|-----------|------------|---------|-------------|--------------|-----------|-----------|------------|

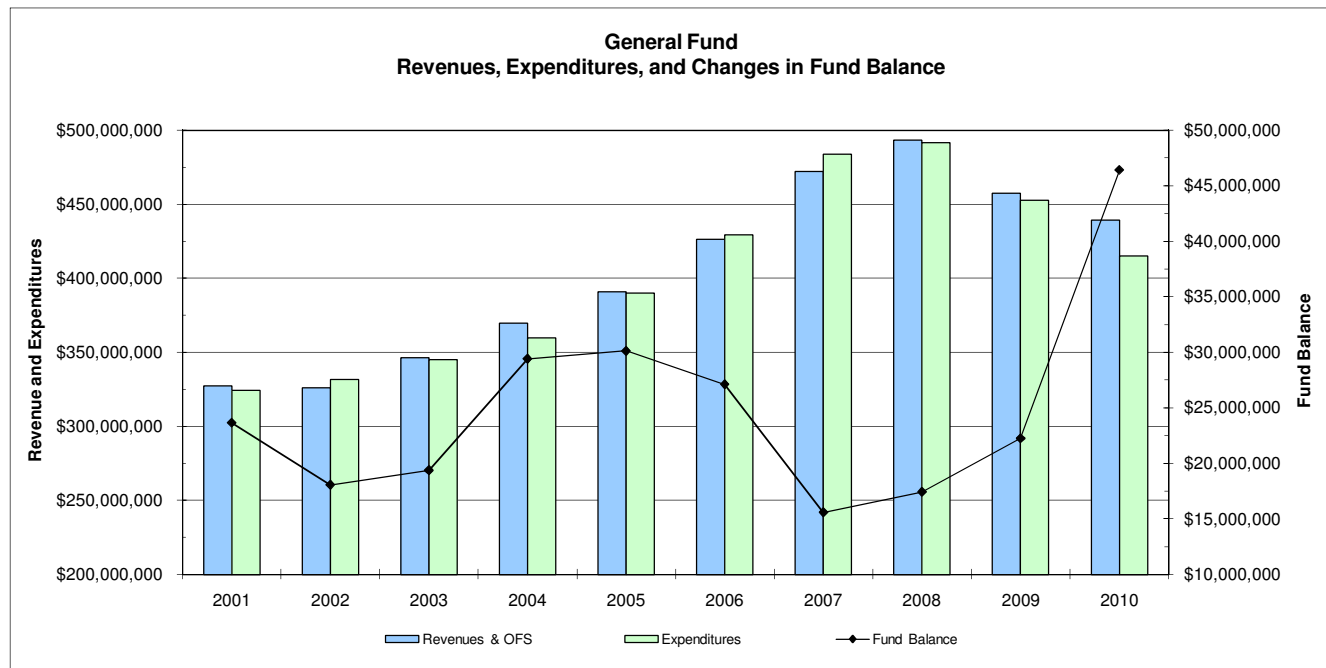
Beginning fund balance

| | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 20,589,007 | 23,636,708 | 18,052,748 | 19,361,944 | 29,402,619 | 30,126,671 | 27,110,223 | 15,587,352 | 17,413,639 | 22,234,762 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|

Ending fund balance

| | | | | | | | | | | |
|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ | 23,636,708 | 18,052,748 | 19,361,944 | 29,402,619 | 30,126,671 | 27,110,223 | 15,587,352 | 17,413,639 | 22,234,762 | 46,425,434 |
|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

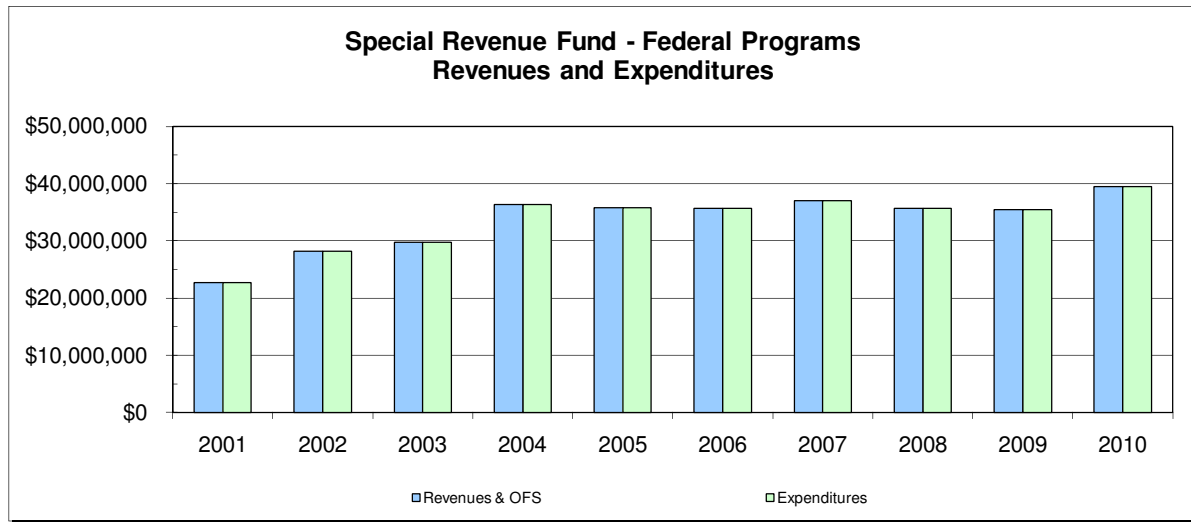
Source: District records



District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balance -
Contracted Federal Programs - Special Revenue Fund
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Federal sources: | | | | | | | | | | |
| Federal direct | \$ 1,323,428 | \$ 2,496,151 | \$ 1,201,918 | \$ - | \$ 742,021 | \$ 328,808 | \$ 329,446 | \$ 9,635 | \$ - | \$ 325,686 |
| Other Federal grants | 21,405,225 | 23,648,922 | 28,605,679 | 36,360,148 | 34,450,345 | 35,373,330 | 36,763,863 | 35,706,057 | 35,438,574 | 39,234,772 |
| Total Federal sources | 22,728,653 | 26,145,073 | 29,807,597 | 36,360,148 | 35,192,366 | 35,702,138 | 37,093,309 | 35,715,692 | 35,438,574 | 39,560,458 |
| Total revenues | 22,728,653 | 26,145,073 | 29,807,597 | 36,360,148 | 35,192,366 | 35,702,138 | 37,093,309 | 35,715,692 | 35,438,574 | 39,560,458 |
| Expenditures: (by object) | | | | | | | | | | |
| Salaries | 10,621,797 | 13,367,801 | 16,307,803 | 19,040,022 | 19,782,737 | 20,245,125 | 21,617,249 | 21,115,588 | 21,139,471 | 22,227,402 |
| Employee Benefits | 2,684,798 | 3,504,806 | 4,053,751 | 5,139,723 | 5,283,160 | 5,376,460 | 6,145,698 | 5,986,641 | 5,934,315 | 6,627,088 |
| Purchased Services | 3,270,861 | 4,427,640 | 3,353,306 | 3,801,516 | 3,574,909 | 4,421,211 | 5,600,147 | 4,821,051 | 5,171,420 | 6,776,635 |
| Energy Services | 2,912 | 2,051 | 5,321 | 6,836 | 5,535 | 4,945 | 6,197 | 15,439 | 8,562 | 3,049 |
| Material and Supplies | 1,530,817 | 1,600,859 | 2,451,006 | 2,365,753 | 2,222,667 | 2,194,212 | 1,330,029 | 1,368,600 | 1,011,583 | 1,095,870 |
| Capital Outlay | 3,000,972 | 2,940,841 | 1,282,679 | 3,526,697 | 2,197,162 | 778,488 | 568,212 | 321,640 | 300,635 | 500,195 |
| Other expenditures | 1,616,496 | 2,368,948 | 2,353,731 | 2,479,601 | 2,761,896 | 2,681,697 | 1,825,777 | 2,086,733 | 1,872,588 | 2,330,219 |
| Total expenditures | 22,728,653 | 28,212,946 | 29,807,597 | 36,360,148 | 35,828,066 | 35,702,138 | 37,093,309 | 35,715,692 | 35,438,574 | 39,560,458 |
| Deficiency of revenues under expenditures | - | (2,067,873) | - | - | (635,700) | - | - | - | - | - |
| Other financing sources (OFS), net | - | 2,067,873 | - | - | 635,700 | - | - | - | - | - |
| Excess (deficiencies) of revenues and other sources over/(under) expenditures and other uses | - | - | - | - | - | - | - | - | - | - |
| Beginning fund balance | - | - | - | - | - | - | - | - | - | - |
| Ending fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Source: District records



District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balance -
American Recovery and Reinvestment Act (ARRA) Economic Stimulus Funds - Special Revenue Fund
Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|-------------|------|------|------|------|------|------|------|------|---------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 (1) |
| Federal sources: | | | | | | | | | | |
| Federal through State: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,672,418 |
| State Fiscal Stabilization Funds - K-12 | - | - | - | - | - | - | - | - | - | 7,632,332 |
| Individuals with Disabilities Education Act (IDEA) | - | - | - | - | - | - | - | - | - | 7,837,593 |
| Elementary and Secondary Education Act, Title I | - | - | - | - | - | - | - | - | - | 1,759,091 |
| Other Federal through State | - | - | - | - | - | - | - | - | - | 37,901,434 |
| Total Federal sources | - | - | - | - | - | - | - | - | - | 37,901,434 |
| Total revenues | | | | | | | | | | |
| Expenditures: (by object) | - | - | - | - | - | - | - | - | - | 26,033,600 |
| Salaries | - | - | - | - | - | - | - | - | - | 8,124,283 |
| Employee Benefits | - | - | - | - | - | - | - | - | - | 1,395,036 |
| Purchased Services | - | - | - | - | - | - | - | - | - | 9,404 |
| Energy Services | - | - | - | - | - | - | - | - | - | 504,544 |
| Material and Supplies | - | - | - | - | - | - | - | - | - | 149,820 |
| Capital Outlay | - | - | - | - | - | - | - | - | - | 1,684,747 |
| Other expenditures | - | - | - | - | - | - | - | - | - | 37,901,434 |
| Total expenditures | - | - | - | - | - | - | - | - | - | - |
| Deficiency of revenues under expenditures | - | - | - | - | - | - | - | - | - | - |
| Other financing sources (OFS), net | | | | | | | | | | |
| Excess (deficiencies) of revenues and other sources over/(under) expenditures and other uses | - | - | - | - | - | - | - | - | - | - |
| Beginning fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Ending fund balance | | | | | | | | | | |

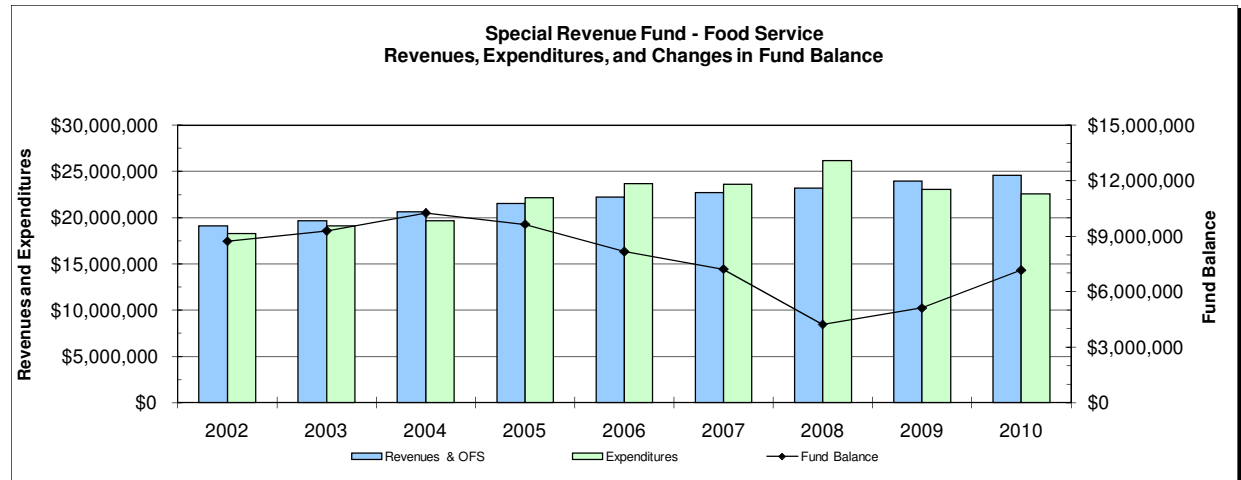
(1) Fiscal year ending June 30, 2010 was the first year the District received ARRA Economic Stimulus Funds.

Source: District records

District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balances -
Food Service - Special Revenue Fund
Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Federal sources: | | | | | | | | | | |
| Federal Direct | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| National School Lunch Act | 8,486,953 | 9,037,945 | 9,230,160 | 9,823,863 | 11,088,031 | 11,037,592 | 11,581,206 | 12,537,272 | 13,496,814 | 15,183,409 |
| U S D A donated commodities | 1,062,091 | 1,284,334 | 1,325,631 | 1,390,944 | 1,570,255 | 1,557,977 | 1,369,881 | 1,433,517 | 1,527,981 | 1,287,042 |
| Other | - | - | 321,450 | 365,671 | 346,384 | 417,788 | 514,957 | 426,670 | 244,577 | 442,023 |
| Total Federal sources | 9,549,044 | 10,322,279 | 10,877,241 | 11,580,478 | 13,004,670 | 13,013,357 | 13,466,044 | 14,397,459 | 15,269,372 | 16,912,474 |
| State sources: | | | | | | | | | | |
| Food service supplements and other | 339,687 | 353,532 | 361,876 | 351,328 | 342,041 | 342,115 | 369,561 | 362,407 | 370,163 | 352,971 |
| Total State sources | 339,687 | 353,532 | 361,876 | 351,328 | 342,041 | 342,115 | 369,561 | 362,407 | 370,163 | 352,971 |
| Local sources: | | | | | | | | | | |
| Food service sales | 7,891,657 | 8,258,942 | 8,325,364 | 8,580,715 | 7,711,022 | 8,680,020 | 8,588,774 | 8,311,879 | 8,274,426 | 7,326,777 |
| Interest income and other | 299,346 | 161,742 | 109,747 | 130,846 | 175,809 | 162,134 | 248,174 | 78,636 | 12,795 | 18,214 |
| Total local sources | 8,191,003 | 8,420,684 | 8,435,111 | 8,711,561 | 7,886,831 | 8,842,154 | 8,836,948 | 8,390,515 | 8,287,221 | 7,344,991 |
| Total revenues | 18,079,734 | 19,096,495 | 19,674,228 | 20,643,367 | 21,233,542 | 22,197,626 | 22,672,553 | 23,150,381 | 23,926,756 | 24,610,436 |
| Expenditures: (by object) | | | | | | | | | | |
| Salaries | 6,012,200 | 6,742,306 | 6,732,236 | 7,082,409 | 7,698,012 | 7,820,043 | 8,433,202 | 8,840,991 | 7,660,435 | 7,503,284 |
| Employee Benefits | 2,326,352 | 2,720,063 | 2,808,870 | 3,218,243 | 3,428,315 | 3,779,940 | 4,277,459 | 4,789,422 | 4,381,577 | 4,507,046 |
| Purchased Services | 653,859 | 677,276 | 776,412 | 752,833 | 795,948 | 707,022 | 790,928 | 1,113,144 | 840,360 | 854,779 |
| Energy Services | 56,457 | 74,530 | 64,490 | 69,858 | 76,498 | 90,397 | 99,781 | 102,207 | 105,910 | 92,725 |
| Material and Supplies | 6,989,892 | 6,907,412 | 7,826,693 | 7,313,436 | 7,595,629 | 8,476,973 | 8,763,532 | 9,963,537 | 9,227,392 | 8,750,485 |
| Capital Outlay | 631,653 | 581,054 | 405,658 | 618,474 | 1,820,130 | 2,212,246 | 686,307 | 676,777 | 146,748 | 139,913 |
| Other expenditures | 533,868 | 610,081 | 516,336 | 640,338 | 755,317 | 613,399 | 580,603 | 657,345 | 686,846 | 718,880 |
| Total expenditures | 17,204,281 | 18,312,722 | 19,130,695 | 19,695,591 | 22,169,849 | 23,700,020 | 23,631,812 | 26,143,423 | 23,049,268 | 22,567,112 |
| Excess/(Deficiency) of revenues over/(under) expenditures | 875,453 | 783,773 | 543,533 | 947,776 | (936,307) | (1,502,394) | (959,259) | (2,993,042) | 877,488 | 2,043,324 |
| Other financing sources (OFS), net | 13,946 | 15,628 | 13,507 | 13,460 | 323,960 | 33,714 | 13,439 | 13,598 | 6,955 | - |
| Excess (deficiency) of revenues and other sources over/(under) expenditures and other uses | 889,399 | 799,401 | 557,040 | 961,236 | (612,347) | (1,468,680) | (945,820) | (2,979,444) | 884,443 | 2,043,324 |
| Beginning fund balance | 7,033,774 | 7,923,173 | 8,722,574 | 9,279,614 | 10,240,850 | 9,628,503 | 8,159,823 | 7,214,003 | 4,234,559 | 5,119,002 |
| Ending fund balance | \$ 7,923,173 | \$ 8,722,574 | \$ 9,279,614 | \$ 10,240,850 | \$ 9,628,503 | \$ 8,159,823 | \$ 7,214,003 | \$ 4,234,559 | \$ 5,119,002 | \$ 7,162,326 |

Source: District records



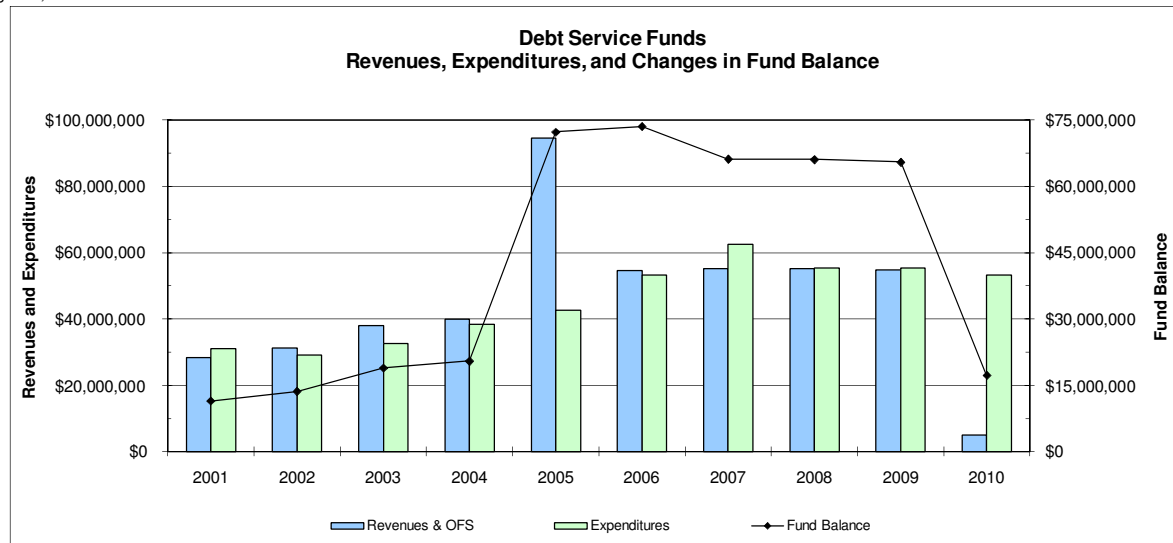
District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balances -
Debt Service Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|---------------------------|----------------------|-----------------------|----------------------|----------------------|--------------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| State sources: | | | | | | | | | | |
| CO&DS withheld for SBE/COBI bonds | \$ 1,994,353 | \$ 2,000,174 | \$ 2,005,000 | \$ 2,054,986 | \$ 2,043,049 | \$ 2,045,260 | \$ 1,990,350 | \$ 1,989,012 | \$ 1,967,429 | \$ 1,958,867 |
| SBE/COBI bond interest | 22,603 | 11,388 | 4,576 | 4,385 | 4,303 | 16,031 | 15,054 | 17,551 | 586 | 1,142 |
| Total State sources | 2,016,956 | 2,011,562 | 2,009,576 | 2,059,371 | 2,047,352 | 2,061,291 | 2,005,404 | 2,006,563 | 1,968,015 | 1,960,009 |
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | 12,453,886 | 10,359,570 | 9,707,724 | 9,980,321 | 10,320,982 | 9,434,299 | 32,424 ^(b) | 9,178 | - | - |
| Interest income and other | 621,421 | 174,828 | 187,987 | 221,697 | 1,312,935 | 904,357 | 4,108,075 | 4,185,999 | 1,351,878 | 22,418 |
| Other local sources | 2,247 | 483 | 825 | - | - | - | - | - | - | - |
| Total local sources | 13,077,554 | 10,534,881 | 9,896,536 | 10,202,018 | 11,633,917 | 10,338,656 | 4,140,499 | 4,195,177 | 1,351,878 | 22,418 |
| Total revenues | 15,094,510 | 12,546,443 | 11,906,112 | 12,261,389 | 13,681,269 | 12,399,947 | 6,145,903 | 6,201,740 | 3,319,893 | 1,982,427 |
| Expenditures: (by object) | | | | | | | | | | |
| Debt service: | | | | | | | | | | |
| Principal | 19,702,990 | 17,160,736 | 17,490,428 | 23,812,191 | 25,360,000 | 29,585,000 | 34,835,000 | 26,335,000 | 27,305,000 | 28,885,000 |
| Interest and fiscal charges | 11,352,901 | 12,008,261 | 15,223,630 | 14,519,995 | 17,313,309 | 23,728,844 | 27,804,895 | 29,062,071 | 28,140,292 | 24,382,958 |
| Total expenditures | 31,055,891 | 29,168,997 | 32,714,058 | 38,332,186 | 42,673,309 | 53,313,844 | 62,639,895 | 55,397,071 | 55,445,292 | 53,267,958 |
| Deficiency of revenues under expenditures | (15,961,381) | (16,622,554) | (20,807,946) | (26,070,797) | (28,992,040) | (40,913,897) | (56,493,992) | (49,195,331) | (52,125,399) | (51,285,531) |
| Other financing sources (OFS), net | 13,231,367 | 18,791,853 | 26,084,822 | 27,626,603 | 80,869,258 ^(a) | 42,151,345 | 49,115,032 | 49,083,346 | 51,532,893 | 3,043,190 ^(a) |
| Excess (deficiency) of revenues and other sources over/(under) expenditures and other uses | (2,730,014) | 2,169,299 | 5,276,876 | 1,555,806 | 51,877,218 | 1,237,448 | (7,378,960) | (111,985) | (592,506) | (48,242,341) |
| Beginning fund balances | 14,226,460 | 11,496,446 | 13,665,745 | 18,942,621 | 20,498,427 | 72,375,645 | 73,613,093 | 66,234,133 | 66,122,148 | 65,529,642 |
| Ending fund balances | \$ 11,496,446 | \$ 13,665,745 | \$ 18,942,621 | \$ 20,498,427 | \$ 72,375,645 | \$ 73,613,093 | \$ 66,234,133 | \$ 66,122,148 | \$ 65,529,642 | \$ 17,287,301 |

^(a) On March 10, 2005, the District issued crossover refunding Certificates of Participation, Series 2005B, in the amount of \$47,180,000. The crossover refunding occurred on August 1, 2009.

^(b) Final payment on the General Obligation Bond was made on August 1, 2006.

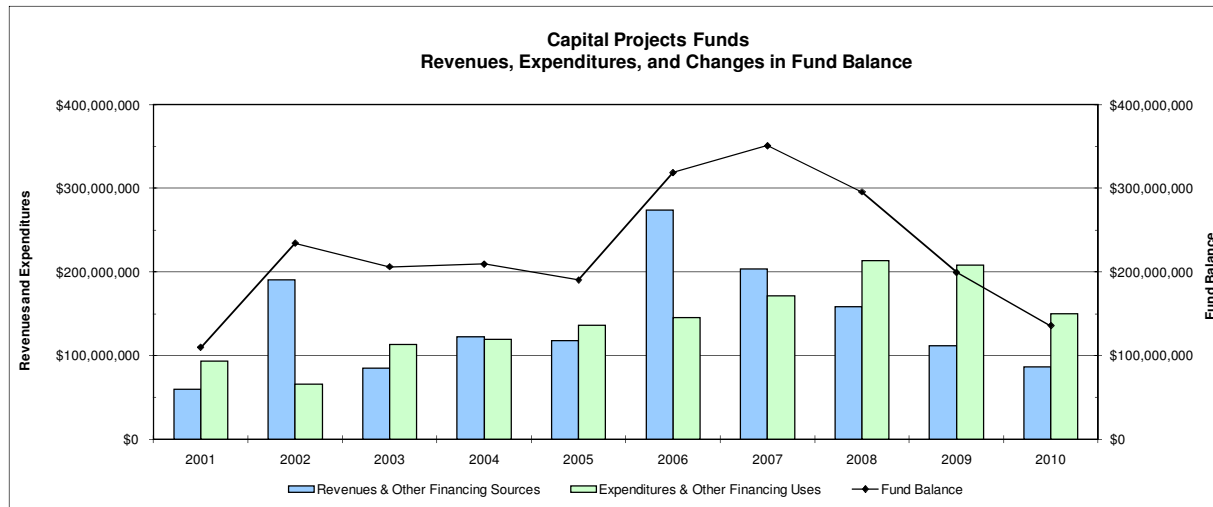
Source: District records



District School Board of Volusia County, Florida
Summary of Revenues and Expenditures (by Major Object) and Changes in Fund Balances -
Capital Projects Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| State sources: | | | | | | | | | | |
| CO&DS distributed to district | \$ 256,246 | \$ 256,524 | \$ 286,512 | \$ 292,487 | \$ 369,562 | \$ 385,554 | \$ 421,331 | \$ 395,223 | \$ 329,530 | \$ 297,831 |
| Interest on undistributed CO&DS | 49,433 | 51,868 | 44,335 | 22,789 | 30,055 | 32,190 | 60,361 | 56,636 | 24,971 | 26,830 |
| Public Education Capital Outlay | 6,073,915 | 8,669,518 | 5,251,919 | 5,113,210 | 4,577,767 | 5,721,539 | 8,395,562 | 9,126,330 | 4,049,200 | 953,879 |
| Classrooms first program | - | - | - | - | - | - | - | - | - | - |
| School infrastructure thrift | 1,587,741 | 80,858 | - | - | - | - | - | - | - | - |
| Class size reduction | 249,472 | - | - | 4,670,960 | 11,241,124 | 1,867,621 | 17,488,878 | 10,107,881 | - | - |
| Effort index grant | 7,383,671 | - | - | - | - | - | - | - | - | - |
| Charter school capital outlay funding | 246,264 | 111,529 | 100,296 | 82,488 | 73,427 | 77,810 | 136,791 | 132,278 | 390,295 | 405,110 |
| Other State sources | 145,324 | 109,103 | 113,960 | 100,771 | 86,391 | 108,052 | 115,699 | 117,420 | 110,008 | 104,450 |
| Total State sources | 15,992,066 | 9,279,400 | 5,797,022 | 10,282,705 | 16,378,326 | 8,192,766 | 26,618,622 | 19,935,768 | 4,904,004 | 1,788,100 |
| Local sources: | | | | | | | | | | |
| Ad valorem taxes | 31,767,238 | 33,944,965 | 37,154,597 | 42,184,063 | 48,357,584 | 58,101,772 | 73,918,961 | 79,404,284 | 67,599,348 | 48,988,701 |
| Sales tax | - | 15,063,254 | 30,747,285 | 34,135,494 | 34,774,547 | 37,737,410 | 35,956,023 | 33,948,264 | 30,299,663 | 29,781,220 |
| Interest income and other | 6,899,972 | 5,013,294 | 4,056,641 | 3,024,225 | 3,499,816 | 8,711,023 | 14,883,331 | 11,510,403 | 5,347,962 | 1,127,524 |
| Impact fees | 4,326,504 | 4,955,535 | 5,877,411 | 8,256,841 | 13,722,905 | 10,452,455 | 14,662,357 | 13,608,727 | 3,779,704 | 4,840,676 |
| Contribution | - | - | 1,250,000 | 416,666 | 416,666 | 416,666 | - | - | - | - |
| Local grants and other local sources | 723,434 | 78,451 | 521,597 | 716,988 | 600,873 | 780,363 | 302,158 | 41,459 | 36,799 | 227,704 |
| Total local sources | 43,717,148 | 59,055,499 | 79,607,531 | 88,734,277 | 101,372,391 | 116,199,689 | 139,722,830 | 138,513,137 | 107,063,476 | 84,965,825 |
| Total revenues | 59,709,214 | 68,334,899 | 85,404,553 | 99,016,982 | 117,750,717 | 124,392,455 | 166,341,452 | 158,448,905 | 111,967,480 | 86,753,925 |
| Expenditures: (by object) | | | | | | | | | | |
| Capital Outlay | | | | | | | | | | |
| Library books | 144,097 | 175,973 | 12,504 | 72,315 | 174,716 | 469,601 | 172,693 | 351,478 | 89,210 | 224,201 |
| Audio visual materials | 47,145 | 73,467 | 3,702 | 21,384 | 31,770 | 99,599 | 71,483 | 201,706 | 334,032 | 123,773 |
| Buildings and fixed equipment | 37,386,637 | 33,403,968 | 32,954,758 | 59,576,859 | 62,543,427 | 80,794,147 | 104,916,867 | 90,182,821 | 78,418,224 | 41,696,420 |
| Furniture, fixtures, and equipment | 9,131,465 | 9,029,547 | 8,626,214 | 14,388,824 | 17,922,772 | 13,314,589 | 18,717,198 | 12,838,913 | 15,714,906 | 9,780,120 |
| Motor vehicles | 1,901,301 | 2,862,856 | 3,097,913 | 3,675,665 | 5,044,651 | 4,498,042 | 5,440,798 | 5,165,325 | 3,221,560 | - |
| Land | 2,330,191 | 3,159,872 | 4,385,479 | 3,531,905 | 9,415,481 | 6,965,387 | 1,603,444 | 237,454 | 202,436 | 617,612 |
| Improvements other than buildings | 2,733,732 | 1,965,946 | 3,931,701 | 4,822,451 | 8,378,969 | 11,077,559 | 6,354,182 | 14,781,022 | 15,968,740 | 13,539,009 |
| Remodeling and renovations | 24,350,080 | 14,687,095 | 21,315,621 | 31,865,736 | 31,692,317 | 27,657,705 | 32,090,156 | 24,267,829 | 23,389,723 | 12,531,166 |
| Computer software | 2,863,869 | 708,953 | 1,556,309 | 1,515,037 | 591,620 | 849,452 | 2,278,923 | 668,093 | 419,274 | 1,525,756 |
| Debt service | - | - | - | 1,246 | - | 1,107 | 1,323 | 1,156 | 1,187 | - |
| Total expenditures | 80,888,517 | 66,067,677 | 75,884,201 | 119,471,422 | 135,795,723 | 145,727,188 | 171,647,067 | 148,695,797 | 137,759,292 | 80,039,254 |
| Excess (deficiency) of revenues over/(under) expenditures | (21,179,303) | 2,267,222 | 9,520,352 | (20,454,440) | (18,045,006) | (21,334,733) | (5,305,615) | 9,753,108 | (25,791,812) | 6,714,671 |
| Other financing sources (uses), net | (12,412,634) | 122,161,771 | (37,746,539) | 23,754,783 | (849,479) | 149,582,555 | 37,421,870 | (64,988,207) | (70,389,745) | (70,239,623) |
| Excess (deficiency) of revenues and other sources over/(under) expenditures and other uses | (33,591,937) | 124,428,993 | (28,226,187) | 3,300,343 | (18,894,485) | 128,247,822 | 32,116,255 | (55,235,099) | (96,181,557) | (63,524,952) |
| Beginning fund balances | 143,465,653 | 109,873,716 | 234,302,709 | 206,076,522 | 209,376,865 | 190,482,380 | 318,730,202 | 350,846,457 | 295,611,358 | 199,429,801 |
| Ending fund balances | \$ 109,873,716 | \$ 234,302,709 | \$ 206,076,522 | \$ 209,376,865 | \$ 190,482,380 | \$ 318,730,202 | \$ 350,846,457 | \$ 295,611,358 | \$ 199,429,801 | \$ 135,904,849 |

Source: District records



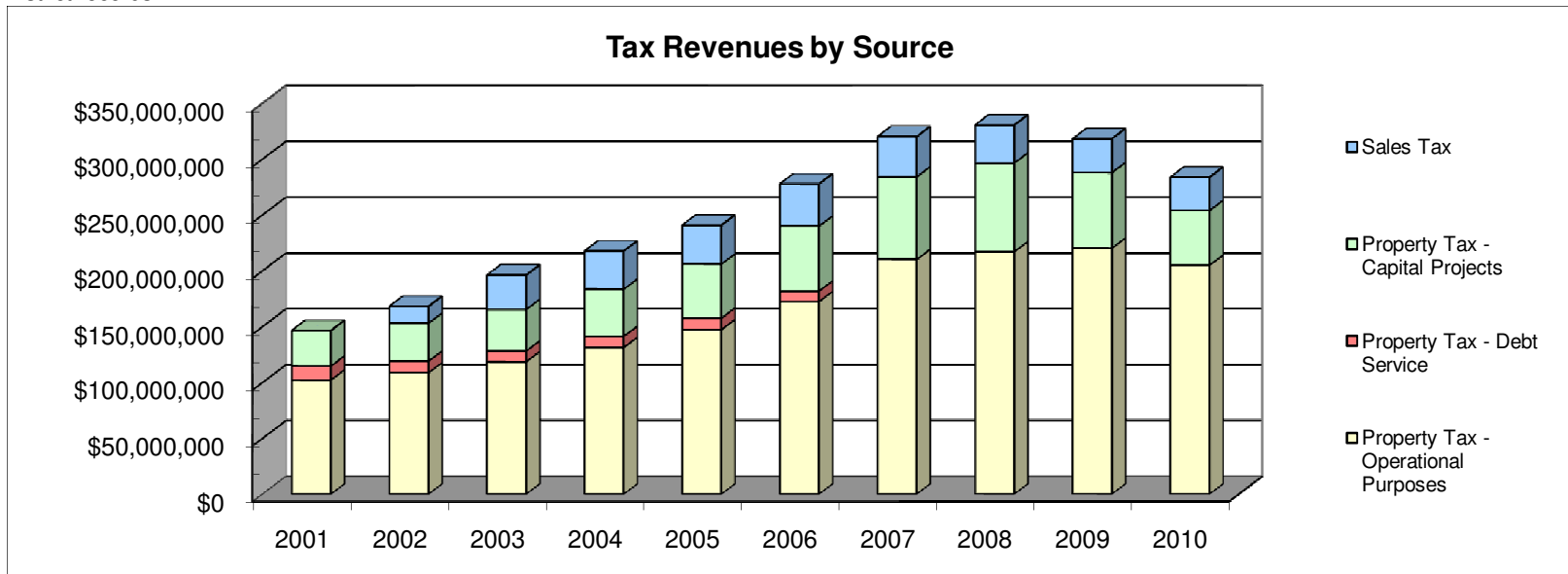
District School Board of Volusia County, Florida
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Unaudited)

| Fiscal Year | Property Tax | | | Sales Tax | Total |
|-------------|----------------------|---------------|------------------|----------------|----------------|
| | Operational Purposes | Debt Service | Capital Projects | | |
| 2001 | \$ 102,250,295 | \$ 12,453,886 | \$ 31,767,238 | \$ - | \$ 146,471,419 |
| 2002 | 108,752,183 | 10,359,570 | 33,944,965 | 15,063,254 (a) | 168,119,972 |
| 2003 | 118,508,547 | 9,707,724 | 37,154,597 | 30,747,285 | 196,118,153 |
| 2004 | 131,394,434 | 9,980,321 | 42,184,063 | 34,135,494 | 217,694,312 |
| 2005 | 147,307,956 | 10,320,982 | 48,357,584 | 34,774,547 | 240,761,069 |
| 2006 | 172,453,066 | 9,434,299 | 58,101,772 | 37,737,410 | 277,726,547 |
| 2007 | 210,137,155 | 32,424 (b) | 73,914,902 | 35,956,023 | 320,040,504 |
| 2008 | 217,062,977 | 9,178 | 79,398,963 | 33,948,264 | 330,419,382 |
| 2009 | 220,261,301 | - | 67,596,252 | 30,299,663 | 318,157,216 |
| 2010 | 204,979,478 | - | 48,988,701 | 29,781,220 | 283,749,399 |

(a) The discretionary sales surtax is effective for a 15-year period commencing January 1, 2002.

(b) Final payment on the General Obligation Bond was made on August 1, 2006.

Source: District records



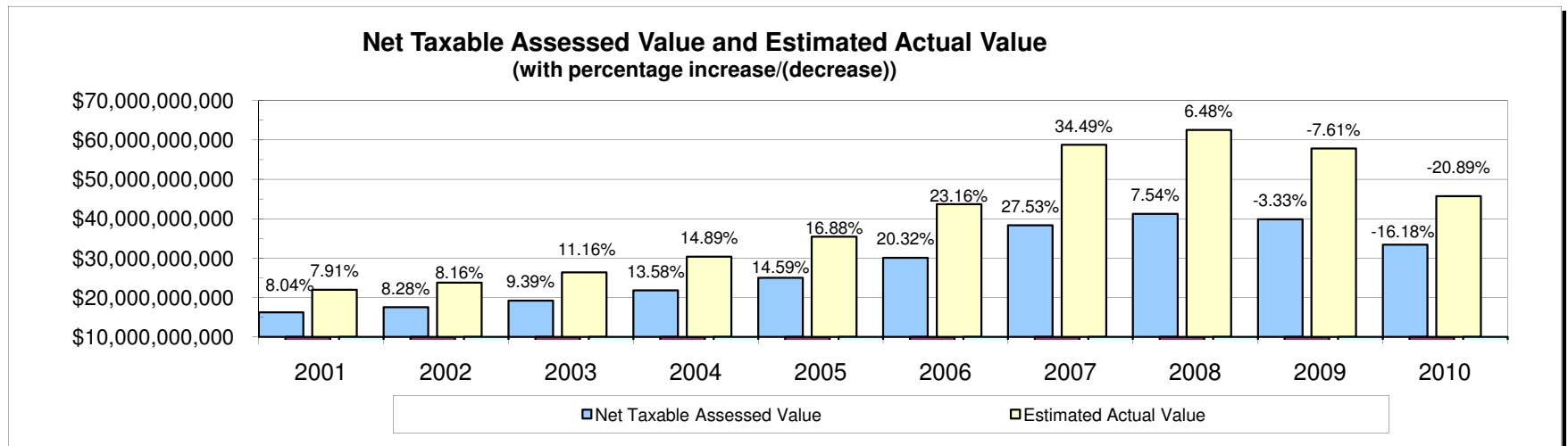
District School Board of Volusia County, Florida
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Estimated Actual Value | | | | Net Taxable Assessed Value | Assessed Value as a percentage of Actual Value | Direct Tax Rate ^(a) |
|-------------|------------------------|-------------------|-----------------------------|-------------------|----------------------------|--|--------------------------------|
| | Real Property | Personal Property | Centrally Assessed Property | Total | | | |
| 2001 | \$ 20,095,130,702 | \$ 1,836,648,477 | \$ 32,995,023 | \$ 21,964,774,202 | \$ 16,213,541,159 | 73.82% | 9.158 |
| 2002 | 21,808,216,859 | 1,917,427,116 | 32,012,534 | 23,757,656,509 | 17,556,233,921 | 73.90% | 9.015 |
| 2003 | 24,417,226,127 | 1,957,650,684 | 33,852,363 | 26,408,729,174 | 19,204,053,675 | 72.72% | 8.899 |
| 2004 | 28,045,286,601 | 2,253,282,007 | 41,430,814 | 30,339,999,422 | 21,812,579,151 | 71.89% | 8.699 |
| 2005 | 32,848,427,751 | 2,569,352,100 | 44,757,397 | 35,462,537,248 | 24,995,770,922 | 70.49% | 8.517 |
| 2006 | 40,950,203,731 | 2,687,197,220 | 38,987,947 | 43,676,388,898 | 30,073,908,112 | 68.86% | 8.259 |
| 2007 | 55,873,967,198 | 2,824,246,237 | 42,622,990 | 58,740,836,425 | 38,353,888,285 | 65.29% | 7.685 |
| 2008 | 59,551,507,024 | 2,950,223,431 | 48,157,003 | 62,549,887,458 | 41,247,558,469 | 65.94% | 7.467 |
| 2009 | 54,604,763,576 | 3,121,575,534 | 60,794,680 | 57,787,133,790 | 39,872,969,741 | 69.00% | 7.459 |
| 2010 | 42,628,835,879 | 3,039,004,503 | 49,409,346 | 45,717,249,728 | 33,419,579,301 | 73.10% | 7.805 |

Note: Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

(a) Per \$1,000 of assessed value

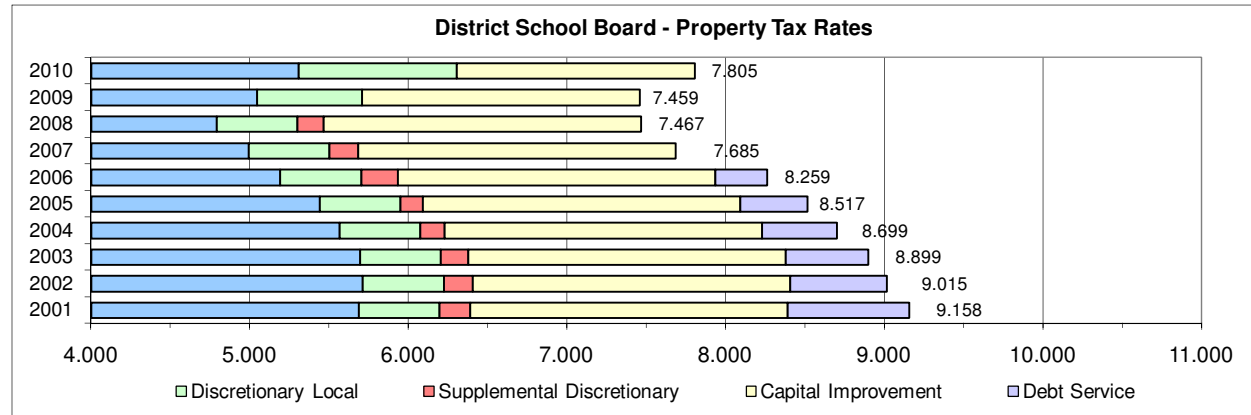
Source: Volusia County Property Appraiser



District School Board of Volusia County, Florida
Property Tax Rates -
Direct and Overlapping Governments
Last Ten Fiscal Years
(per \$1,000 of Taxable Valuation)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| District School Board: | | | | | | | | | | |
| Local Required Effort | 5.68700 | 5.71200 | 5.69500 | 5.56500 | 5.44100 | 5.19300 | 4.99300 | 4.79100 | 5.04500 | 5.30700 |
| Discretionary Local | 0.51000 | 0.51000 | 0.51000 | 0.51000 | 0.51000 | 0.51000 | 0.51000 | 0.51000 | 0.66400 | 0.99800 |
| Supplemental Discretionary | 0.19400 | 0.18400 | 0.17300 | 0.15200 | 0.14000 | 0.23200 | 0.18200 | 0.16600 | 0.00000 | 0.00000 |
| Capital Improvement | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 1.75000 | 1.50000 |
| Debt Service | 0.76700 | 0.60900 | 0.52100 | 0.47200 | 0.42600 | 0.32400 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| Total District School Board | 9.15800 | 9.01500 | 8.89900 | 8.69900 | 8.51700 | 8.25900 | 7.68500 | 7.46700 | 7.45900 | 7.80500 |
| St. Johns River Water Management | 0.04720 | 0.46200 | 0.46200 | 0.46200 | 0.46200 | 0.46200 | 0.46200 | 0.41580 | 0.41580 | 0.41580 |
| Florida Inland Navigation District | 0.04100 | 0.03850 | 0.03850 | 0.03850 | 0.03850 | 0.03850 | 0.03850 | 0.03450 | 0.03450 | 0.03450 |
| County of Volusia | 6.36700 | 6.60400 | 6.60400 | 6.60400 | 6.60400 | 6.29400 | 5.13330 | 4.70334 | 5.40373 | 6.37434 |
| Municipalities: | | | | | | | | | | |
| Daytona Beach | 5.80579 | 6.79389 | 6.79389 | 6.70279 | 7.11333 | 7.08746 | 6.29458 | 5.46952 | 5.73347 | 5.79829 |
| Daytona Beach Shores | 3.94585 | 3.68231 | 3.68231 | 4.08231 | 4.08231 | 3.83700 | 3.83700 | 4.02230 | 4.97985 | 6.39720 |
| Ormond Beach | 3.54023 | 3.33842 | 3.33842 | 3.33842 | 3.89438 | 4.15316 | 3.88240 | 3.44350 | 3.80968 | 3.80968 |
| Holly Hill | 5.09007 | 4.50000 | 4.50000 | 4.08002 | 4.08002 | 4.08002 | 4.08000 | 3.68177 | 4.88720 | 5.72580 |
| South Daytona | 4.59701 | 4.63900 | 4.63900 | 4.63900 | 5.65000 | 5.54659 | 4.80000 | 4.24930 | 4.92003 | 5.77810 |
| Deltona | 4.19800 | 4.19800 | 4.19800 | 4.19800 | 4.19800 | 4.15000 | 4.01451 | 3.28370 | 4.15329 | 5.43755 |
| Port Orange | 4.59372 | 4.57562 | 4.57562 | 4.37904 | 4.86479 | 4.85850 | 5.08508 | 4.41780 | 5.02140 | 5.10020 |
| New Smyrna Beach | 4.99000 | 5.10000 | 5.10000 | 5.10000 | 5.10000 | 4.81189 | 3.74303 | 3.47811 | 3.51304 | 3.99990 |
| Edgewater | 5.95000 | 6.95000 | 6.95000 | 6.95000 | 6.45000 | 6.51000 | 5.73170 | 5.22710 | 5.93304 | 6.39820 |
| Ponce Inlet | 4.87800 | 4.77800 | 4.77800 | 4.57800 | 4.57800 | 4.37800 | 4.09500 | 3.74400 | 4.17500 | 4.03000 |
| Oak Hill | 4.95970 | 4.33500 | 4.33500 | 4.68590 | 5.26790 | 5.26790 | 5.06260 | 4.74950 | 4.57400 | 5.79900 |
| Pierson | 5.27568 | 5.00000 | 5.00000 | 4.70124 | 4.34024 | 3.80904 | 3.06694 | 2.83586 | 3.60575 | 4.80240 |
| DeLand | 6.44700 | 6.40500 | 6.40500 | 6.46900 | 6.46900 | 6.03770 | 5.78770 | 4.75549 | 5.25118 | 6.23940 |
| Orange City | 5.37949 | 5.21700 | 5.21700 | 4.87506 | 4.87508 | 4.87506 | 4.87506 | 4.38237 | 4.48000 | 5.19530 |
| Lake Helen | 5.20000 | 5.20000 | 5.20000 | 5.20000 | 5.20000 | 5.20000 | 5.20000 | 4.20000 | 4.20000 | 5.21800 |
| Debary | 2.58760 | 2.50746 | 2.50746 | 2.50746 | 2.50746 | 2.50746 | 3.00000 | 2.57279 | 2.57279 | 2.57279 |
| Unincorporated Areas: | | | | | | | | | | |
| Municipal Service District | 1.69100 | 1.69100 | 1.69100 | 1.69100 | 1.69100 | 1.69100 | 1.00880 | 1.21825 | 1.40228 | 1.87829 |
| Special Other Districts: | | | | | | | | | | |
| Independent | 7.60246 | 7.24449 | 7.24449 | 7.42000 | 8.15000 | 7.90000 | 7.22810 | 6.93068 | 7.57018 | 8.59370 |
| Dependent | 2.85600 | 2.84620 | 2.84620 | 3.22100 | 3.71780 | 3.58730 | 3.27330 | 3.04139 | 3.50185 | 3.98568 |

Source: Volusia County Finance Department



**District School Board of Volusia County, Florida
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)**

| Taxpayer | Type of Business | Fiscal Year | | | | | |
|-----------------------------------|---------------------------|--------------------------|------|--------------------------------------|--------------------------|------|--------------------------------------|
| | | 2009-2010 | | | 2000-2001 | | |
| | | 2009 Taxable Value | Rank | Percent of Total Taxable Value | 2000 Taxable Value | Rank | Percent of Total Taxable Value |
| Florida Power and Light Co. | Electric Utility | \$ 872,219,649 | 1 | 2.62% | \$ 253,425,482 | 1 | 1.56% |
| Florida Power Corporation | Electric Utility | 211,012,983 | 2 | 0.63% | 200,900,258 | 2 | 1.24% |
| BellSouth Telecommunication, Inc. | Telephone | 145,975,105 | 3 | 0.44% | 181,223,321 | 3 | 1.12% |
| Tower II Development Co., LLC | Real Estate Development | 92,103,126 | 4 | 0.28% | - | - | - |
| Wal Mart Stores, Inc. | Retail Sales | 90,322,716 | 5 | 0.27% | 28,208,139 | 6 | 0.17% |
| Holly Hill I Associates, LTD | Real Estate Development | 77,960,891 | 6 | 0.23% | - | - | - |
| Bright House Networks, LLC | Entertainment/Cablevision | 77,742,186 | 7 | 0.23% | - | - | - |
| Covidien, LTD | Manufacturing | 75,626,207 | 8 | 0.23% | - | - | - |
| Gepa Hotel Owner DB LLC | Real Estate Development | 60,628,344 | 9 | 0.18% | - | - | - |
| Volusia Mall LLC | Retail Sales/Mall | 60,272,935 | 10 | 0.18% | - | - | - |
| International Speedway Corp. | Recreation | - | - | - | 49,927,722 | 5 | 0.31% |
| Auqa Sun Investments | Investments | - | - | - | 73,870,393 | 4 | 0.46% |
| R.R. Donnelley & Sons Company | Advertising | - | - | - | 26,719,650 | 7 | 0.16% |
| Florida Water Services Company | Utility | - | - | - | 23,679,314 | 8 | 0.15% |
| Publix Supermarkets, Inc. | Retail Sales | - | - | - | 22,939,791 | 9 | 0.14% |
| Sprint Florida, Inc. | Telephone | - | - | - | 19,703,000 | 10 | 0.12% |
| All Other | | 31,534,307,989 | | 94.71% | 15,332,944,089 | | 94.57% |
| Total | | <u>\$ 33,298,172,131</u> | | <u>100.00%</u> | <u>\$ 16,213,541,159</u> | | <u>100.00%</u> |

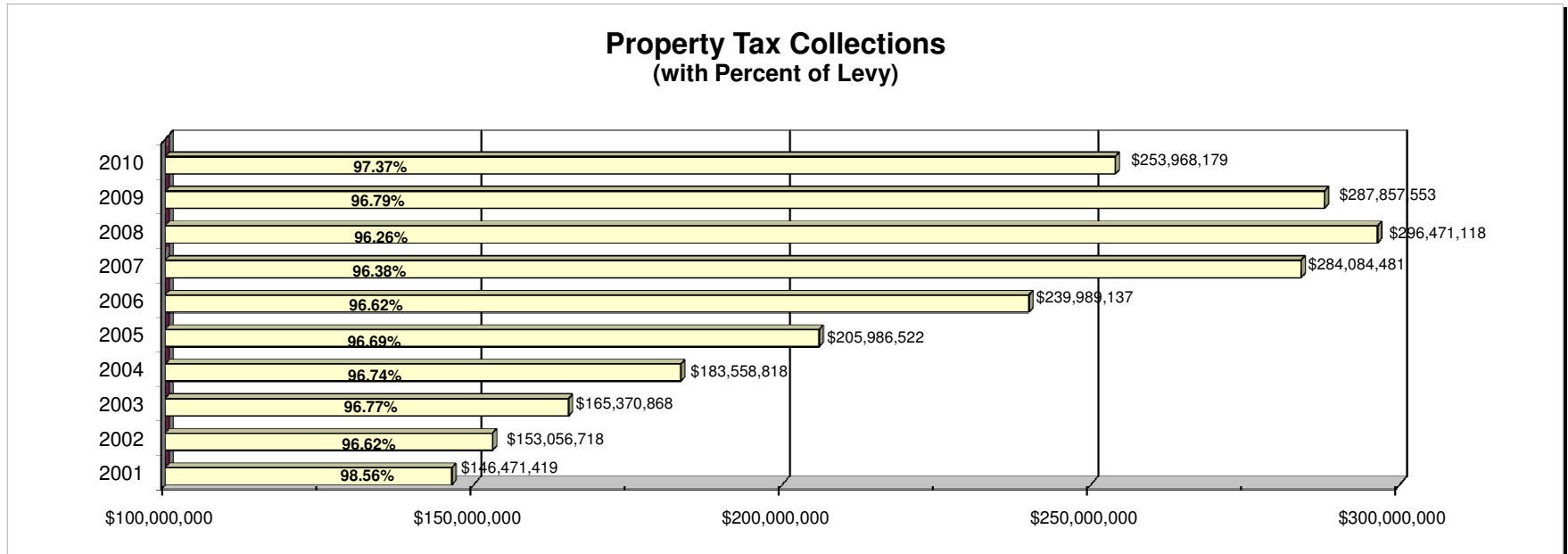
Page 116

**District School Board of Volusia County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

| 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 |
| 2001 | \$ 148,613,005 | \$ 142,733,380 | 96.04% | \$ 3,738,039 ^(a) | \$ 146,471,419 | 98.56% |
| 2002 | 158,407,987 | 152,271,422 | 96.13% | 785,296 | 153,056,718 | 96.62% |
| 2003 | 170,896,874 | 164,314,913 | 96.08% | 1,055,955 | 165,370,868 | 96.77% |
| 2004 | 189,747,625 | 182,469,968 | 96.16% | 1,088,850 | 183,558,818 | 96.74% |
| 2005 | 213,028,390 | 204,916,363 | 96.19% | 1,070,159 | 205,986,522 | 96.69% |
| 2006 | 248,380,407 | 239,054,613 | 96.25% | 934,524 | 239,989,137 | 96.62% |
| 2007 | 294,749,632 | 283,541,002 | 96.20% | 543,479 | 284,084,481 | 96.38% |
| 2008 | 307,995,520 | 296,033,719 | 96.12% | 437,399 | 296,471,118 | 96.26% |
| 2009 | 297,412,481 | 285,800,043 | 96.10% | 2,057,510 | 287,857,553 | 96.79% |
| 2010 | 260,839,816 | 251,851,164 | 96.55% | 2,117,015 | 253,968,179 | 97.37% |

^(a) Back taxes and interest were collected from a telephone company as a result of litigation.

Source: District records



District School Board of Volusia County, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

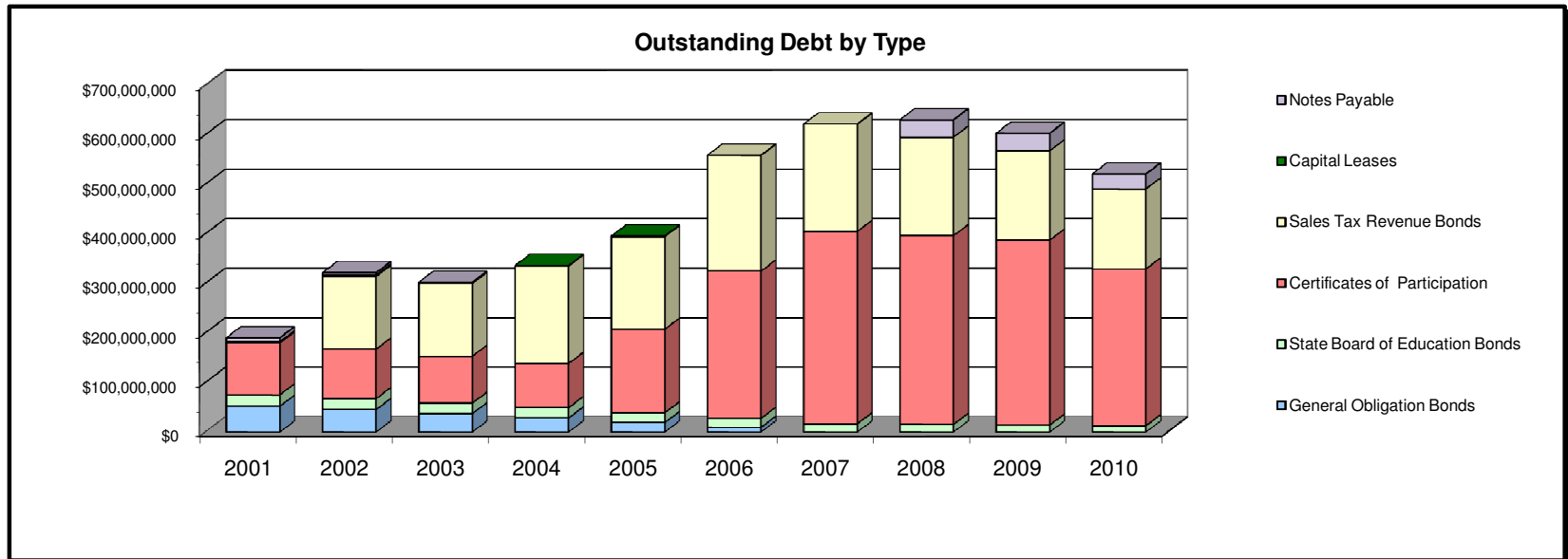
| Fiscal Year | Governmental Activities ^(A) | | | | | | Total Primary Government Debt Outstanding | Percentage of Personal Income ^(B) | Per Capita ^(C) |
|-------------|--|--------------------------------|-------------------------------|-------------------------|----------------|---------------|---|--|---------------------------|
| | General Obligation Bonds | State Board of Education Bonds | Certificates of Participation | Sales Tax Revenue Bonds | Capital Leases | Notes Payable | | | |
| 2001 | \$ 52,470,153 | \$ 23,035,000 | \$ 104,795,000 | \$ - | \$ 2,406,033 | \$ 7,743,355 | \$ 190,449,541 | 1.83% | \$ 421 |
| 2002 | 45,698,940 | 22,140,000 | 99,850,000 | 146,845,000 | 2,829,833 | 4,392,619 | 321,756,392 | 2.94% | 700 |
| 2003 | 37,460,455 | 21,210,000 | 94,695,000 | 146,845,000 | 1,335,570 | 897,191 | 302,443,216 | 2.66% | 642 |
| 2004 | 28,621,970 | 20,775,000 | 89,305,000 | 196,650,000 | 472,454 | - | 335,824,424 | 2.87% | 693 |
| 2005 | 19,423,485 | 19,735,000 | 168,850,000 | 186,835,000 | 635,700 | - | 395,479,185 | 3.16% | 800 |
| 2006 | 9,780,000 | 18,045,000 | 297,430,000 | 233,450,000 | - | - | 558,705,000 | 4.19% | 1,106 |
| 2007 | - | 16,890,000 | 388,380,000 | 216,575,000 | - | - | 621,845,000 | 4.20% | 1,224 |
| 2008 | - | 15,685,000 | 381,045,000 | 198,780,000 | - | 35,000,000 | 630,510,000 | 4.08% | 1,236 |
| 2009 | - | 14,445,000 | 373,375,000 | 180,385,000 | - | 35,000,000 | 603,205,000 | 3.91% | 1,186 |
| 2010 | - | 13,035,000 | 316,770,000 | 161,260,000 | - | 30,000,000 | 521,065,000 | 3.34% | 1,029 |

Source:

(A) District records

(B) Total Primary Government Debt Outstanding divided by Personal Income from Page 125.

(C) Total Primary Government Debt Outstanding divided by Population from Page 125.



District School Board of Volusia, County, Florida
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Population ⁽¹⁾ | Net Taxable Assessed Value | Gross Bonded Debt ⁽²⁾ | Less Debt Service Funds ⁽³⁾ | Net Bonded Debt | Ratio of Net General Bonded Debt to Assessed Value | Net Bonded Debt Per Capita |
|--------------------|----------------------------------|-----------------------------------|---|---|------------------------|---|-----------------------------------|
| 2001 | 452,050 | \$ 16,213,541,159 | \$ 52,470,153 | \$ 10,902,906 | \$ 41,567,247 | 0.256% | \$ 92 |
| 2002 | 459,737 | 17,556,233,921 | 45,698,940 | 10,921,978 | 34,776,962 | 0.198% | 76 |
| 2003 | 470,770 | 19,204,053,675 | 37,460,455 | 10,759,784 | 26,700,671 | 0.139% | 57 |
| 2004 | 484,261 | 21,812,579,151 | 28,621,970 | 10,569,734 | 18,052,236 | 0.083% | 37 |
| 2005 | 494,649 | 24,995,770,922 | 19,423,485 | 10,785,306 | 8,638,179 | 0.035% | 17 |
| 2006 | 504,963 | 30,073,908,112 | 9,780,000 | 9,780,000 | - | 0.000% | - |
| 2007 | 508,227 | 38,353,888,285 | - | (a) | - | 0.000% | - |
| 2008 | 510,109 | 41,247,558,469 | - | - | - | 0.000% | - |
| 2009 | 508,764 | 39,872,969,741 | - | - | - | 0.000% | - |
| 2010 | 506,528 | 33,419,579,301 | - | - | - | 0.000% | - |

(a) Final bond payment made August 1, 2006

Sources:

- ⁽¹⁾ Florida Research & Economic Database
- ⁽²⁾ Includes General Obligation Bonds only
- ⁽³⁾ Reserved for Debt Service - General Obligation Bonds only

District School Board of Volusia County, Florida
Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt
To Total General Governmental Non-Capital Expenditures
Last Ten Fiscal Years
(Unaudited)

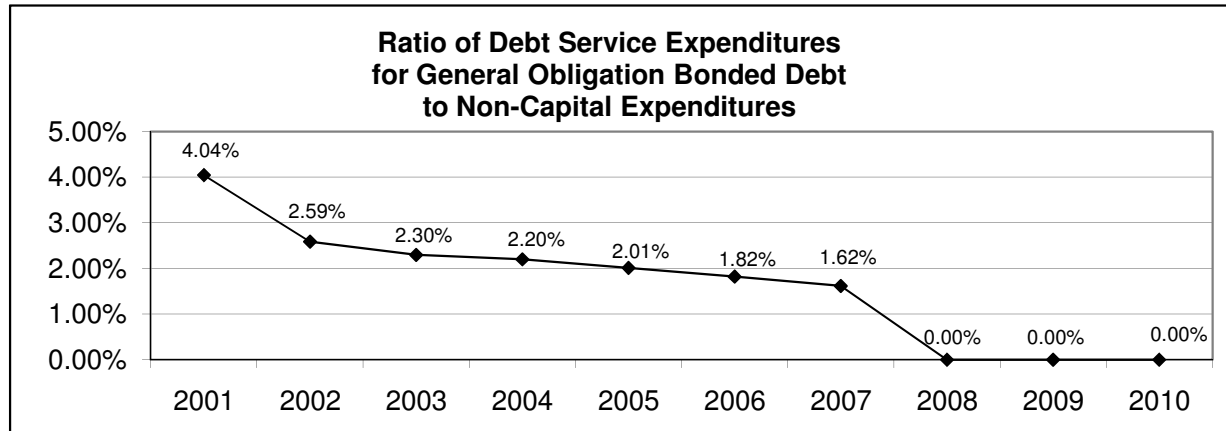
| Fiscal Year | Principal | Interest | Total Debt Service | Total General Governmental Non-Capital Expenditures ⁽¹⁾ | Ratio of Debt Service to General Governmental Non-Capital Expenditures |
|-------------|--------------------------|--------------|--------------------------|--|--|
| 2001 | \$ 12,540,000 | \$ 3,275,219 | \$ 15,815,219 | \$ 391,065,052 | 4.04% |
| 2002 | 7,970,000 | 2,582,307 | 10,552,307 | 407,962,093 | 2.59% |
| 2003 | 7,910,000 | 1,898,350 | 9,808,350 ⁽²⁾ | 427,271,406 | 2.30% |
| 2004 | 8,510,000 | 1,579,088 | 10,089,088 | 459,035,883 | 2.20% |
| 2005 | 8,870,000 | 1,176,500 | 10,046,500 | 499,277,363 | 2.01% |
| 2006 | 9,315,000 | 721,875 | 10,036,875 | 551,350,556 | 1.82% |
| 2007 | 9,780,000 ⁽³⁾ | 244,500 | 10,024,500 | 620,505,491 | 1.62% |
| 2008 | - | - | - | 619,449,344 | 0.00% |
| 2009 | - | - | - | 576,665,857 | 0.00% |
| 2010 | - | - | - | 575,105,683 | 0.00% |

⁽¹⁾ Includes general, special revenue, debt service, and capital projects funds of the Primary Government, excluding capital expenditures.

⁽²⁾ Debt service amount reduced in FY 2002-03 due to a refunding transaction.

⁽³⁾ Final payment on the General Obligation Bond was made on August 1, 2006.

Source: District records



District School Board of Volusia County, Florida
Direct and Overlapping Governmental Activities Debt
June 30, 2010
(Unaudited)

| <u>Jurisdiction</u> | <u>Net General Obligation Bonded Debt Outstanding</u> | <u>Direct Debt</u> | | <u>Direct and Overlapping Debt</u> | |
|-----------------------------------|---|--|--|---|---|
| | | <u>Percentage Applicable to School Board of Volusia County</u> | <u>Amount Applicable to School Board of Volusia County</u> | <u>Percentage Applicable to County of Volusia</u> | <u>Amount Applicable to County of Volusia</u> |
| School District of Volusia County | \$ - | 100% | \$ - | 100% | \$ - |
| County of Volusia | 32,145,000 | 0% | - | 100% | 32,145,000 |
| City of Daytona Beach | 20,750,000 | 0% | - | 100% | 20,750,000 |
| City of Daytona Beach Shores | 19,515,000 | 0% | - | 100% | 19,515,000 |
| City of DeLand | 3,149,915 | 0% | - | 100% | 3,149,915 |
| City of Edgewater | 425,000 | 0% | - | 100% | 425,000 |
| City of New Smyrna Beach | 15,420,000 | 0% | - | 100% | 15,420,000 |
| City of Ormond Beach | 3,420,000 | 0% | - | 100% | 3,420,000 |
| City of Port Orange | 16,640,000 | 0% | - | 100% | 16,640,000 |
| Totals | <u>\$ 111,464,915</u> | | <u>\$ -</u> | | <u>\$ 111,464,915</u> |

Source: County of Volusia Comprehensive Annual Financial Report for the year ended September 30, 2009 and District records.

**District School Board of Volusia County, Florida
Anticipated Capital Outlay Millage Levy
Required to Cover Certificates of Participation Payments
Last Ten Fiscal Years
(Unaudited)**

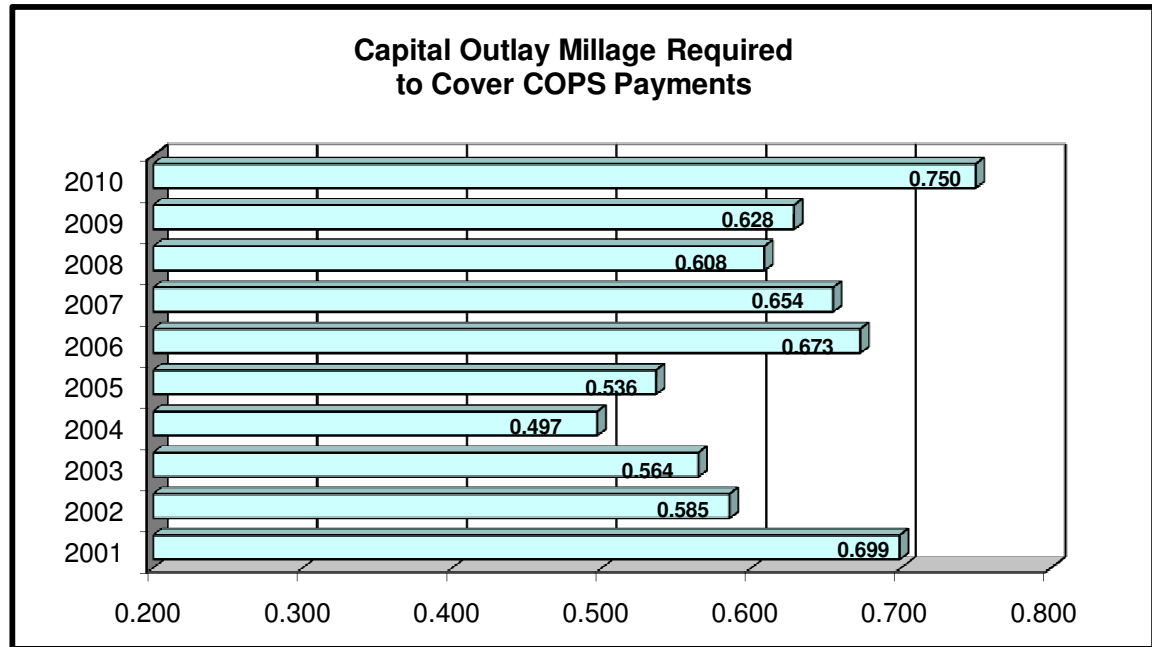
| Fiscal Year | Net Taxable Assessed Value | Total Annual Lease Payment | Amount Held in Escrow for Payment ⁽²⁾ | Net Annual Lease Payment | Millage Levy to Provide 1.00 x Coverage ⁽¹⁾ |
|--------------------|-----------------------------------|-----------------------------------|---|---------------------------------|---|
| 2001 | \$ 16,213,541,159 | \$ 10,765,848 | \$ - | \$ 10,765,848 | 0.699 Mills |
| 2002 | 17,556,233,921 | 9,760,529 | - | 9,760,529 | 0.585 Mills |
| 2003 | 19,204,053,675 | 10,295,110 | - | 10,295,110 | 0.564 Mills |
| 2004 | 21,812,579,151 | 10,294,317 | - | 10,294,317 | 0.497 Mills |
| 2005 | 24,995,770,922 | 14,861,896 | 2,133,944 | 12,727,952 | 0.536 Mills |
| 2006 | 30,073,908,112 | 21,347,781 | 2,133,944 | 19,213,837 | 0.673 Mills |
| 2007 | 38,353,888,285 | 25,975,634 | 2,133,944 | 23,841,690 | 0.654 Mills |
| 2008 | 41,247,558,469 | 25,970,254 | 2,133,944 | 23,836,310 | 0.608 Mills |
| 2009 | 39,872,969,741 | 24,865,461 | 1,066,972 | 23,798,489 | 0.628 Mills |
| 2010 | 33,419,579,301 | 23,803,001 | - | 23,803,001 | 0.750 Mills |

⁽¹⁾ Millage rate calculated using 95% of the taxable assessed valuation.

⁽²⁾ The funds for the payment on the 2005B crossover refunding COPs are held in escrow and are not funded with tax receipts.

NOTE: Capital Lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

Source: District records



District School Board of Volusia County, Florida
Calculation of Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Assessed Value | \$ 16,213,541,159 | \$ 17,556,233,921 | \$ 19,204,053,675 | \$ 21,812,579,151 | \$ 24,995,770,922 | \$ 30,073,908,112 | \$ 38,353,888,285 | \$ 41,247,558,469 | \$ 39,872,969,741 | \$ 33,419,579,301 |
| Debt Limit: 10% of Assessed Value | \$ 1,621,354,116 | \$ 1,755,623,392 | \$ 1,920,405,368 | \$ 2,181,257,915 | \$ 2,499,577,092 | \$ 3,007,390,811 | \$ 3,835,388,829 | \$ 4,124,755,847 | \$ 3,987,296,974 | \$ 3,341,957,930 |
| Bond Payable | \$ 52,470,153 | \$ 45,698,940 | \$ 37,460,455 | \$ 28,621,970 | \$ 19,423,485 | \$ 9,780,000 | \$ - | \$ - | \$ - | \$ - |
| Less: | | | | | | | | | | |
| Amount Available for Debt Service | 10,902,906 | 10,921,978 | 10,759,784 | 10,569,734 | 10,785,306 | 9,780,000 | - | - | - | - |
| Total Net Debt Applicable to Limit | <u>41,567,247</u> | <u>34,776,962</u> | <u>26,700,671</u> | <u>18,052,236</u> | <u>8,638,179</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Legal Debt Margin | <u>\$ 1,579,786,869</u> | <u>\$ 1,720,846,430</u> | <u>\$ 1,893,704,697</u> | <u>\$ 2,163,205,679</u> | <u>\$ 2,490,938,913</u> | <u>\$ 3,007,390,811</u> | <u>\$ 3,835,388,829</u> | <u>\$ 4,124,755,847</u> | <u>\$ 3,987,296,974</u> | <u>\$ 3,341,957,930</u> |
| Total Debt Applicable to the Debt | | | | | | | | | | |
| Limit as a Percentage of Debt Limit | 2.56% | 1.98% | 1.39% | 0.83% | 0.35% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Note: Rule 6A-1.037(2), State Board of Education, Florida Administrative Code, establishes a limit of 10 percent on the nonexempt assessed valuation of the district. Rule repealed April 18, 2006.

Source: District records

District School Board of Volusia County, Florida
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

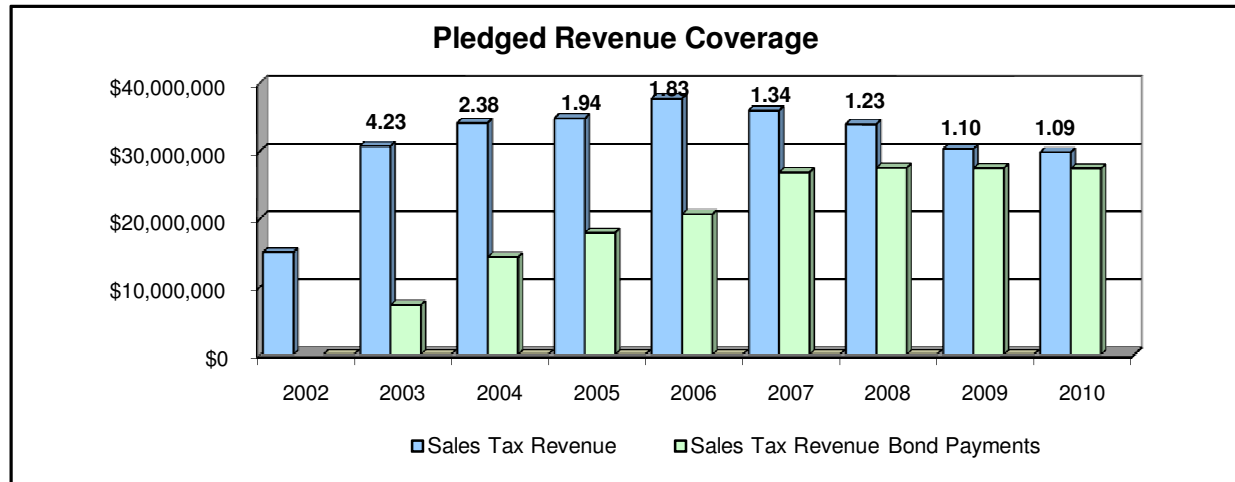
Sales Tax Revenue Bonds

| Fiscal Year | Sales Tax Revenue ^(a) | Debt Service | | Coverage ^(b) |
|-------------|----------------------------------|--------------|--------------|-------------------------|
| | | Principal | Interest | |
| 2001 | N/A | N/A | N/A | N/A |
| 2002 | \$ 15,063,254 | N/A | N/A | N/A |
| 2003 | 30,747,285 | \$ - | \$ 7,265,674 | 4.23 |
| 2004 | 34,135,494 | 8,020,000 | 6,338,608 | 2.38 |
| 2005 | 34,774,547 | 9,815,000 | 8,124,705 | 1.94 |
| 2006 | 37,737,410 | 12,510,000 | 8,128,240 | 1.83 |
| 2007 | 35,956,023 | 16,875,000 | 9,969,663 | 1.34 |
| 2008 | 33,948,264 | 17,795,000 | 9,705,528 | 1.23 |
| 2009 | 30,299,663 | 18,395,000 | 9,040,020 | 1.10 |
| 2010 | 29,781,220 | 19,125,000 | 8,266,035 | 1.09 |

^(a) The discretionary sales surtax is effective for a 15-year period commencing January 1, 2002.

^(b) The additional bonds test requires 1.25 coverage. Currently, the District has no legal capacity for additional bonds.

Source: District records



District School Board of Volusia County, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Population ⁽¹⁾ | Personal Income ⁽²⁾ <i>(thousands of dollars)</i> | Per Capita Personal Income ⁽⁵⁾ | Unemployment Rate (Percent) ⁽¹⁾ | Student Enrollment ⁽³⁾ | Government-wide Governmental Activities Expense ⁽⁴⁾ | Cost per Student ⁽⁶⁾ |
|--------------------|----------------------------------|--|--|---|--|---|--|
| 2001 | 452,050 | \$ 10,380,740 | \$ 22,964 | 4.3% | 61,259 | N/A | N/A |
| 2002 | 459,737 | 10,949,705 | 23,817 | 5.4% | 62,305 | \$ 410,807,253 | \$ 6,593 |
| 2003 | 470,770 | 11,356,533 | 24,123 | 5.1% | 62,577 | 438,664,279 | 7,010 |
| 2004 | 484,261 | 11,719,100 | 24,200 | 4.3% | 63,796 | 461,043,666 | 7,227 |
| 2005 | 494,649 | 12,509,255 | 25,289 | 3.8% | 65,044 | 496,308,634 | 7,630 |
| 2006 | 504,963 | 13,335,000 | 26,408 | 3.1% | 65,407 | 555,103,945 | 8,487 |
| 2007 | 508,227 | 14,789,000 | 29,099 | 3.9% | 65,767 | 628,037,946 | 9,549 |
| 2008 | 510,109 | 15,465,223 | 30,317 | 6.2% | 64,696 | 643,603,100 | 9,948 |
| 2009 | 508,764 | 15,416,739 | 30,302 | 11.3% | 63,271 | 598,743,941 | 9,463 |
| 2010 | 506,528 | 15,610,183 | 30,818 | 12.1% | 62,416 | 603,737,978 | 9,673 |

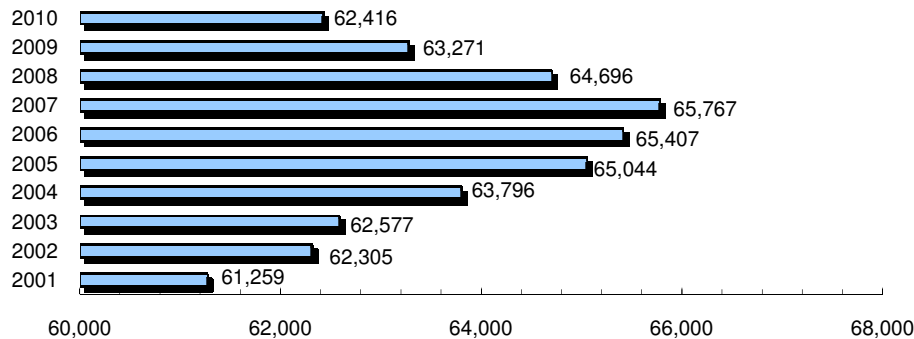
Sources:

- (1) Florida Research & Economic Database
- (2) United States Department of Commerce, Bureau of Economic and Business Research
- (3) District records (20 day Membership Report)

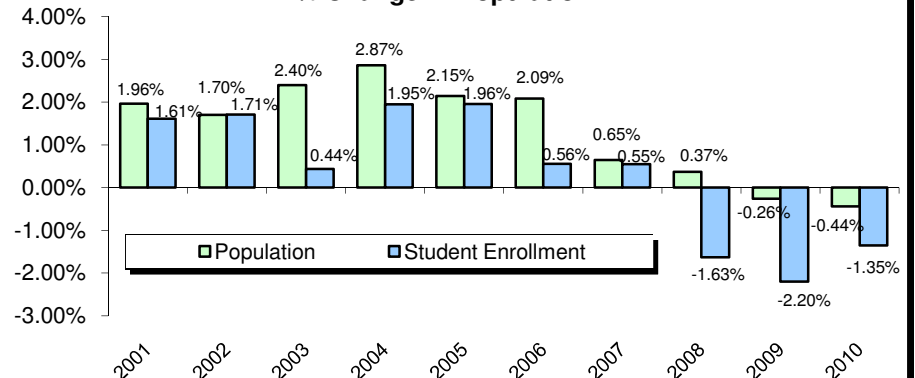
Notes: (4) The District began to report accrual information when it implemented GASB Statement 34 in 2002

- (5) Calculated by dividing Personal Income by the Population
- (6) Calculated by dividing Government-wide Governmental Activities Expense by Student Enrollment

Student Enrollment



% Change in Student Enrollment Compared to % Change in Population



**District School Board of Volusia County, Florida
Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

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| <u>Employer</u> | <u>2010 (a)</u> | | | <u>Employer</u> | <u>2001 (b)</u> | | |
|--------------------------------------|------------------|-------------|--|--------------------------------------|------------------|-------------|--|
| | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total County Employment</u> | | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total County Employment</u> |
| Volusia County School Board | 8,273 | 1 | 3.27% | Halifax Community Health Systems | 3,608 | 1 | 1.68% |
| Halifax Health | 4,232 | 2 | 1.67% | Memorial Health Systems | 2,577 | 2 | 1.20% |
| Florida Hospital - All Divisions | 3,717 | 3 | 1.47% | Embry Riddle Aeronautical University | 950 | 3 | 0.44% |
| Volusia County Government | 3,519 | 4 | 1.39% | The News Journal | 870 | 4 | 0.41% |
| State of Florida | 2,423 | 5 | 0.96% | Daytona Beach Community College | 845 | 5 | 0.39% |
| Publix | 2,415 | 6 | 0.95% | Kendall Company | 806 | 6 | 0.38% |
| Walmart | 2,139 | 7 | 0.85% | First Data Corp. | 700 | 7 | 0.33% |
| Daytona State College | 1,589 | 8 | 0.63% | Stetson University | 700 | 8 | 0.33% |
| U.S. Government | 1,434 | 9 | 0.57% | Florida Healthcare | 688 | 9 | 0.32% |
| Embry Riddle Aeronautical University | 1,198 | 10 | 0.47% | Bert Fish Medical Center | 655 | 10 | 0.31% |
| | <u>30,939</u> | | <u>12.23%</u> | | <u>12,399</u> | | <u>5.79%</u> |
| Estimated total workforce | 253,096 | | | Estimated total workforce | 214,561 | | |

Sources:

(a) County of Volusia, Department of Economic Development

(b) District records (non-governmental employers) and Florida Research and Economic Database, Labor Market Statistics

**District School Board of Volusia County, Florida
Number of Personnel
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | (1) Instructional | (2) Administrative | (3) Support Services | Total | (4) Ratio of Students to Instructional Personnel | (5) Ratio of Instructional Personnel to School Level Administrators |
|-------------|----------------------|-----------------------|-------------------------|-------|---|--|
| 2001 | 4,237 | 263 | 3,518 | 8,018 | 14.46 | 20.27 |
| 2002 | 4,285 | 258 | 3,644 | 8,187 | 14.54 | 21.43 |
| 2003 | 4,347 | 278 | 3,716 | 8,341 | 14.40 | 20.90 |
| 2004 | 4,306 | 281 | 3,660 | 8,247 | 14.82 | 20.70 |
| 2005 | 4,586 | 258 | 3,735 | 8,579 | 14.18 | 23.89 |
| 2006 | 4,789 | 280 | 3,952 | 9,021 | 13.66 | 22.70 |
| 2007 | 5,154 | 294 | 4,113 | 9,561 | 12.76 | 23.97 |
| 2008 | 4,914 | 294 | 3,681 | 8,889 | 13.17 | 23.51 |
| 2009 | 4,513 | 291 | 3,469 | 8,273 | 14.02 | 21.29 |
| 2010 | 4,461 | 278 | 3,341 | 8,080 | 13.99 | 21.76 |

(1) Classroom Teachers, Exceptional Education Teachers, Other Teachers, Guidance, Social Workers, Psychologists, Media Specialists, Other Professional Staff

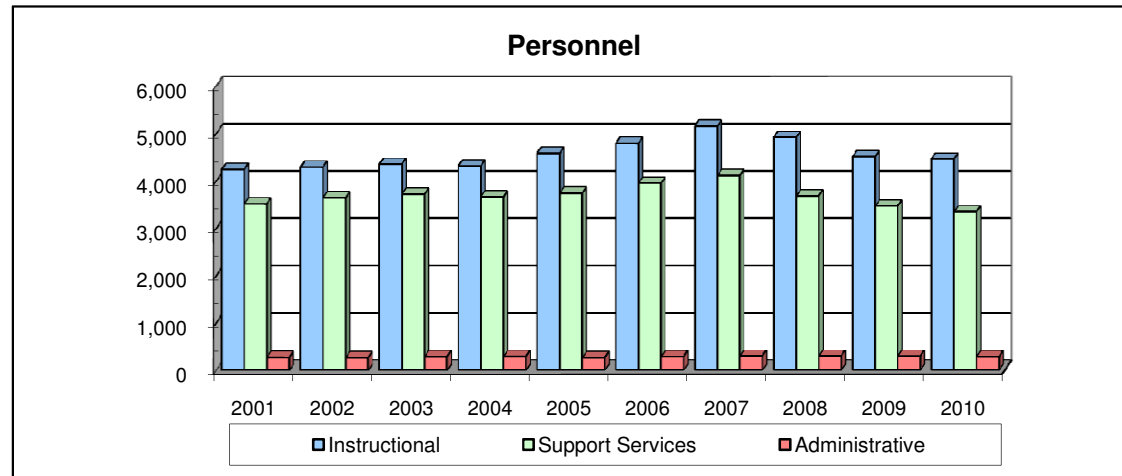
(2) Principals, Assistant Principals, Superintendent, Assistant Superintendents, Curriculum Coordinators, Supervisors of Instruction, Community Education Coordinators (In FY10: School Level = 205; District Level = 73)

(3) Other Professional Staff, Paraprofessionals, Technicians, Clerical, Custodial, Maintenance, etc.

(4) Calculated using student enrollment data on page 125.

(5) Calculated using school level administrators.

Source: District records



District School Board of Volusia County, Florida
Teacher Base Salaries
Last Ten Fiscal Years
(Unaudited)

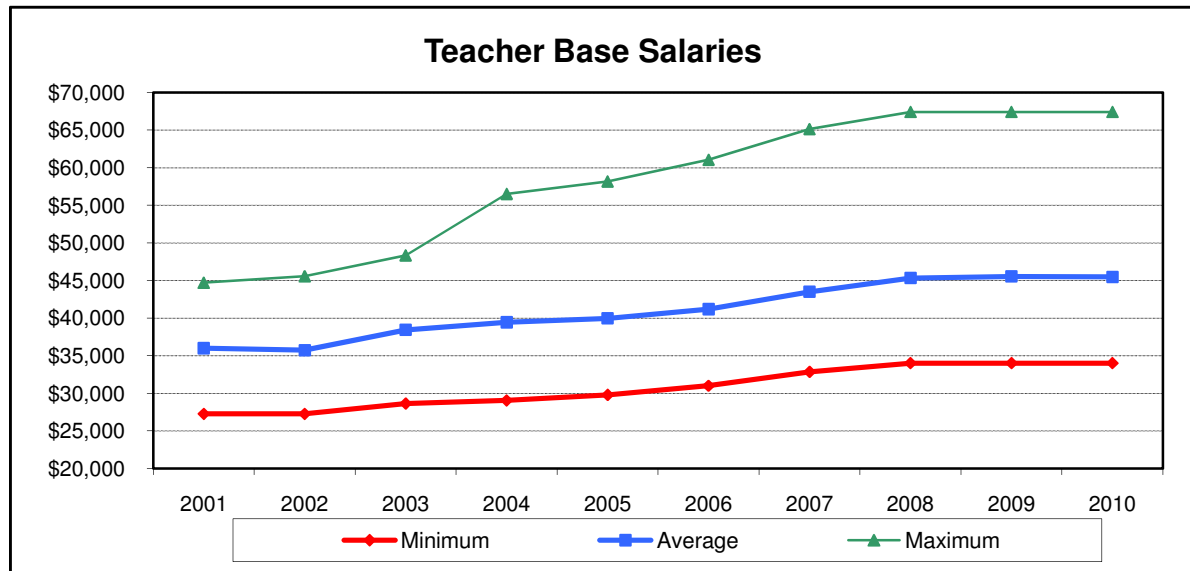
| Fiscal Year | Minimum Salary ⁽¹⁾ | Maximum Salary ⁽²⁾ | Average Salary ⁽³⁾ |
|--------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| 2001 | \$ 27,267 | \$ 44,703 | \$ 35,995 |
| 2002 | 27,267 | 45,553 | 35,720 |
| 2003 | 28,630 | 48,332 | 38,422 |
| 2004 | 29,050 | 56,490 | 39,436 |
| 2005 | 29,790 | 58,156 | 39,967 |
| 2006 | 31,000 | 61,035 | 41,186 |
| 2007 | 32,860 | 65,115 | 43,485 |
| 2008 | 34,010 | 67,393 | 45,325 |
| 2009 | 34,010 | 67,393 | 45,529 |
| 2010 | 34,010 | 67,393 | 45,464 |

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Note: Salaries are for 10 month teachers.

- (1) Bachelor's degree
- (2) Doctorate degree
- (3) All degrees

Source: District records



District School Board of Volusia County, Florida
Food Service Operating Data
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Days meals were served | 180 | 180 | 180 | 180 | 171 | 180 | 179 | 180 | 180 | 180 |
| Average number of free and reduced meals served daily | 17,995 | 18,483 | 18,804 | 19,426 | 22,674 | 19,708 | 19,921 | 20,792 | 22,442 | 24,688 |
| Percentage of free and reduced students in the lunch program | 40% | 40% | 40% | 40% | 42% | 44% | 43% | 45% | 49% | 55% |
| Number of free and reduced lunches served | 3,239,185 | 3,326,898 | 3,384,786 | 3,496,718 | 3,877,337 | 3,547,523 | 3,565,774 | 3,742,642 | 4,039,584 | 4,443,850 |
| Average daily total lunch subsidy received (paid free/reduced) | \$ 37,348 | \$ 39,825 | \$ 41,360 | \$ 43,855 | \$ 52,304 | \$ 47,342 | \$ 47,497 | \$ 53,187 | \$ 59,831 | \$ 67,592 |
| Total federal lunch subsidy received | \$ 6,722,664 | \$ 7,168,451 | \$ 7,444,886 | \$ 7,893,913 | \$ 8,943,929 | \$ 8,521,512 | \$ 8,858,570 | \$ 9,573,728 | \$ 10,769,592 | \$ 12,166,508 |
| Average number of lunches served daily | 27,471 | 28,337 | 28,659 | 29,905 | 32,410 | 31,499 | 31,944 | 33,159 | 32,718 | 33,924 |
| Total lunches served | 4,944,694 | 5,100,734 | 5,158,579 | 5,382,986 | 5,542,064 | 5,669,796 | 5,717,992 | 5,968,618 | 5,889,265 | 6,106,392 |
| Average number of full-paid lunches served daily | 9,475 | 9,855 | 9,854 | 10,479 | 9,735 | 11,790 | 12,024 | 12,367 | 10,276 | 9,236 |
| Number of full-paid lunches served | 1,705,509 | 1,773,836 | 1,773,793 | 1,886,278 | 1,664,727 | 2,122,273 | 2,152,218 | 2,225,976 | 1,849,681 | 1,662,542 |
| Average daily total revenue | \$ 100,520 | \$ 106,178 | \$ 109,376 | \$ 113,234 | \$ 126,067 | \$ 123,507 | \$ 113,301 | \$ 128,613 | \$ 132,926 | \$ 136,725 |
| Total revenue | \$ 18,093,680 | \$ 19,112,123 | \$19,687,734 | \$ 20,382,090 | \$ 21,557,503 | \$ 22,197,626 | \$ 20,280,822 | \$ 23,150,380 | \$ 23,926,756 | \$ 24,610,436 |
| Average daily total cost | \$ 95,579 | \$ 101,737 | \$ 106,282 | \$ 109,420 | \$ 135,413 | \$ 131,667 | \$ 135,929 | \$ 150,302 | \$ 128,051 | \$ 125,373 |
| Total cost | \$ 17,204,281 | \$ 18,312,722 | \$19,130,695 | \$ 19,695,591 | \$ 23,155,672 | \$ 23,700,020 | \$ 24,331,315 | \$ 27,054,414 | \$ 23,049,268 | \$ 22,567,112 |
| Included in total cost: | | | | | | | | | | |
| Capital outlay | \$ 631,653 | \$ 480,354 | \$ 405,658 | \$ 501,866 | \$ 1,730,704 | \$ 1,975,333 | \$ 713,541 | \$ 1,087,224 | \$ 101,645 | \$ 114,648 |
| Special assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lunch reimbursement rates: | | | | | | | | | | |
| Free | \$2.02-\$2.04 | \$2.09-\$2.11 | \$2.14-\$2.16 | \$2.19-\$2.21 | \$2.24-\$2.26 | \$2.32-\$2.34 | \$2.40-\$2.42 | \$2.47-\$2.49 | \$ 2.59 | \$ 2.70 |
| Reduced | \$1.62-\$1.64 | \$1.69-\$1.71 | \$1.74-\$1.76 | \$1.79-\$1.81 | \$1.84-\$1.86 | \$1.92-\$1.94 | \$2.00-\$2.02 | \$2.07-\$2.09 | \$ 2.19 | \$ 2.30 |
| Paid | \$0.21 | \$.20-\$.22 | \$.20-\$.22 | \$.21-\$.23 | \$.21-\$.23 | \$.22-\$.24 | \$.23-\$.25 | \$.23-\$.25 | \$ 0.26 | \$ 0.27 |
| Lunch prices: | | | | | | | | | | |
| Elementary | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.35 | \$ 1.75 | \$ 1.75 |
| Middle | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 1.45 | \$ 2.00 | \$ 2.00 |
| High | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 2.00 | \$ 2.00 |
| Breakfast prices: | \$ 0.75 | \$ 0.75 | \$ 0.75 | \$ 0.75 | \$ 0.75 | \$ 0.75 | (a) | (a) | \$ 1.00 | \$ 1.00 |

(a) The price of breakfast in FY 2007 and FY 2008 was \$0.75; however, breakfast was provided at no charge.
Source: District records

District School Board of Volusia County, Florida
Transportation Performance Indicators
Last Ten Fiscal Years
(Unaudited)

| Performance Measures | Current Benchmark | District Statistics - Fiscal Year | | | | | | | | | |
|--|---------------------|-----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| Total annual transportation cost per student | \$571.50 - \$698.50 | \$516 | \$484 | \$507 | \$596 | \$536 | \$516 | \$689 | \$767 | \$664 | \$638 |
| Total annual transportation cost per special education student | \$1,500 - \$3,000 | \$1,212 | \$980 | \$1,505 | \$1,612 | \$1,904 | \$1,890 | \$1,726 | \$3,056 | \$2,822 | \$2,156 |
| Average total cost per mile | \$4.50 - \$5.50 | \$2.33 | \$2.33 | \$2.41 | \$2.74 | \$2.91 | \$3.98 | \$3.37 | \$3.63 | \$3.88 | \$3.68 |
| Percent of District budget spent on student transportation | 4% - 5% | 3.5% | 3.5% | 3.6% | 3.6% | 3.8% | 3.2% | 3.6% | 3.8% | 3.6% | 3.7% |
| Average buses used to transport 100 students | 0.95 - 1.10 | 1.04 | 1.07 | 1.02 | 0.95 | 1.01 | 1.02 | 0.99 | 0.96 | 1.05 | 1.06 |
| Span of control: buses managed by transportation supervisor | 75 - 100 | 68 | 66 | 78 | 61.5 | 64.25 | 44 | 45.3 | 44.7 | 39.2 | 47 |
| Spare bus ratio (by District) | 10% - 12% | 22% | 16% | 16% | 21% | 15% | 14% | 14% | 17% | 26% | 22% |
| Average school bus fleet age (years) | 6.5 | 6.1 | 7.3 | 6.7 | 6 | 5.1 | 4.2 | 3.8 | 3.3 | 3.4 | 4.4 |
| Average school bus fleet age (meter miles) | 65,000 | 125,700 | 137,506 | 125,618 | 113,624 | 98,034 | 84,167 | 76,575 | 68,039 | 67,419 | 80,409 |
| Annual maintenance and repair cost per vehicle equivalent | \$800 - \$1,100 | \$1,224 | \$739 | \$620 | \$778 | \$734 | \$809 | \$766 | \$828 | \$712 | \$716 |
| Average vehicle equivalent units maintained by each | 90 - 100 | 63 | 80 | 82 | 81 | 82 | 82 | 85 | 83.5 | 83.7 | 79 |
| Annual parts consumption per vehicle equivalent unit | \$200 - \$300 | \$458 | \$227 | \$221 | \$331 | \$372 | \$406 | \$403 | \$425 | \$349 | \$383 |
| Average parts inventory value per vehicle equivalent unit | \$75 - \$150 | \$170 | \$169 | \$143 | \$122 | \$111 | \$120 | \$98 | \$111 | \$86 | \$96 |
| Annual parts inventory turnover rate | 4 - 8 | 3 | 3.68 | 3.3 | 4.8 | 3.4 | 3.4 | 4.1 | 3.9 | 4.1 | 4 |
| Span of control: technicians to maintenance supervisors | 8-10 to 1 | 10.6 to 1 | 7.5 to 1 | 7.0 to 1 | 7.5 to 1 | 7.5 to 1 | 7.5 to 1 | 7.8 to 1 | 7.8 to 1 | 7.5 to 1 | 7.5 to 1 |
| Span of control: technicians to fleet parts personnel | 8-10 to 1 | 3.9 to 1 | 6.5 to 1 | 6.0 to 1 | 6.5 to 1 | 6.5 to 1 | 6.5 to 1 | 6.8 to 1 | 6.8 to 1 | 6.5 to 1 | 6.5 to 1 |

Source: District records

District School Board of Volusia County, Florida
Schedule of Insurance in Force
as of June 30, 2010
(Unaudited)

| Coverage Type | Name of Company | Policy Number | Coverage | | Coverage Details | Limit of Coverage | Annual Premium | |
|-------------------------------|--|----------------------|------------------------|------------------------|--|--|----------------------------------|----------------|
| | | | From | To | | | | |
| Boiler & Machinery | CNA Insurance Company | 1098494519 | 7/1/2009 | 7/1/2010 | Comprehensive covering boilers, pressure vessels & electrical machines including A/C and refrigeration | Limit per accident \$50,000,000 Deductible \$50,000 Water damage, ammonia contamination, hazardous substance \$100,000 | \$ 45,000 | \$ 1,580 FL SC |
| Employee Crime Bond | Westfield Companies | CBP 5 259 162 | 7/1/2007 | 7/1/2010 | Covered property (money, securities) resulting directly from covered cause of loss (employee dishonesty) | Public employee dishonesty \$250,000 Deductible \$1,000 Forgery or alteration \$1,000,000 Deductible \$1,000 \$750,000 excess for Directors of Finance, Payroll, & Purchasing | \$ 1,590 | |
| Catastrophic Sports Insurance | Mutual of Omaha | SB20CC-079324 | 7/1/2009 | 7/1/2010 | All school activities and sports including interscholastic football | \$5,000,000 maximum medical \$600,000 maximum disability \$25,000 deductible | \$ 22,991 | |
| Fleet Insurance | Preferred Governmental Insurance Trust | PX FL 40645064 08-07 | 7/1/2009 | 7/1/2010 | Coverage for all District owned vehicles including buses, vans and automobiles | SIR \$100,000 per claimant \$200,000 per occurrence \$2,000,000 Coverage (aggregate) | \$ 93,558 | |
| Flood Insurance | National Flood Insurance Program | Various | 9/13/2009 4/18/2010 | 9/13/2010 4/18/2011 | Flood coverage for all property east of I-95 | Coverage on each building and content vary with each building based on building value and content | \$ 74,875 | |
| Property Insurance | Lexington | 9702923 | 5/1/2009 | 5/1/2010 | Primary layer - \$25,000,000 | Buldings & contents, earthquake, extra expense, valuable papers, auto physical damage while parked. SIR 5% of the total value of loss at each location, \$1M min - \$7M max per occurrence (named storm - wind deductible) \$100,000 AOP | \$ 1,974,925 | \$ 47,437 CF |
| | Landmark | LHD362409 | 5/1/2009 | 5/1/2010 | Second layer - \$100,000,000 | Flood-5% of the TIV at each location Subject to \$1M minimum per occurrence TIV per schedule is \$1,556,413,377 | \$ 122,000 | \$ 2,967 CF |
| | Westchester | D36053446 003 | 5/1/2009 | 5/1/2010 | Wind - first \$5M of \$25M | Total Coverage: \$50M wind; \$125M Excess of wind | \$ 229,315 | \$ 5,543 CF |
| | Landmark | LHD362413 | 5/1/2009 | 5/1/2010 | Wind-next \$5M of \$25M | | \$ 114,655 | \$ 2,791 CF |
| | Endurance AM Specialty | CPN10001372900 | 5/1/2009 | 5/1/2010 | Wind-next \$5M of \$25M | | \$ 114,655 | \$ 2,791 CF |
| | Aspen | PX5210409 | 5/1/2009 | 5/1/2010 | Wind-next \$5M of \$25M | | \$ 114,655 | \$ 2,791 CF |
| Student Accident | Fowinkle School Insurance | AMK0045740 | 8/1/2009 | 8/1/2010 | Voluntary student accident insurance | Varies based on coverage elected | Varies based on coverage elected | |
| Excess Workers' Comp | Preferred Governmental Insurance Trust | PX FL 40645064 08-07 | 7/1/2009 | 7/1/2010 | Provides coverage for excessive claims expense | Retention \$350,000 Each accident/disease \$1,000,000 Aggregate \$1,000,000 | \$ 359,932 | |
| Pollution Liability | AIG | FPL7508698#7 | 1/8/2010 | 1/8/2011 | Covers loss, corrective action and clean up cost | \$1,000,000 each incident \$10,000,000 each aggregate \$25,000 deductible | \$ 12,860 | |
| General Liability | Preferred Governmental Insurance Trust | PX FL 40645064 08-07 | 7/1/2009 | 7/1/2010 | Coverage for excess claims | SIR \$100,000 \$1,000,000 per occurrence \$200,000 aggregate | \$ 83,853 | |

Source: District records

CF = Citizens Assessment Fee
FL SC = State Fee/Service Charge

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| ELEMENTARY SCHOOLS | | | | | | | | | | |
| Blue Lake (1983) | | | | | | | | | | |
| Square Feet | 90,622 | 89,896 | 89,170 | 89,170 | 89,890 | 89,890 | 89,890 | 89,890 | 89,890 | 98,030 |
| Capacity | 851 | 851 | 851 | 699 | 664 | 703 | 703 | 703 | 703 | 838 |
| Enrollment | 616 | 624 | 596 | 549 | 568 | 644 | 585 | 621 | 615 | 604 |
| Bonner (1926) | | | | | | | | | | |
| Square Feet | 61,647 | 61,647 | 61,647 | 62,091 | 62,091 | 61,365 | 61,365 | 55,839 | 55,839 | 55,839 |
| Capacity | 609 | 609 | 609 | 594 | 589 | 650 | 650 | 650 | (a) | (a) |
| Enrollment | 518 | 526 | 501 | 468 | 450 | 425 | 362 | 360 | (a) | (a) |
| Burns-Oak Hill (1960) | | | | | | | | | | |
| Square Feet | 33,203 | 33,203 | 33,203 | 33,721 | 33,721 | 35,449 | 35,449 | 35,449 | 35,449 | (b) |
| Capacity | 306 | 306 | 306 | 250 | 249 | 316 | 338 | 316 | 316 | (b) |
| Enrollment | 195 | 179 | 188 | 177 | 186 | 212 | 231 | 192 | 192 | (b) |
| Champion (2009) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | - | - | 94,229 | 94,229 |
| Capacity | - | - | - | - | - | - | - | - | 736 | 739 |
| Enrollment | - | - | - | - | - | - | - | - | 488 | 483 |
| Chisholm (1954) | | | | | | | | | | |
| Square Feet | 58,412 | 58,412 | 58,412 | 58,718 | 58,572 | 58,572 | 70,261 | 69,137 | 69,137 | 68,417 |
| Capacity | 376 | 376 | 406 | 408 | 400 | 453 | 591 | 591 | 591 | 573 |
| Enrollment | 367 | 391 | 409 | 433 | 430 | 406 | 380 | 413 | 402 | 367 |
| Coronado (1961) | | | | | | | | | | |
| Square Feet | 34,083 | 34,083 | 39,746 | 39,304 | 40,888 | 41,456 | 44,499 | 43,635 | 42,915 | 42,051 |
| Capacity | 320 | 320 | 333 | 299 | 297 | 374 | 392 | 370 | 348 | 326 |
| Enrollment | 305 | 323 | 339 | 345 | 338 | 319 | 309 | 258 | 282 | 298 |
| Cypress Creek (2007) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | 94,346 | 94,346 | 97,946 | 97,946 |
| Capacity | - | - | - | - | - | - | 742 | 739 | 739 | 739 |
| Enrollment | - | - | - | - | - | - | 630 | 729 | 715 | 741 |
| DeBary (1995) | | | | | | | | | | |
| Square Feet | 95,442 | 95,442 | 102,020 | 102,020 | 103,880 | 103,880 | 107,480 | 107,480 | 115,837 | 115,837 |
| Capacity | 732 | 732 | 776 | 716 | 706 | 791 | 791 | 791 | 877 | 877 |
| Enrollment | 908 | 965 | 980 | 1,033 | 1,114 | 1,154 | 779 | 793 | 810 | 836 |
| Deltona Lakes (1980) | | | | | | | | | | |
| Square Feet | 106,774 | 106,774 | 107,500 | 113,570 | 115,298 | 115,298 | 128,752 | 127,024 | 125,296 | 126,160 |
| Capacity | 893 | 939 | 939 | 914 | 901 | 1,004 | 1,186 | 1,142 | 1,098 | 1,116 |
| Enrollment | 903 | 938 | 962 | 1,000 | 1,021 | 1,011 | 993 | 870 | 823 | 774 |
| Discovery (1987) | | | | | | | | | | |
| Square Feet | 105,556 | 105,556 | 107,008 | 111,368 | 112,088 | 112,088 | 124,864 | 124,065 | 124,065 | 122,726 |
| Capacity | 769 | 769 | 770 | 702 | 692 | 729 | 911 | 845 | 867 | 867 |
| Enrollment | 822 | 828 | 837 | 850 | 847 | 866 | 841 | 798 | 735 | 711 |
| Edgewater (1965) | | | | | | | | | | |
| Square Feet | 77,850 | 77,850 | 77,850 | 78,155 | 78,155 | 79,883 | 79,559 | 78,695 | 80,718 | 80,718 |
| Capacity | 895 | 895 | 877 | 765 | 762 | 795 | 795 | 773 | 751 | 751 |
| Enrollment | 736 | 713 | 701 | 679 | 643 | 638 | 646 | 665 | 637 | 655 |
| Enterprise (1929) | | | | | | | | | | |
| Square Feet | 68,271 | 68,997 | 68,997 | 70,101 | 72,273 | 72,273 | 78,672 | 83,022 | 83,022 | 77,979 |
| Capacity | 610 | 610 | 610 | 552 | 547 | 639 | 771 | 771 | 771 | 771 |
| Enrollment | 643 | 629 | 583 | 604 | 660 | 676 | 659 | 642 | 599 | 616 |
| Forest Lake (1995) | | | | | | | | | | |
| Square Feet | 93,046 | 93,484 | 98,358 | 98,358 | 98,358 | 98,358 | 98,358 | 98,358 | 111,768 | 106,192 |
| Capacity | 727 | 727 | 771 | 620 | 614 | 677 | 677 | 677 | 871 | 733 |
| Enrollment | 724 | 738 | 790 | 817 | 720 | 726 | 712 | 704 | 703 | 717 |
| Freedom (2001) | | | | | | | | | | |
| Square Feet | 92,457 | 92,457 | 92,457 | 92,457 | 92,457 | 92,457 | 104,141 | 104,141 | 104,141 | 109,221 |
| Capacity | 704 | 704 | 727 | 545 | 518 | 600 | 782 | 782 | 782 | 826 |
| Enrollment | 535 | 606 | 551 | 619 | 682 | 739 | 790 | 800 | 867 | 878 |

(a) School leased to charter school.
(b) School sold.

Source: District records
Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|-------------|--------|--------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| ELEMENTARY SCHOOLS (cont'd) | | | | | | | | | | |
| Friendship (1992) | | | | | | | | | | |
| Square Feet | 96,498 | 96,498 | 97,214 | 100,444 | 100,444 | 101,174 | 101,894 | 96,422 | 93,542 | 92,822 |
| Capacity | 859 | 859 | 881 | 848 | 830 | 876 | 898 | 766 | 681 | 659 |
| Enrollment | 861 | 913 | 886 | 868 | 799 | 768 | 753 | 537 | 495 | 494 |
| Holly Hill (1982) | | | | | | | | | | |
| Square Feet | 90,865 | 90,865 | 91,591 | 91,652 | 91,652 | 91,652 | 92,516 | 91,125 | 90,261 | 90,261 |
| Capacity | 819 | 819 | 819 | 671 | 664 | 675 | 675 | 657 | 657 | 657 |
| Enrollment | 767 | 779 | 740 | 702 | 655 | 648 | 568 | 579 | 559 | 515 |
| Horizon (1989) | | | | | | | | | | |
| Square Feet | 94,284 | 94,284 | 94,284 | 94,584 | 94,584 | 98,904 | 98,904 | 104,762 | 100,442 | 99,642 |
| Capacity | 897 | 897 | 872 | 699 | 690 | 817 | 945 | 945 | 835 | 835 |
| Enrollment | 843 | 830 | 843 | 814 | 879 | 918 | 880 | 933 | 657 | 628 |
| Hurst (1960) | | | | | | | | | | |
| Square Feet | 75,167 | 75,167 | 75,167 | 74,908 | 74,908 | 74,908 | 74,908 | 74,908 | 70,085 | 70,085 |
| Capacity | 754 | 754 | 754 | 706 | 701 | 731 | 731 | 731 | (c) | (c) |
| Enrollment | 575 | 551 | 510 | 482 | 454 | 433 | 480 | 465 | (c) | (c) |
| Indian River (1989) | | | | | | | | | | |
| Square Feet | 88,757 | 88,757 | 88,757 | 88,757 | 90,485 | 92,213 | 95,093 | 95,093 | 108,673 | 108,673 |
| Capacity | 745 | 745 | 745 | 559 | 558 | 634 | 722 | 722 | 948 | 948 |
| Enrollment | 727 | 723 | 711 | 707 | 708 | 722 | 679 | 684 | 816 | 778 |
| Longstreet (1954) | | | | | | | | | | |
| Square Feet | 58,329 | 57,603 | 56,877 | 56,859 | 56,859 | 58,299 | 58,299 | 63,549 | 60,669 | 60,669 |
| Capacity | 620 | 620 | 602 | 522 | 518 | 576 | 576 | 576 | 536 | 536 |
| Enrollment | 497 | 457 | 429 | 395 | 439 | 419 | 383 | 343 | 350 | 379 |
| Manatee Cove (2006) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | 99,775 | 101,227 | 102,888 | 107,244 |
| Capacity | - | - | - | - | - | - | 750 | 794 | 818 | 950 |
| Enrollment | - | - | - | - | - | - | 786 | 838 | 859 | 859 |
| Marks (1953) | | | | | | | | | | |
| Square Feet | 66,646 | 66,646 | 71,758 | 74,958 | 77,118 | 78,558 | 82,449 | 84,117 | 83,313 | 83,313 |
| Capacity | 745 | 745 | 845 | 738 | 727 | 939 | 1,009 | 1,009 | 987 | 987 |
| Enrollment | 798 | 753 | 822 | 872 | 876 | 914 | 942 | 890 | 833 | 780 |
| McInnis (1940) | | | | | | | | | | |
| Square Feet | 48,718 | 47,992 | 54,370 | 56,308 | 56,308 | 57,034 | 66,181 | 69,637 | 69,637 | 69,637 |
| Capacity | 608 | 608 | 608 | 500 | 495 | 537 | 603 | 647 | 647 | 647 |
| Enrollment | 469 | 483 | 446 | 460 | 458 | 469 | 449 | 450 | 428 | 412 |
| Orange City (1926) | | | | | | | | | | |
| Square Feet | 73,308 | 71,856 | 71,856 | 74,760 | 76,200 | 76,200 | 76,200 | 76,200 | 78,840 | 78,840 |
| Capacity | 863 | 863 | 809 | 682 | 671 | 775 | 775 | 775 | 775 | 775 |
| Enrollment | 729 | 756 | 745 | 797 | 799 | 865 | 639 | 614 | 614 | 594 |
| Ormond Beach (1910) | | | | | | | | | | |
| Square Feet | 40,425 | 39,699 | 39,699 | 39,721 | 40,585 | 40,585 | 41,305 | 41,305 | 44,905 | 44,905 |
| Capacity | 343 | 343 | 325 | 324 | 321 | 370 | 392 | 392 | 392 | 392 |
| Enrollment | 317 | 335 | 303 | 323 | 320 | 337 | 342 | 348 | 324 | 301 |
| Ortona (1952) | | | | | | | | | | |
| Square Feet | 39,840 | 39,114 | 39,114 | 40,394 | 40,394 | 42,112 | 41,850 | 41,850 | 41,850 | 41,850 |
| Capacity | 372 | 372 | 346 | 276 | 274 | 330 | 330 | 330 | 330 | 330 |
| Enrollment | 300 | 293 | 286 | 274 | 288 | 261 | 319 | 294 | 253 | 240 |
| Osceola (1954) | | | | | | | | | | |
| Square Feet | 63,062 | 63,062 | 63,062 | 63,476 | 63,476 | 63,476 | 65,204 | 64,484 | 64,484 | 64,484 |
| Capacity | 540 | 540 | 540 | 502 | 498 | 507 | 573 | 555 | 555 | 555 |
| Enrollment | 576 | 570 | 505 | 477 | 420 | 433 | 450 | 453 | 453 | 461 |

(Continued on page 134)

(c) School replaced by Champion Elementary.
Currently used as an ancillary site.

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| <u>ELEMENTARY SCHOOLS (cont'd)</u> | | | | | | | | | | |
| Osteen (1983) | | | | | | | | | | |
| Square Feet | 78,699 | 78,699 | 78,699 | 80,271 | 80,997 | 80,997 | 95,371 | 95,371 | 95,371 | 95,371 |
| Capacity | 682 | 682 | 704 | 613 | 608 | 631 | 764 | 764 | 764 | 764 |
| Enrollment | 721 | 717 | 701 | 736 | 789 | 809 | 758 | 600 | 623 | 591 |
| Palm Terrace (1991) | | | | | | | | | | |
| Square Feet | 107,555 | 107,555 | 107,555 | 107,555 | 108,485 | 110,213 | 112,373 | 115,509 | 115,474 | 115,474 |
| Capacity | 1,048 | 1,048 | 1,048 | 806 | 804 | 854 | 920 | 975 | 975 | 975 |
| Enrollment | 669 | 680 | 680 | 677 | 697 | 702 | 519 | 794 | 786 | 789 |
| Pathways (1998) | | | | | | | | | | |
| Square Feet | 93,133 | 93,133 | 93,133 | 93,133 | 94,997 | 94,997 | 109,302 | 108,438 | 108,438 | 108,438 |
| Capacity | 727 | 727 | 727 | 554 | 553 | 575 | 747 | 725 | 725 | 725 |
| Enrollment | 602 | 582 | 574 | 629 | 616 | 626 | 658 | 649 | 613 | 591 |
| Pierson (1925) | | | | | | | | | | |
| Square Feet | 68,336 | 70,514 | 70,514 | 70,768 | 71,488 | 71,488 | 79,693 | 83,323 | 83,323 | 83,323 |
| Capacity | 650 | 650 | 650 | 532 | 523 | 558 | 606 | 694 | 694 | 694 |
| Enrollment | 433 | 487 | 472 | 449 | 454 | 449 | 495 | 580 | 583 | 542 |
| Pine Trail (1982) | | | | | | | | | | |
| Square Feet | 100,627 | 100,627 | 100,627 | 102,115 | 105,811 | 105,811 | 117,940 | 117,940 | 116,296 | 116,296 |
| Capacity | 739 | 739 | 793 | 666 | 661 | 761 | 951 | 951 | 911 | 911 |
| Enrollment | 695 | 727 | 732 | 796 | 807 | 813 | 792 | 751 | 754 | 792 |
| Port Orange (1925) | | | | | | | | | | |
| Square Feet | 35,040 | 34,314 | 43,258 | 45,296 | 46,160 | 46,160 | 44,954 | 44,954 | 44,090 | 44,090 |
| Capacity | 374 | 374 | 456 | 432 | 427 | 456 | 438 | 438 | 416 | 416 |
| Enrollment | 390 | 420 | 460 | 481 | 493 | 470 | 398 | 382 | 372 | 351 |
| Pride (2007) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | - | 98,653 | 98,653 | 98,653 |
| Capacity | - | - | - | - | - | - | - | 761 | 765 | 765 |
| Enrollment | - | - | - | - | - | - | - | 600 | 649 | 558 |
| Read-Pattillo (1958) | | | | | | | | | | |
| Square Feet | 63,728 | 63,728 | 63,002 | 63,064 | 63,064 | 63,064 | 64,504 | 66,914 | 66,914 | 66,914 |
| Capacity | 612 | 612 | 612 | 522 | 519 | 528 | 573 | 573 | 573 | 573 |
| Enrollment | 565 | 550 | 522 | 479 | 483 | 476 | 492 | 452 | 470 | 435 |
| Samsula (1925) | | | | | | | | | | |
| Square Feet | 27,766 | 27,766 | 27,766 | 27,766 | 30,140 | 30,140 | 31,589 | 31,583 | (d) | - |
| Capacity | 256 | 256 | 256 | 196 | 194 | 254 | 298 | 598 | (d) | - |
| Enrollment | 242 | 259 | 252 | 247 | 254 | 280 | 215 | 213 | (d) | - |
| Seville (1915) | | | | | | | | | | |
| Square Feet | 22,057 | 22,057 | 21,331 | 23,023 | 24,751 | 24,751 | 24,751 | 18,587 | (e) | - |
| Capacity | 90 | 90 | 90 | 88 | 84 | 144 | 144 | 144 | (e) | - |
| Enrollment | 97 | 97 | 121 | 126 | 119 | 121 | 110 | 118 | (e) | - |
| Small (1953) | | | | | | | | | | |
| Square Feet | 58,849 | 58,849 | 65,228 | 66,081 | 66,801 | 68,529 | 68,529 | 68,529 | 72,129 | 71,395 |
| Capacity | 715 | 715 | 661 | 598 | 590 | 664 | 664 | 664 | 664 | 664 |
| Enrollment | 480 | 498 | 483 | 468 | 494 | 408 | 473 | 484 | 479 | 376 |
| South Daytona (1963) | | | | | | | | | | |
| Square Feet | 86,278 | 86,278 | 86,278 | 87,212 | 89,666 | 89,666 | 122,310 | 106,580 | 106,580 | 106,580 |
| Capacity | 925 | 925 | 925 | 751 | 737 | 865 | 978 | 978 | 978 | 978 |
| Enrollment | 998 | 952 | 880 | 884 | 880 | 864 | 737 | 755 | 864 | 888 |

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

(d) School donated to charter school.

(e) School sold.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| ELEMENTARY SCHOOLS (cont'd) | | | | | | | | | | |
| Spirit (2004) | | | | | | | | | | |
| Square Feet | - | - | - | - | 92,457 | 92,457 | 105,139 | 105,139 | 105,139 | 108,739 |
| Capacity | - | - | - | - | 518 | 600 | 988 | 988 | 988 | 988 |
| Enrollment | - | - | - | - | 638 | 750 | 887 | 878 | 820 | 782 |
| Spruce Creek (1979) | | | | | | | | | | |
| Square Feet | 94,615 | 94,615 | 94,615 | 94,615 | 98,438 | 101,318 | 117,756 | 113,436 | 113,436 | 113,436 |
| Capacity | 732 | 732 | 732 | 636 | 634 | 795 | 1,021 | 889 | 889 | 889 |
| Enrollment | 743 | 701 | 718 | 775 | 826 | 793 | 676 | 647 | 724 | 724 |
| Starke (1956) | | | | | | | | | | |
| Square Feet | 65,617 | 65,617 | 65,617 | 65,581 | 65,581 | 65,581 | 65,581 | 65,541 | 64,861 | 64,861 |
| Capacity | 611 | 611 | 591 | 569 | 563 | 573 | 573 | 573 | 555 | 555 |
| Enrollment | 479 | 475 | 423 | 438 | 388 | 392 | 410 | 424 | 392 | 395 |
| Sugar Mill (1982) | | | | | | | | | | |
| Square Feet | 103,526 | 103,526 | 103,526 | 103,514 | 103,514 | 106,394 | 107,834 | 107,834 | 107,834 | 108,359 |
| Capacity | 791 | 791 | 791 | 651 | 648 | 747 | 791 | 791 | 791 | 791 |
| Enrollment | 851 | 899 | 857 | 849 | 857 | 800 | 723 | 699 | 678 | 626 |
| Sunrise (1992) | | | | | | | | | | |
| Square Feet | 99,080 | 99,080 | 99,826 | 102,390 | 105,414 | 107,574 | 107,430 | 107,286 | 100,806 | 109,321 |
| Capacity | 846 | 846 | 819 | 726 | 716 | 893 | 893 | 871 | 703 | 831 |
| Enrollment | 894 | 844 | 836 | 897 | 909 | 978 | 943 | 688 | 608 | 608 |
| Sweetwater (1992) | | | | | | | | | | |
| Square Feet | 84,194 | 85,646 | 87,824 | 89,936 | 92,528 | 92,528 | 82,016 | 82,016 | 94,109 | 94,109 |
| Capacity | 789 | 789 | 789 | 752 | 740 | 825 | 587 | 543 | 725 | 725 |
| Enrollment | 854 | 899 | 979 | 1,013 | 975 | 968 | 556 | 541 | 649 | 674 |
| Timbercrest (1989) | | | | | | | | | | |
| Square Feet | 96,423 | 102,231 | 103,683 | 109,206 | 109,206 | 106,326 | 116,078 | 116,078 | 115,358 | 117,565 |
| Capacity | 822 | 822 | 888 | 916 | 895 | 876 | 1,058 | 1,058 | 1,036 | 1,036 |
| Enrollment | 1,010 | 1,031 | 1,107 | 1,128 | 856 | 854 | 928 | 870 | 877 | 871 |
| Tomoka (1967) | | | | | | | | | | |
| Square Feet | 86,387 | 85,661 | 86,387 | 86,907 | 88,347 | 90,075 | 94,007 | 93,271 | 93,997 | 92,269 |
| Capacity | 1,022 | 1,022 | 1,022 | 856 | 845 | 990 | 1,100 | 1,082 | 1,104 | 1,060 |
| Enrollment | 978 | 957 | 938 | 901 | 907 | 892 | 815 | 759 | 773 | 746 |
| Volusia Pines (1995) | | | | | | | | | | |
| Square Feet | 80,502 | 80,502 | 80,502 | 86,907 | 93,966 | 97,278 | 97,998 | 98,724 | 102,324 | 102,324 |
| Capacity | 542 | 542 | 525 | 422 | 521 | 651 | 673 | 695 | 695 | 695 |
| Enrollment | 472 | 508 | 537 | 546 | 681 | 712 | 710 | 692 | 663 | 662 |
| Westside (1966) | | | | | | | | | | |
| Square Feet | 75,673 | 73,567 | 72,841 | 74,519 | 74,519 | 75,239 | 75,659 | 78,159 | 78,159 | 77,439 |
| Capacity | 719 | 719 | 705 | 536 | 533 | 579 | 579 | 579 | 579 | 623 |
| Enrollment | 495 | 473 | 465 | 430 | 471 | 487 | 448 | 434 | 397 | 392 |
| Woodward (1966) | | | | | | | | | | |
| Square Feet | 84,644 | 83,918 | 83,192 | 84,762 | 85,624 | 86,490 | 87,354 | 88,680 | 86,952 | 86,952 |
| Capacity | 972 | 972 | 972 | 807 | 797 | 862 | 888 | 888 | 844 | 844 |
| Enrollment | 741 | 729 | 704 | 716 | 793 | 817 | 839 | 706 | 660 | 684 |

(Continued on page 136)

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| MIDDLE SCHOOLS | | | | | | | | | | |
| Campbell (1961)(2003)* | | | | | | | | | | |
| Square Feet | 175,399 | 165,235 | 165,235 | 175,243 | 175,243 | 163,379 | 163,379 | 163,379 | 163,379 | 163,379 |
| Capacity | 1,618 | 1,618 | 1,325 | 1,084 | 1,034 | 1,178 | 1,178 | 1,178 | 1,178 | 1,108 |
| Enrollment | 1,309 | 1,141 | 1,046 | 1,034 | 1,014 | 823 | 771 | 801 | 740 | 681 |
| Creekside (2000) | | | | | | | | | | |
| Square Feet | - | 157,743 | 159,743 | 159,743 | 159,243 | 159,243 | 159,243 | 159,243 | 159,243 | 159,243 |
| Capacity | - | 1,323 | 1,260 | 1,040 | 1,028 | 1,131 | 1,131 | 1,131 | 1,131 | 1,131 |
| Enrollment | - | 1,089 | 1,211 | 1,270 | 1,340 | 1,279 | 1,191 | 1,213 | 1,218 | 1,150 |
| DeLand (1982) | | | | | | | | | | |
| Square Feet | 222,389 | 222,389 | 222,389 | 222,611 | 222,611 | 222,611 | 222,611 | 213,233 | 212,921 | 212,921 |
| Capacity | 1,737 | 1,737 | 1,737 | 1,491 | 1,469 | 1,599 | 1,589 | 1,452 | 1,452 | 1,452 |
| Enrollment | 1,550 | 1,542 | 1,488 | 1,553 | 1,647 | 1,667 | 1,599 | 1,180 | 1,130 | 1,126 |
| Deltona (1968) | | | | | | | | | | |
| Square Feet | 149,232 | 146,328 | 146,328 | 149,616 | 152,208 | 152,208 | 151,378 | 152,839 | 152,411 | 152,411 |
| Capacity | 1,658 | 1,658 | 1,658 | 1,460 | 1,441 | 1,575 | 1,516 | 1,555 | 1,555 | 1,555 |
| Enrollment | 1,293 | 1,356 | 1,392 | 1,411 | 1,456 | 1,473 | 1,471 | 1,239 | 1,217 | 1,190 |
| Galaxy (1989) | | | | | | | | | | |
| Square Feet | 170,837 | 170,111 | 170,111 | 172,289 | 176,805 | 180,405 | 180,405 | 182,572 | 170,610 | 171,336 |
| Capacity | 1,748 | 1,748 | 1,748 | 1,490 | 1,471 | 1,741 | 1,741 | 1,780 | 1,503 | 1,503 |
| Enrollment | 1,541 | 1,637 | 1,678 | 1,765 | 1,860 | 1,848 | 1,763 | 1,254 | 1,160 | 1,123 |
| Heritage (2000) | | | | | | | | | | |
| Square Feet | 168,819 | 169,545 | 170,997 | 172,515 | 172,515 | 175,107 | 177,971 | 177,971 | 173,651 | 173,651 |
| Capacity | 1,488 | 1,488 | 1,488 | 1,317 | 1,303 | 1,447 | 1,467 | 1,467 | 1,328 | 1,328 |
| Enrollment | 1,392 | 1,410 | 1,382 | 1,416 | 1,451 | 1,424 | 1,450 | 1,312 | 1,261 | 1,225 |
| Hinson (2006) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | 162,930 | 162,930 | 178,160 | 178,160 | 178,160 |
| Capacity | - | - | - | - | - | 1,029 | 1,071 | 1,071 | 1,071 | 1,071 |
| Enrollment | - | - | - | - | - | 925 | 1,063 | 1,068 | 1,040 | 1,065 |
| Holly Hill (1956) | | | | | | | | | | |
| Square Feet | 117,253 | 116,527 | 116,527 | 117,991 | 117,991 | 115,551 | 116,895 | 116,895 | 116,895 | 116,175 |
| Capacity | 1,130 | 1,130 | 1,130 | 1,017 | 1,030 | 992 | 992 | 992 | 992 | 992 |
| Enrollment | 1,093 | 1,062 | 975 | 959 | 956 | 686 | 620 | 586 | 575 | 554 |
| New Smyrna (1981) | | | | | | | | | | |
| Square Feet | 197,622 | 196,896 | 196,170 | 199,190 | 199,190 | 197,018 | 194,132 | 194,132 | 191,748 | 191,748 |
| Capacity | 1,726 | 1,726 | 1,701 | 1,485 | 1,463 | 1,472 | 1,413 | 1,413 | 1,404 | 1,404 |
| Enrollment | 1,641 | 1,677 | 1,591 | 1,552 | 1,557 | 1,538 | 1,391 | 1,330 | 1,309 | 1,314 |
| Ormond Beach (1960) | | | | | | | | | | |
| Square Feet | 180,113 | 180,113 | 180,729 | 181,755 | 181,755 | 175,915 | 169,816 | 178,456 | 175,353 | 175,353 |
| Capacity | 1,623 | 1,623 | 1,561 | 1,495 | 1,482 | 1,250 | 1,162 | 1,502 | 1,463 | 1,463 |
| Enrollment | 1,716 | 1,731 | 1,761 | 1,732 | 1,714 | 1,039 | 925 | 935 | 924 | 912 |
| River Springs (2007) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | - | 198,686 | 199,566 | 206,290 |
| Capacity | - | - | - | - | - | - | - | 1,265 | 1,322 | 1,322 |
| Enrollment | - | - | - | - | - | - | - | 1,222 | 1,235 | 1,346 |
| Silver Sands (1982) | | | | | | | | | | |
| Square Feet | 192,781 | 171,001 | 168,823 | 171,001 | 171,073 | 171,073 | 171,073 | 171,246 | 171,246 | 171,246 |
| Capacity | 2,077 | 2,077 | 1,796 | 1,339 | 1,326 | 1,306 | 1,306 | 1,297 | 1,297 | 1,297 |
| Enrollment | 2,012 | 1,252 | 1,362 | 1,360 | 1,314 | 1,278 | 1,280 | 1,282 | 1,277 | 1,302 |
| Southwestern (1961) | | | | | | | | | | |
| Square Feet | 88,897 | 91,075 | 98,940 | 102,582 | 104,166 | 108,054 | 114,998 | 112,406 | 112,406 | 114,074 |
| Capacity | 796 | 796 | 719 | 745 | 734 | 1,038 | 985 | 959 | 959 | 959 |
| Enrollment | 670 | 672 | 652 | 642 | 649 | 673 | 730 | 688 | 646 | 643 |

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

* Second year denotes the year the school was replaced or had major additions and renovations.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|-------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| HIGH SCHOOLS | | | | | | | | | | |
| Atlantic (1992) | | | | | | | | | | |
| Square Feet | 205,479 | 205,479 | 205,479 | 208,365 | 209,085 | 209,085 | 208,509 | 208,509 | 203,369 | 203,369 |
| Capacity | 1,929 | 1,929 | 1,803 | 1,643 | 1,627 | 1,747 | 1,843 | 1,758 | 1,670 | 1,670 |
| Enrollment | 1,637 | 1,515 | 1,588 | 1,551 | 1,564 | 1,548 | 1,370 | 1,206 | 1,123 | 1,142 |
| DeLand (1962)(2004)* | | | | | | | | | | |
| Square Feet | 287,270 | 287,270 | 287,270 | 345,295 | 354,370 | 357,538 | 369,302 | 388,370 | 373,934 | 373,934 |
| Capacity | 2,891 | 2,891 | 2,890 | 2,662 | 2,610 | 3,407 | 3,865 | 4,006 | 3,619 | 3,619 |
| Enrollment | 2,645 | 2,730 | 2,881 | 2,918 | 3,079 | 3,282 | 3,466 | 3,348 | 3,286 | 2,717 |
| Deltona (1986) | | | | | | | | | | |
| Square Feet | 291,627 | 299,613 | 311,229 | 312,637 | 339,009 | 342,912 | 348,809 | 350,803 | 348,211 | 354,562 |
| Capacity | 2,118 | 2,118 | 2,118 | 2,536 | 2,488 | 3,378 | 3,402 | 3,316 | 3,245 | 3,314 |
| Enrollment | 2,368 | 2,543 | 2,678 | 2,813 | 2,844 | 2,898 | 2,949 | 2,873 | 2,981 | 1,951 |
| Mainland (1962) | | | | | | | | | | |
| Square Feet | 236,313 | 235,587 | 235,587 | 235,587 | 230,119 | 230,119 | 328,372 | 332,493 | 332,493 | 333,291 |
| Capacity | 2,033 | 2,033 | 2,019 | 2,166 | 2,112 | 2,214 | 2,344 | 2,375 | 2,375 | 2,375 |
| Enrollment | 2,095 | 2,217 | 2,220 | 2,163 | 2,062 | 1,906 | 1,825 | 1,814 | 1,834 | 1,724 |
| New Smyrna (1963) | | | | | | | | | | |
| Square Feet | 214,018 | 217,648 | 217,648 | 219,238 | 219,238 | 219,238 | 311,232 | 311,232 | 311,232 | 311,232 |
| Capacity | 1,900 | 1,900 | 1,882 | 1,931 | 1,901 | 2,055 | 2,334 | 2,271 | 2,271 | 2,271 |
| Enrollment | 1,939 | 1,920 | 1,957 | 2,020 | 2,025 | 2,060 | 2,027 | 1,970 | 2,011 | 1,932 |
| Pine Ridge (1992) | | | | | | | | | | |
| Square Feet | 238,808 | 243,164 | 246,794 | 251,753 | 253,481 | 257,801 | 264,704 | 265,430 | 247,760 | 250,143 |
| Capacity | 2,016 | 2,016 | 2,090 | 2,204 | 2,177 | 2,453 | 2,582 | 2,520 | 2,045 | 2,110 |
| Enrollment | 2,250 | 2,345 | 2,372 | 2,411 | 2,593 | 2,621 | 2,426 | 2,262 | 2,179 | 1,865 |
| Seabreeze (1962)(2004)* | | | | | | | | | | |
| Square Feet | 182,868 | 180,690 | 219,509 | 245,641 | 245,641 | 245,641 | 245,641 | 245,641 | 245,641 | 245,641 |
| Capacity | 1,502 | 1,502 | 2,028 | 1,739 | 1,731 | 1,827 | 1,827 | 1,741 | 1,741 | 1,741 |
| Enrollment | 1,534 | 1,573 | 1,634 | 1,874 | 1,902 | 2,009 | 1,955 | 1,858 | 1,799 | 1,818 |
| Spruce Creek (1974) | | | | | | | | | | |
| Square Feet | 199,564 | 208,276 | 211,180 | 214,635 | 214,635 | 268,063 | 266,623 | 267,019 | 364,289 | 264,177 |
| Capacity | 2,227 | 2,227 | 2,352 | 2,447 | 2,390 | 3,069 | 3,021 | 2,976 | 2,905 | 2,934 |
| Enrollment | 2,323 | 2,404 | 2,458 | 2,627 | 2,683 | 2,797 | 2,741 | 2,750 | 2,808 | 2,874 |
| Taylor (1961) | | | | | | | | | | |
| Square Feet | 124,975 | 127,879 | 127,879 | 129,821 | 129,821 | 129,821 | 196,362 | 206,435 | 206,435 | 206,435 |
| Capacity | 1,171 | 1,171 | 1,030 | 934 | 923 | 1,073 | 1,284 | 1,305 | 1,305 | 1,305 |
| Enrollment | 966 | 958 | 952 | 968 | 950 | 919 | 970 | 998 | 998 | 978 |
| University (2010) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | - | - | - | 332,493 |
| Capacity | - | - | - | - | - | - | - | - | - | 2,734 |
| Enrollment | - | - | - | - | - | - | - | - | - | 1,931 |

(Continued on page 138)

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations

* Second year denotes the year the school was replaced or had major additions and renovations.

District School Board of Volusia County, Florida
School Building Information
Last Ten Fiscal Years
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| <u>OTHER CENTERS</u> | | | | | | | | | | |
| Boston (1926) | | | | | | | | | | |
| Square Feet | 37,476 | 37,476 | 37,476 | 38,097 | 38,052 | 36,572 | 34,942 | 34,942 | (f) | - |
| Capacity | 132 | 132 | 132 | 143 | 93 | 144 | 120 | 120 | (f) | - |
| Enrollment | 91 | 85 | 82 | 67 | 53 | 44 | 29 | 27 | (f) | - |
| Community Learning Center West (2006) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | 21,616 | 21,616 | 21,616 | 21,616 |
| Capacity | - | - | - | - | - | - | 150 | 150 | 150 | 150 |
| Enrollment | - | - | - | - | - | - | 106 | 97 | 101 | 87 |
| Community Learning Center East (2007) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | 15,819 | 15,819 | 15,819 | 15,819 |
| Capacity | - | - | - | - | - | - | 185 | 185 | 185 | 185 |
| Enrollment | - | - | - | - | - | - | 90 | 97 | 78 | 64 |
| Euclid (1936) | | | | | | | | | | |
| Square Feet | 17,530 | 18,982 | 18,982 | 18,345 | 18,345 | 18,345 | 18,345 | 19,065 | 19,065 | 19,065 |
| Capacity | 99 | 99 | 99 | 112 | 74 | 90 | 90 | 95 | 95 | 95 |
| Enrollment | 52 | 68 | 74 | 114 | 62 | 75 | 64 | 71 | 73 | 36 |
| Riverview (1926) | | | | | | | | | | |
| Square Feet | 19,011 | 19,011 | 19,011 | 18,845 | 18,845 | 18,845 | 18,845 | 18,845 | 18,845 | 18,845 |
| Capacity | 61 | 61 | 61 | 41 | 39 | 60 | 63 | 63 | 63 | 63 |
| Enrollment | 62 | 69 | 76 | 114 | 104 | 69 | 60 | 60 | 45 | 41 |
| <u>ANCILLARY FACILITIES</u> | | | | | | | | | | |
| Brewster Center (1925) | | | | | | | | | | |
| Square Feet | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 | 30,136 |
| Central Warehouse/Transp. (1964) | | | | | | | | | | |
| Square Feet | 54,279 | 54,279 | 54,279 | 54,279 | 54,279 | 54,279 | 54,279 | 54,279 | 54,279 | 56,987 |
| Daytona Transportation (1964)(2010)* | | | | | | | | | | |
| Square Feet | 60,242 | 60,242 | 30,232 | 30,323 | 30,323 | 30,323 | 30,323 | 30,323 | 30,323 | 44,629 |
| DeLand Administration (1939) | | | | | | | | | | |
| Square Feet | 49,690 | 49,690 | 49,690 | 49,690 | 49,690 | 49,690 | 49,690 | 49,690 | 49,630 | 55,486 |
| Deltona Maint./Transport. (1991) | | | | | | | | | | |
| Square Feet | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 | 26,025 |
| Educational Development Ctr (1961) | | | | | | | | | | |
| Square Feet | 46,225 | 46,225 | 46,225 | 46,225 | 46,225 | 46,225 | 46,225 | 46,225 | 46,225 | (g) |
| Facilities Services (2002) | | | | | | | | | | |
| Square Feet | - | 94,016 | 94,016 | 94,016 | 94,016 | 94,016 | 94,016 | 94,016 | 94,016 | 94,016 |
| Ormond Transportation (2007) | | | | | | | | | | |
| Square Feet | - | - | - | - | - | - | - | 2,261 | 2,261 | 2,261 |
| Turnbull Bay Transportation (1989) | | | | | | | | | | |
| Square Feet | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 | 4,637 |

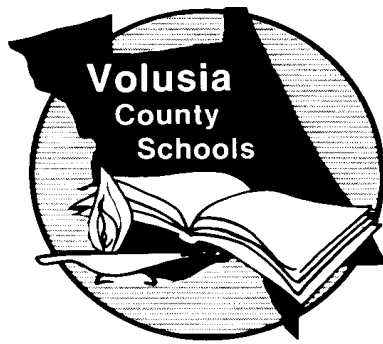
Source: District records

*Second year denotes the year the facility was replaced.

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

(f) School donated to charter school.

(g) Facility sold.



Single Audit Section

**District School Board of Volusia County, Florida
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2010**

| Federal Grantor/Pass-Through Grantor/Program Title | Catalog of Federal Domestic Assistance Number | Pass - Through Grantor Number | Amount of Expenditures | Amount Provided to Subrecipients |
|---|---|--|---------------------------|--|
| United States Department of Agriculture: | | | | |
| Indirect: | | | | |
| Child Nutrition Cluster: | | | | |
| Florida Department of Agriculture and Consumer Services: | | | | |
| Noncash Assistance (Commodities): | | | | |
| National School Lunch Program | 10.555 | None | \$ 1,287,042 | \$ - |
| Florida Department of Education: | | | | |
| Cash Assistance: | | | | |
| School Breakfast Program | 10.553 | 321 | 3,016,901 | - |
| National School Lunch Program | 10.555 | 300 | 12,166,508 | - |
| Summer Food Service Program Children | 10.559 | 323 | 169,519 | - |
| Cash Assistance Subtotal | | | <u>15,352,928</u> | <u>-</u> |
| Total Child Nutrition Cluster | | | <u>16,639,970</u> | <u>-</u> |
| Child and Adult Care Food Program | 10.558 | 302 | 272,504 | - |
| ARRA - Child Nutrition Discretionary Grants | 10.579 | 371 | 65,107 | - |
| | | | <u>16,977,581</u> | <u>-</u> |
| Total United States Department of Agriculture | | | | |
| United States Department of Transportation: | | | | |
| Indirect: | | | | |
| Florida Department of Transportation: | | | | |
| Highway Planning and Construction | 20.205 | None | 21,418 | - |
| United States Department of Education: | | | | |
| Direct: | | | | |
| Fund for the Improvement of Education | 84.215 | N/A | 325,686 | - |
| Total Direct | | | <u>325,686</u> | <u>-</u> |
| Indirect: | | | | |
| Florida Department of Education: | | | | |
| Special Education Cluster: | | | | |
| Special Education - Grants to States | 84.027 | 262,263 | 14,958,919 | - |
| Special Education - Preschool Grants | 84.173 | 267 | 318,307 | - |
| ARRA - Special Education - Grants to States, Recovery Act | 84.391 | 263 | 7,458,791 | - |
| ARRA - Special Education - Preschool Grants, Recovery Act | 84.392 | 267 | 173,541 | - |
| University of South Florida: | | | | |
| Special Education - Grants to States | 84.027 | None | 111,791 | - |
| Putnam County District School Board: | | | | |
| Special Education - Grants to States | 84.027 | None | 3,525 | - |
| Total Special Education Cluster | | | <u>23,024,874</u> | <u>-</u> |
| Title I, Part A Cluster: | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | 212,222,223,226,228 | 18,091,828 | 183,961 |
| ARRA - Title I Grants to Local Educational Agencies, Recovery Act | 84.010 | 226 | 143,770 | 1,691 |
| ARRA - Title I Grants to Local Educational Agencies, Recovery Act | 84.389 | 212,222,223 | 7,693,823 | 131,731 |
| Total Title I, Part A Cluster | | | <u>25,929,421</u> | <u>317,383</u> |
| State Fiscal Stabilization Fund Cluster: | | | | |
| ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act | 84.394 | 591 | 19,870,610 | - |
| ARRA - State Fiscal Stabilization Fund - Government Services, Recovery Act | 84.397 | 592 | 2,203,536 | 4,101 |
| Total State Fiscal Stabilization Fund Cluster | | | <u>22,074,146</u> | <u>4,101</u> |
| Education Technology Cluster: | | | | |
| Education Technology State Grants | 84.318 | 121 | 157,736 | - |
| ARRA - Education Technology State Grants, Recovery Act | 84.386 | 121 | 226,206 | - |
| Total Education Technology Cluster | | | <u>383,942</u> | <u>-</u> |
| Education of Homeless Children and Youth Cluster: | | | | |
| Education for Homeless Children and Youth | 84.196 | 127 | 115,090 | - |
| ARRA - Education for Homeless Children and Youth, Recovery Act | 84.387 | 127 | 66,050 | - |
| Total Education of Homeless Children and Youth Cluster | | | <u>181,140</u> | <u>-</u> |
| Migrant Education - State Grant Program | 84.011 | 217 | 383,758 | - |
| Career and Technical Education - Basic Grants to States | 84.048 | 151,161 | 905,982 | - |
| Safe and Drug-Free Schools and Communities - State Grants | 84.186 | 103 | 240,094 | - |
| Charter Schools | 84.282 | 298 | 259,284 | 250,722 |
| Twenty-First Century Community Learning Centers | 84.287 | 244 | 344,975 | - |
| Reading First State Grants | 84.357 | 211 | 42,475 | 2,625 |
| English Language Acquisition Grants | 84.365 | 102 | 423,894 | - |
| Improving Teacher Quality State Grants | 84.367 | 224 | 2,938,661 | - |
| School Improvement Grants | 84.377 | 126 | 20,998 | - |
| University of Central Florida: | | | | |
| Fund for the Improvement of Education | 84.215 | None | 15,000 | - |
| Washington County District School Board: | | | | |
| Reading First State Grants | 84.357 | None | 26,497 | - |
| Flagler County District School Board: | | | | |
| Career and Technical Education - Basic Grants to States | 84.048 | None | 6,031 | - |
| Daytona State College: | | | | |
| Career and Technical Education - Basic Grants to States | 84.048 | None | 58,887 | - |
| Total Indirect | | | <u>77,260,059</u> | <u>574,831</u> |
| Total United States Department of Education | | | <u>77,585,745</u> | <u>574,831</u> |
| Corporation for National and Community Service: | | | | |
| Indirect: | | | | |
| Florida Department of Education: | | | | |
| Learn and Serve America - School and Community Based Programs | 94.004 | 234 | 32,771 | - |
| United States Department of Homeland Security: | | | | |
| Indirect: | | | | |
| Division of Emergency Management: | | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | None | 15,452 | - |
| United States Department of Defense: | | | | |
| Direct: | | | | |
| Air Force Junior Reserve Officers Training Corps | None | NA | 206,341 | - |
| Army Junior Reserve Officers Training Corps | None | NA | 118,002 | - |
| Total United States Department of Defense | | | <u>324,343</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 94,957,310</u> | <u>\$ 574,831</u> |

District School Board of Volusia County, Florida
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2010

1. Summary of Significant Accounting Policies

Basis of Presentation

The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the 2009-2010 fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been prepared.

Noncash Assistance

National School Lunch Program:

The amount reported for food donation represents the amount of donated food used during the 2009-10 fiscal year. Commodities are valued at fair value as determined at the time of donation.

2. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the District. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal and State laws and regulations.



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS 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***

Chairman and Members of
The District School Board of Volusia County, Florida

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Volusia County, Florida (the "District"), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 30, 2010. 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 discretely presented component units, as described in our report on the District'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 District'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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Chairman and Members of
The District School Board of Volusia County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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*.

We noted certain matters that we have reported to management of the District in a separate letter dated November 30, 2010.

This report is intended solely for the information and use of the District's management, the School Board, Auditor General, State of Florida, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
November 30, 2010



**MOORE STEPHENS
LOVELACE, P.A.**
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Chairman and Members of
The District School Board of Volusia County, Florida

Compliance

We have audited the compliance of the District School Board of Volusia County, Florida (the “District”), with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) Circular A-133, *Compliance Supplement*, that are applicable to each of its major federal programs for the year ended June 30, 2010. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements referred to above is the responsibility of the District’s management. Our responsibility is to express an opinion on the District’s compliance based on our audit.

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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 identified in the accompanying Schedule of Findings and Questioned Costs occurred. An audit includes examining, on a test basis, evidence about the District’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 of the District’s compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs identified in the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the District’s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 District’s internal control over compliance.

Chairman and Members of
District School Board of Volusia County, Florida

Internal Control Over Compliance (Continued)

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

Schedule of Expenditures of Federal Awards

We have audited the basic 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 District as of and for the year ended June 30, 2010, and have issued our report thereon dated November 30, 2010, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. Our report on the basic financial statements included disclosures regarding our reference to the reports of other auditors. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the District's management, the School Board, Auditor General, State of Florida, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Moore Stephens Lovelace, P.A.

Certified Public Accountants

Orlando, Florida
November 30, 2010

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2010

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unqualified Opinion

- Internal control over financial reporting:
 - Material weakness(es) identified? Yes No
 - Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies)? Yes None reported

Type of report issued on compliance for major federal program:

Unqualified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

Yes No

Identification of Major Programs:

CFDA Numbers

Name of Federal Program or Cluster

| | |
|--------------------------------|---|
| 10.579 | ARRA – School Lunchroom Equipment, Recovery Act |
| 84.010, 84.389 | Title I Cluster |
| 84.027, 84.173, 84.391, 84.392 | Special Education Cluster |
| 84.196, 84.387 | Education for Homeless Children and Youth Cluster |
| 84.318, 84.386 | Education Technology State Grants Cluster |
| 84.394, 84.397 | State Fiscal Stabilization Fund Cluster |

Dollar threshold used to distinguish between Type A and Type B programs:

\$2,848,719

Auditee qualified as low-risk auditee?

Yes No

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For The Year Ended June 30, 2010

Section II – Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*.

No matters are reported.

Section III – Federal Award Findings and Questioned Costs Section reported in accordance with OMB Circular A-133.

No matters are reported.

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Year Ended June 30, 2010

PRIOR YEAR AUDIT FINDINGS

No matters were reported over federal financial assistance programs.