

## Report of Independent Certified Public Accountants

The Board of County Commissioners  
Hillsborough County, Florida

We have audited the accompanying special-purpose Statement of County Funded Court-Related Functions (the Statement) of Hillsborough County, Florida for the year ended September 30, 2008. This statement is the responsibility of Hillsborough County, Florida's management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. We were not engaged to perform an audit of the County Funded Court-Related Function's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County Funded Court-Related Functions' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the accompanying special-purpose statement has been prepared in accordance with the requirements of the Florida Department of Financial Services, in order to demonstrate compliance with Sections 29.008 and 29.0085, *Florida Statutes*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States. The accompanying Statement is not intended to be a complete presentation of the results of operations of the County Funded Court-Related Functions on the basis indicated.

In our opinion, the special-purpose statement referred to above presents fairly, in all material respects, the County Funded Court-Related Functions of Hillsborough County, Florida for the year ended September 30, 2008, in conformity with accounting practices prescribed by the Florida Department of Financial Services.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2009, on our consideration of the County Funded Court-Related Functions' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the Board of County Commissioners and management of Hillsborough County, Florida for the filing with the Florida Department of Financial Services, and is not intended to be, and should not be, used by anyone other than the specified parties.

*Ernst & Young LLP*

January 19, 2009

HILLSBOROUGH COUNTY

STATEMENT OF COUNTY FUNDED COURT-RELATED FUNCTIONS, SECTION 29.0085, FLORIDA STATUTES  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Statutory Reference	s.29.008(1), F.S.					s.29.008(2), F.S.	
	State Attorney	Public Defender	Clerk of Circuit Court (A)	State Courts (A)	Guardian Ad Litem	Local Requirements	TOTAL
<b>Part A - Revenues:</b>							
<b>Local Requirement Collections</b>							
s939.185, F.S. / \$65.00 Local Ordinances (B)	--	--	--	--	--	2,078,996	2,078,996
s318.18(13)(b), F.S. / \$20.00 Surcharge for Court Facilities (C)	--	--	--	--	--	3,886,000	3,886,000
s28.24(12)(e)1, F.S. / \$2.00 Additional Court Cost for Court IT Equipment	--	--	--	--	--	1,938,412	1,938,412
Federal, State, Local, & Private Grant Revenue Restricted to Local Requirement Funding (E)	--	--	--	--	--	--	--
Various Service Charge Revenue to Fund Local Requirements	--	--	--	--	--	--	--
Other Revenues Dedicated to Fund Local Requirements (Description)	--	--	--	--	--	--	--
<b>Local Requirements Revenue Total</b>	--	--	--	--	--	7,903,408	7,903,408
<b>Part B - Non-Recurring Fixed Capital Outlay Expenditures:</b>							
Facility Construction	1,197,513	4,260	--	14,866,266	--	--	16,068,039
Communication Infrastructure	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--
<b>Fixed Capital Outlay (FCO) Cost Total</b>	1,197,513	4,260	--	14,866,266	--	--	16,068,039
<b>Part C - Operating Expenditures</b>							
<b>Facility Cost</b>							
Lease / Rent Expense	--	--	759,204	--	234,732	--	993,936
Maintenance	71,587	148,189	257,075	608,154	--	--	1,085,005
Utilities	--	--	--	1,316,902	--	--	1,316,902
Security	--	--	10,252	2,925,218	--	--	2,935,470
Other (D)	760,851	409,730	--	3,032,230	--	--	4,202,811
<b>Facility Costs Total</b>	832,438	557,919	1,026,531	7,882,504	234,732	--	10,534,124

	State Attorney	Public Defender	Clerk of Circuit Court (A)	State Courts (A)	Guardian Ad Litem	Local Requirements	TOTAL
<b>Communications Systems and Services</b>							
Telephone Expenses	427,261	82,163	662,801	328,286	41,267	--	1,541,778
Computer Equipment / Networks	1,211,422	132,039	1,972,426	4,639,243	623	--	7,955,753
Courier / Subpoena Services	--	--	--	--	--	--	--
Auxiliary Aids	--	--	--	--	--	--	--
Other Communications Systems and Services	--	--	--	--	--	--	--
<b>Communications Systems and Services Total</b>	<b>1,638,683</b>	<b>214,202</b>	<b>2,635,227</b>	<b>4,967,529</b>	<b>41,890</b>	<b>--</b>	<b>9,497,531</b>
Existing Radio Systems	--	--	--	--	--	--	--
Existing Multi-Agency Criminal Justice Information Systems	--	--	5,100,847	--	--	--	5,100,847
<b>Total Operating Expenditures</b>	<b>2,471,121</b>	<b>772,121</b>	<b>8,762,605</b>	<b>12,850,033</b>	<b>276,622</b>	<b>--</b>	<b>25,132,502</b>
<b>Part D - Local Requirements:</b>							
Drug Court	--	--	--	546,868	--	--	546,868
Teen Court (Juvenile Alternative Program)	--	--	--	479,800	--	727,348	1,207,148
Legal Library	--	--	--	--	--	475,257	475,257
Legal Aid	--	--	--	--	--	1,100,000	1,100,000
Alternative Sanction Coordinators	--	--	--	--	--	--	--
Other (Mediation, alternative dispute resolution)	--	--	--	341,908	--	--	341,908
Other (domestic violence, elder and children justice)	--	--	--	739,920	--	--	739,920
<b>Local Requirement Total Cost</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,108,496</b>	<b>--</b>	<b>2,302,605</b>	<b>4,411,102</b>
<b>Part E - Other Operating Court Related Expenditures:</b>							
Other (Health benefits)	--	--	--	--	24,742	--	24,742
Other (Personnel)	--	--	--	--	202,851	--	202,851
Other (Description)	--	--	--	--	--	--	--
<b>Other Operating Expenses Total</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>227,593</b>	<b>--</b>	<b>227,593</b>
<b>GRAND TOTAL (PART B - E)</b>	<b>3,668,634</b>	<b>776,381</b>	<b>8,762,605</b>	<b>29,824,796</b>	<b>504,215</b>	<b>2,302,605</b>	<b>45,839,236</b>

This is to certify to the best of my knowledge and belief, this report accurately states total expenditures as set forth in Sections 29.008 and 29.0085, Florida Statutes.

See comments on following page.

/s/ Ajay Gajjar  
Signature

(813) 276-8100 ext. 3766  
Phone Number

Ajay B. Gajjar, Assistant Finance Director  
Name and Title (Printed)

\_\_\_\_\_  
Date

**Notes on Hillsborough County, Florida's Statement of County-Funded Court-Related Functions, Section 29.0085, Florida Statutes  
For the Year Ended September 30, 2008**

Notes:

- (A) Court Administrator expenditures are shown in the "State Courts" column.
- (B) The County received additional court costs of \$2,078,996 for the law library, legal aid, teen court / juvenile alternate program, and court innovations per Section 939.185, F.S.
- (C) The County received traffic violations surcharge receipts of \$3,886,000 for debt service on Court Facilities Revenue Bonds per Section 318.18(13)(b), F.S.
- (D) Facilities costs were estimated using Real Estate Facilities pages 269-290 of the "Hillsborough County, Florida Full Cost Allocation Plan, Fiscal Year Ended September 30, 2007, Draft Report - November 2008" prepared by KPMG.
- (E) Note that revenues and expenditures associated with federal or state grants were not included on this report.
- (F) Note there were other court-related expenditures incurred, but they were not shown on this report because they were not specifically identified as expenditures related to Section 29.0085, FS. If there was a doubt about whether an item should be included, it was not included.

# Hillsborough County, Florida

## Notes to Special Purpose Statement of County Funded Court-Related Functions

September 30, 2008

### **1. Reporting Entity**

Hillsborough County, Florida is a political subdivision of the state of Florida pursuant to Article VIII, Section (1) and (6), of the Constitution of the State of Florida. It is guided by an elected Board of County Commissioners (the Board), which is governed by state statutes. In addition to the members of the Board, there are five elected constitutional officers: the Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and the Tax Collector. The entities controlled by these officials are combined and comprise the primary government.

The Statement contained herein represents the financial transactions of the County Funded Court-Related Functions required to show compliance with Sections 29.008 and 29.0085, *Florida Statutes*, required by the Florida Department of Financial Services, and is not combined with the financial transactions of the County or any other county agency to present the financial position, results of operations, or cash flows of the proprietary funds of the County, in conformity with accounting principles generally accepted in the United States. The Statement does not represent the financial transactions of the primary government of Hillsborough County.

### **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The revenue and expenses as presented in the Statement are maintained and presented herein on the modified accrual basis of accounting, whereby revenues are generally recognized when they become measurable and available, and expenditures are recognized when incurred. The court-related functions as presented in the Statement are presented using the report format required by the Florida Department of Financial Services to show compliance with Sections 29.008 and 29.0085, *Florida Statutes*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

Accordingly, the accompanying Statement is not intended to present the results of operations of the County Funded Court-Related Functions operations, in conformity with accounting principles generally accepted in the United States.

Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of the Special-Purpose Statement of County Funded  
Court-Related Functions Performed in Accordance With  
*Government Auditing Standards*

The Board of County Commissioners  
Hillsborough County, Florida

We have audited the accompanying special-purpose Statement of County Funded Court-Related Functions (the Statement) of Hillsborough County, Florida, for the year ended September 30, 2008, and have issued our report thereon dated January 19, 2009. We conducted our audit 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County Funded Court-Related Functions' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the statement, but not for the purpose of expressing an opinion on the effectiveness of the County Funded Court-Related Functions' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County Funded Court-Related Functions' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's Statement that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Statement is 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 the Statement's 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*.

This report is intended solely for the information and use of the Board of County Commissioners and County management for filing with the Department of Financial Services, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Ernst & Young LLP*

January 19, 2009