

Hillsborough County, Florida

Comprehensive Annual Financial Report



Fiscal Year Ended September 30, 2011

Museums in Hillsborough County, Florida

This year's Comprehensive Annual Financial Report spotlights a variety of museums located in Hillsborough County. The cover photos (clockwise from top):

The **Glazer Children's Museum** is a not-for-profit educational and cultural resource whose mission is to create a learning environment where children play, discover, and connect to the world around them to develop as lifelong learners and leaders. The 53,000 square foot museum provides a safe and playful environment for children. The highly interactive museum includes 12 themed galleries and 170 "interactivities" – hands-on, minds-on exhibits for children aged birth to around ten. For more information, visit www.glazermuseum.org.

The **Tampa Bay History Center** includes three floors of exhibition space covering 12,000 years of Florida history. The History Center features a museum store, the Witt Research Center (a branch of the Hillsborough County Public Library System), a map gallery, an event hall and the Columbia Café. One of Tampa's premier cultural venues, the History Center's hands-on, kid-friendly activities, together with cutting-edge interactive exhibits and theaters provide a unique educational experience. For more information, visit www.tampabayhistorycenter.org.

Opened in 1980, the **Ybor Museum** introduces visitors to the unique heritage of Ybor City, Tampa's National Historic Landmark District. Founded by cigar factory owners in 1886, Ybor City grew to be the most productive cigar-making town in the world. Exhibits housed in the museum explore the rise and fall of the cigar industry in Ybor City, as well as the various immigrant groups that supported the growth of Tampa into a modern industrial city. For more information, visit www.ybormuseum.org.

The **USF Contemporary Art Museum** opened its current facility in 1989, adjacent to the USF College of Arts. The museum has presented numerous significant and investigative exhibitions of contemporary art from Florida, the United States, and around the world, including Europe and Latin America. Changing exhibitions are designed to introduce students, faculty and the community to current cultural trends. For more information, visit www.ira.usf.edu.

The **Florida Museum of Photographic Arts (FMoPA)** is a museum dedicated to exhibiting important photographic art as central to contemporary life and culture. FMoPA collects, preserves and exhibits historic and contemporary works by nationally and internationally known photographic artists. FMoPA also enriches the community by operating outreach programs to educate children and adults. For more information, visit www.fmopa.org.

MOSI, Museum of Science & Industry, is the largest science center in the southeastern United States and home of the only IMAX Dome Theatre in the state of Florida. Guests are encouraged to "learn by doing" in this scientific playground of special exhibitions and more than 450 hands-on activities. The facility sits on 74 acres and encompasses over 400,000 square feet. For more information, visit www.mosi.org.

Additional photos and information is provided in the four divider pages of this document.

**Hillsborough County, Florida
Comprehensive Annual
Financial Report**

Fiscal Year Ended September 30, 2011

**Prepared by: County Finance Department
Pat Frank, Clerk of Circuit Court**

**HILLSBOROUGH COUNTY, FLORIDA
List of Principal Officials
In Office on September 30, 2011**

Board of County Commissioners

Al Higginbotham, *Chair*
Mark Sharpe, *Vice-Chair*
Kevin Beckner
Victor D. Crist
Ken Hagan
Lesley "Les" Miller, Jr.
Sandra L. Murman

Constitutional Officers

Pat Frank, *Clerk of Circuit Court*
Doug Belden, *Tax Collector*
David Gee, *Sheriff*
Earl Lennard, *Supervisor of Elections*
Rob Turner, *Property Appraiser*

Appointed Officials

Michael S. Merrill, *County Administrator*
Donald R. Odom, *Interim County Attorney*

**HILLSBOROUGH COUNTY, FLORIDA
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2011**

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Cover/dividers design courtesy of
James R. Singletary IV
Photographs provided by respective museums

Introductory Section

MOSI, Museum of Science & Industry, is the largest science center in the southeastern United States and home of the only IMAX® *Dome Theatre* in the state of Florida. Guests are encouraged to "learn by doing" in this scientific playground of special exhibitions and more than 450 hands-on activities.



The Amazing You is a state-of-the-art, 13,000-square-foot exhibition about health and wellness of each developmental life stage. In this informative, educational, and interactive exhibition, guests will have the opportunity to explore the intricate world of the human body.



The **IMAX Dome Theatre** features 340 seats and an 82-foot hemispherical movie screen, housed within a distinctive 85-foot blue stainless dome. The IMAX Dome motion picture system projects images of unsurpassed size, clarity, and impact onto a 10,500 square foot dome-shaped screen. The film is enhanced by a superb specially designed, six-channel, multispeaker sound system.

Kids In Charge! The Children's Science Center at MOSI. This hands-on gallery space is specially designed for young children and participating adults to discover and learn through play by bringing together science, creative thinking and imagination.

The **MOSI's high wire bicycle** -- the longest one in any U.S. museum. MOSI's high wire bicycle offers an opportunity for anyone who wants to test physics to pedal a bicycle across a 1-inch cable suspended 30 feet in the air. The 98-foot long wire will take the cyclist on a plane that's eye-level with the diplodocus dinosaurs!



February 13, 2012

To the Residents of Hillsborough County, Florida:

The *Hillsborough County, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2011*, is a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited by independent certified public accountants in accordance with auditing standards generally accepted in the United States.

Legal Requirements The CAFR was prepared by the County Finance Department of the Clerk of Circuit Court in accordance with Sections 218.32 and 218.39, Florida Statutes. The Clerk of Circuit Court, as chief financial officer of Hillsborough County, assumes full responsibility for the completeness and reliability of the information presented in this report. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Internal Control Hillsborough County has established a comprehensive internal control framework designed to ensure that the County's assets are protected from loss, theft, or misuse, and that sufficient reliable accounting information is compiled to allow for financial statement preparation in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

Independent Audits The Hillsborough County financial statements were audited by Cherry, Bekaert & Holland, LLP, an independent certified public accounting firm, in accordance with Sections 11.45 and 125.01, Florida Statutes. The goal of the independent audit was to provide reasonable assurance that the financial statements of Hillsborough County for the fiscal year ended September 30, 2011, were 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. Based on their audit, the independent auditors concluded that there was a reasonable basis for rendering an unqualified opinion that the Hillsborough County financial statements for the fiscal year ended September 30, 2011, were fairly presented in conformity with GAAP.

As a recipient of federal and state financial assistance, the County is responsible for maintaining an adequate internal control framework to ensure compliance with applicable laws and regulations related to these programs. This internal control framework is reviewed

by the County's independent auditors when they conduct the annual federal and state Single Audits, which cover major federal grant programs and state grant projects, respectively. The federal and state Single Audits were designed to meet the requirements of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; as well as Section 215.97, Florida Statutes, respectively. The independent auditors' Single Audit reports, including any findings and recommendations, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Financial Assistance are available in a separately issued *Single Audit Report*.

Management's Discussion and Analysis (MD&A) The MD&A is a significant part of the CAFR. The MD&A is a narrative introduction, overview, and analysis of the financial statements and should be read in conjunction with this letter of transmittal. The MD&A also provides a brief overview of the CAFR's contents.

County Profile Hillsborough County, created in 1834 as Florida's 19th county, is located along the west coast of Florida. The County covers 1,266 square miles, of which 215 square miles cover water areas. Hillsborough County's 2010 population of 1,229,226 exceeded the population of each of the following states: Alaska, Delaware, Montana, North Dakota, Rhode Island, South Dakota, Vermont, and Wyoming. Hillsborough County is empowered to levy property taxes on certain real and personal property located in the county as well as to levy certain sales, fuel, and communications taxes. The County also receives revenues from other sources such as state and federal grants, state revenue sharing, special assessments, licenses and permits, fines and forfeitures, investment earnings, and miscellaneous revenues. During fiscal year 2011, the County's revenues from all sources were approximately \$1.7 billion.

Hillsborough County operates under a home-rule charter enacted by the voters on September 20, 1983. Charter powers address self-government and cannot conflict with general law or special law approved by the voters. The established legislative body of the County is the Board of County Commissioners (BOCC), a seven-member body elected by County voters. Specifically designated governmental functions are performed by separately elected constitutional officers who are elected at-large. These separately elected officers are the Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

Services Provided The Hillsborough County reporting entity provides a full range of services including law enforcement, construction and maintenance of roads and bridges, animal services, social service programs, children's services, aging services, comprehensive planning and growth management, environmental protection, property assessment and tax collection, official records, a variety of court-related support functions, fire protection and emergency rescue, water, wastewater and solid waste disposal services, stormwater management, indigent health care, parks and recreational facilities, libraries and cultural events, emergency disaster planning and response, economic development, and agricultural cooperative extension services.

Financial Reporting Entity The separately elected members of the BOCC and the Constitutional Officers together are the officials who are accountable to the residents of Hillsborough County. The officials holding these offices on September 30, 2011, are

identified on the page before the table of contents. The organizations of the BOCC and the Constitutional Officers together comprise the Hillsborough County primary government.

This report covers the Hillsborough County reporting entity, which includes the primary government as well as the component units. Component units are legally separate entities for which the primary government is financially accountable. Component units are classified as either blended or discretely presented component units depending on the nature of the entity's relationship with the primary government. Even though blended component units are legally separate entities, they are included as a part of the primary government because they are in substance a part of the primary government's operations. The Hillsborough County Civil Service Board is the County's only blended component unit. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize their legal separation from the primary government. The Neighborhood Dependent Special Districts, the Housing Finance Authority of Hillsborough County (HFA), HFA Bond Programs, the Law Library Board, and the Hillsborough County City-County Planning Commission are reported as discretely presented component units.

The Tampa Sports Authority, Hillsborough Transit Authority, Hillsborough County Hospital Authority, Arts Council of Hillsborough County, Hillsborough County Aviation Authority, Tampa Port Authority, Hillsborough County School District, Children's Board of Hillsborough County, Tampa-Hillsborough County Expressway Authority, Hillsborough County Public Transportation Commission, and other independent special districts are not a part of the Hillsborough County reporting entity, so they are excluded from this report. More information on the financial reporting entity may be obtained in Note 1.A. of the Notes to the Financial Statements.

Budgetary Controls The County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with the legal, legislative, and contractual provisions affecting the County, which are incorporated into the annually appropriated budget. Budgetary control for the BOCC is maintained at the character level within each department and fund. Characters are broad categories of expenditures: personal services, operating expenditures, capital outlay, debt service, and grants and aids. This level of control is greater than that required by Florida Statutes. Budgetary control includes a comparison of encumbrances, pre-encumbrances, and actual expenditures to appropriations before issuing purchase orders or payments. This control is performed by automated edit checks in the accounting system. Expenditures that exceed appropriations require the BOCC to approve a budget amendment before processing, unless immediate payment is needed for statutory or emergency operational requirements and total expenditures do not exceed the fund's budgetary total. These emergency expenditures are subsequently authorized by a budget amendment. Encumbrances are canceled at year-end and, if necessary, are reestablished in the new fiscal year subject to available appropriations. Expenditures by the Constitutional Officers are controlled by appropriations at the fund level in accordance with Florida Statutes.

The BOCC prepares a biennial budget for annually appropriated governmental and proprietary funds using the modified accrual basis of accounting. The BOCC maintains a five to six-year capital improvement program, which is updated and approved annually.

Cash and Investments At September 30, 2011, the Hillsborough County Primary Government had total cash and investments of \$1.817 billion. Most of this amount, \$1.658 billion, was in the Hillsborough County Investment Pool (Investment Pool) managed by the Clerk of Circuit Court. The objectives of the Investment Pool are safety of principal, liquidity, and return on investment, in that order. To meet these objectives, the Investment Pool is conservatively invested in high-quality investments such as: treasury securities, 23%; US government sponsored agency securities, 39%; the state of Florida's Local Government Investment Pool, 14%; corporate notes, 6%; commercial paper notes, 3%; and cash in demand deposits and money market accounts, 1% in total. At September 30, 2011, the Investment Pool's weighted average days-to-maturity was a low 387 days.

In 2008 the Investment Pool was rated for the first time and was assigned the highest rating of AA+f by Standard & Poor's Ratings Services. This rating continued each year until 2011, when it was reduced one level to AA+f due to the downgrade of the United States long-term credit rating from AAA to AA+. Short-term securities of the US government and government sponsored agency securities still carry the highest rating of A-1+ on the rating scale for short-term securities. If the County had more investments in short-term treasury securities and government sponsored agency securities, the Investment Pool rating may have been assigned the highest rating. However, since longer-term government securities pay higher interest rates, the investment Pool continued to invest in some longer-term securities since higher yields were considered more useful for County operations than maintaining a AA+f Investment Pool rating. The overall effective rate of return of the Investment Pool for fiscal year 2011 was .82% compared to 1.45% for the prior fiscal year.

Property Tax Amendment to Florida Constitution In January 2008, the voters approved a property tax amendment to the Florida Constitution. Effective October 2008, this amendment increased the homestead exemption other than for school district taxes from \$25,000 to \$50,000 for most properties, resulting in an annual savings of about \$240 per homeowner. This amendment also allowed property owners to transfer, i.e. make portable, up to \$500,000 of their homestead benefits when they move. Although an earlier "Save Our Homes" constitutional amendment capped the annual increase in assessed value for homestead property to 3% or the percentage change in the Consumer Price Index, whichever is less, it did not cap increases in non-homestead property. Effective January 2009, the amendment approved in January 2008 capped the annual increase in assessed value for non-homestead property such as businesses, industrial property, rental property, and second homes, to 10%, except for school district taxes. This amendment also provided a \$25,000 exemption for tangible personal property. In fiscal year 2011, the County's property tax revenues fell \$70.0 million or 11.1% due to a 4.3% reduction in the taxable assessed value of real property in Hillsborough County. This decline was the net result of lower market values for real property combined with the fact that the proportion of a property's value covered by a homestead or other exemption rises as the market value of a property falls. See Statistical section for more information on property taxes, assessed values, and exemptions.

Federal Government's Effect on Hillsborough County Similar to other state and local governments, the US government has a significant impact on Hillsborough County. At September 30, 2011, the County had \$121.2 million in expenditures funded by US government grants--either directly from federal agencies or passed through state and local governmental entities. Federal grant expenditures represent 7% of the County's governmental revenues. The

US government also has an indirect effect on other County revenues. For example, 41% of the County's total revenues from governmental activities came from ad valorem property taxes, which are related to the value of real estate in the County. Real estate values tend to be correlated with the availability and affordability of mortgages. The US government has created a variety of programs that assist banks that make mortgages loans, the US government sponsored agencies that buy, securitize and sell mortgages-backed securities, and taxpayers who purchase homes. The success of these programs may affect mortgage lending and real estate values, which in turn affect the ad valorem property tax revenues of Hillsborough County in the future.

At September 30, 2011, the Hillsborough County Primary Government held 64% of its investment portfolio in US government or related investments. A total of \$1,199 million was invested in a combination of US treasury securities, US government sponsored agency securities which are guaranteed by the US government, FDIC guaranteed corporate notes, and government-only mutual funds. At September 30, 2011, the Hillsborough County Primary Government also held 14% of its investment portfolio in bank accounts fully or partially insured or protected by the US government. The County had \$260 million in bank deposits secured partly by the state of Florida's multiple financial institution collateral pool established under Chapter 280, Florida Statutes, and partly by the FDIC. The US government affects the state of Florida's multiple financial collateral pool because securities issued by the US treasury and government sponsored agencies are used as collateral by banks participating in the Qualified Public Depository program. See Note 3 of the Notes to the Financial Statements for more details.

The US government also has a significant impact on the local economy. Of the top 19 employers in Hillsborough County, MacDill Air Force Base, the Veterans Administration Hospital, and US Postal Service together represent 22,645 employees or 17% of the employees at the top 19 employers. See Principal Employers in the Statistical Section of the CAFR for more details. In addition, the residents of Hillsborough County pay significant amounts of income and excise taxes to the US government and also receive significant benefits from the US government including Social Security, Medicare, and unemployment compensation. The reason for highlighting these interactions with the US government is that current trends in the US government's fiscal condition could lead to changes in amounts paid to or received from the US government, which in turn could have a significant financial impact on Hillsborough County.

Awards The Government Finance Officers Association of the United States and Canada (GFOA) awarded Hillsborough County a *Certificate of Achievement for Excellence in Financial Reporting* for its CAFR for the fiscal year ended September 30, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements. Hillsborough County has received a Certificate of Achievement for the last twenty-nine consecutive years.

The County also received the GFOA's *Award for Outstanding Achievement in Popular Annual Financial Reporting* for its separately issued *Financial Summary Report for the*

Fiscal Year Ended September 30, 2010. The *Financial Summary Report* is a simplified popular annual financial report specially designed for the general public. The receipt of this national award recognized the County's conformance with the highest standards for preparation of state and local government popular reports.

Both of these awards are valid for a period of one year. We believe that the County's fiscal year 2011 CAFR and Financial Summary Report continue to conform to award program requirements and are submitting both of them to the GFOA for evaluation.

Acknowledgments We would like to express our appreciation for the support provided by the Clerk of Circuit Court, each of the other Constitutional Officers, the County Administrator, the Board of County Commissioners, and their respective staffs, for their contributions to the preparation of this report. We also appreciate their efforts in ensuring the highest standards of professionalism in the financial and operational management of Hillsborough County.

Sincerely,



Timothy Simon, CPA, CFA
Finance Director



Ajay B. Gajjar, CPA, CMA, CFM, CTP, CIA, CGFO
Assistant Finance Director



BOARD OF COUNTY COMMISSIONERS

Kevin Beckner
Victor D. Crist
Ken Hagan
Al Higginbotham
Lesley "Les" Miller, Jr.
Sandra L. Murman
Mark Sharpe

Office of the County Administrator
Michael S. Merrill

CHIEF ADMINISTRATIVE OFFICER
Helene Marks

CHIEF FINANCIAL ADMINISTRATOR
Bonnie M. Wise

DEPUTY COUNTY ADMINISTRATORS
Lucia E. Garsys
Sharon D. Subadan

February 13, 2012

To the Residents of Hillsborough County:

As County Administrator, it is my privilege to transmit to you the Hillsborough County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2011. Like the last several years, fiscal year 2011 was another challenging year for County government. However, thanks to our conservative and prudent approaches to fiscal planning and management, the County's financial position is excellent. Our financial strength is especially noteworthy when comparisons of recognized financial ratios, ratings and other benchmarks are made with other jurisdictions in the nation.

FINANCIAL PERFORMANCE - Hillsborough County's general obligation credit rating is "AAA" as determined by the three national rating agencies. This credit rating is the highest attainable – a recognition reserved for the best managed and most financially sound governments and corporations. In connection with the downgrade of the United States long-term credit rating from AAA to AA+, the credit rating agencies performed credit reviews of the County during the summer of 2011. I am proud to say that all three rating agencies reaffirmed their highest credit ratings for the County.

LOCAL ECONOMY - Weak economic performance during the first half of 2011 was followed by more encouraging performance in late 2011. Uncertainty regarding national and international struggles with sovereign debt levels, natural disasters, and energy costs created heightened fears of renewed recession. By late 2011 renewed job growth and strengthening consumer confidence were pointing to continuing economic recovery, although not as robust as past recoveries.

The Tampa Metropolitan Area posted the largest 2011 job gain among Florida's 20 metropolitan areas. During December 2010 to December 2011 Metro Tampa gained 28,500 jobs, accounting for one-quarter of the 114,600 jobs gained statewide. This is Metro Tampa's first December to December job gain since 2006. Manufacturing, retail, finance, professional and business services, and hospitality posted gains for 2011. Job growth has led to somewhat lower unemployment rates. Hillsborough County's December 2011 unemployment rate was 9.5%, compared to 11.7% a year ago, but was still significantly higher than December 2006's rate of 3.1%. The University of Central Florida forecasts accelerating job gains for Tampa Bay during 2012.

Florida and Hillsborough County consumer spending is reflecting gains in jobs and confidence. Hillsborough County's year-to-date taxable sales in November 2011 were up 5.0% compared to November 2010. Florida's taxable sales were up 4.9%. Hillsborough County's taxable sales have been improving since April 2010. Improving economic conditions in 2012 will support further gains in taxable sales.

Housing markets ended 2011 mixed, posting sales gains in 2011 as well as continued price declines; national existing home sales rose 1.7% in 2011. The Greater Tampa Association of Realtors (GTAR) reports a year-to-date December

2011 rise in existing home sales of 11.4%, while months-of-home inventory fell to 5.3 months in December compared to more than 10 months-of-home-inventory during much of 2007-2010. While improving, sales are still at low levels and home prices fell again in 2011. The GTAR's average sales price fell 5.4%. The closely watched national 20 city S&P/Case-Shiller home price index fell 3.4% from October 2010 to October 2011 indicating a continued decline in home values. By comparison, the Metro Tampa index fell 6.1%. These and other price indicators showed moderation in price declines in later 2011; however, foreclosures increased in Hillsborough County and other areas around the nation in late 2011. This increase is likely the result of lending institutions resolving some of the foreclosure processing delays related to 2010's "robosigning" irregularities. A backlog of foreclosures will likely mean continued home price declines for at least a portion of 2012.

Economy.com (the website for Moody's Analytics, a leading independent provider of economic analysis, data, forecasting and credit risk service) forecasts 2.6% national economic growth for 2012, following 1.8% for 2011. Job gains are expected to rise 2 million nationwide year-end 2012. Hillsborough County job gains should rise as well.

LONG-TERM FINANCIAL PLANNING - Consistent with a policy adopted in 1995, the Board of County Commissioners (Board) prepares a budget spanning two fiscal years. The process of developing this biennial budget allows the Board and management to look beyond the immediate budget year and review priorities and needs for the second year of the budget. In keeping with Florida statutes, each year of the budget is adopted separately. The second year planned budget is modified during the second year adoption phase if circumstances affecting departmental and agency planned budgets so warrant. To complement this biennial budget process, the six-year Capital Improvement Program includes the first two years of the capital component of the budget. This facilitates recognition of and planning for the operating costs of capital projects that will be coming on-line during the two-year budget cycle. The Capital Improvement Program also recognizes the longer planning horizon needed for capital projects which may be funded and constructed over a period of several years. In 2010 the County received the Government Finance Officers Association's Distinguished Budget Presentation Award for the eighth time for its biennial budget documents.

Another tool in developing long-term financial planning is an annual pro forma document. It is used to put current budget and financial decisions into a longer-term context. Prepared in accordance with BOCC policy, the pro forma document provides a five-year projection of revenues and expenditures for major operating funds. It is particularly useful in showing how capital projects funded in the biennial budget or planned over the next several years will impact future operating budgets in terms of maintenance and utility costs as well as staffing costs. The pro forma document is generally prepared in January as a tool to evaluate the impacts of the adopted budget prior to developing or updating the next year's budget. The pro forma being prepared in connection with the Fiscal year 12 and 13 biennial budget update process will assess the impact of revenue reductions from the slowing economy. These revenue reductions will continue to impact the sources of funding for many of our critical services, but I remain committed to finding solutions to maintain essential services and our quality of life, while continuing to ensure the financial integrity of the County.

Prudent debt management is an important part of the County's long-term financial strategy. Hillsborough County's debt is planned and managed within a framework of Board-approved policies, including financial performance guidelines and targets which measure the County's fiscal health and creditworthiness. When combined with scheduled principal payments, the County reduced its total outstanding debt by \$112.8 million below the level outstanding at the end of FY 08. This equals a reduction of 7.3% in total outstanding debt from September 30, 2008.

I look forward to the opportunities ahead as I work with the Board of County Commissioners, elected constitutional officers, other partner agencies, and the community to sustain our strong local Florida government. Although

significant progress has already been made in streamlining operations to achieve greater effectiveness and efficiency and to be more customer-focused in delivering service, continued improvements are underway. Together with my employees who work every day to make this county a better place for all our residents, I pledge to provide continued high-quality, cost effective service to the residents and businesses of Hillsborough County.

Sincerely,

A handwritten signature in black ink, appearing to read "M. S. Merrill". The signature is fluid and cursive, with a large initial "M" and "S".

Michael S. Merrill
County Administrator

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hillsborough County
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

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.



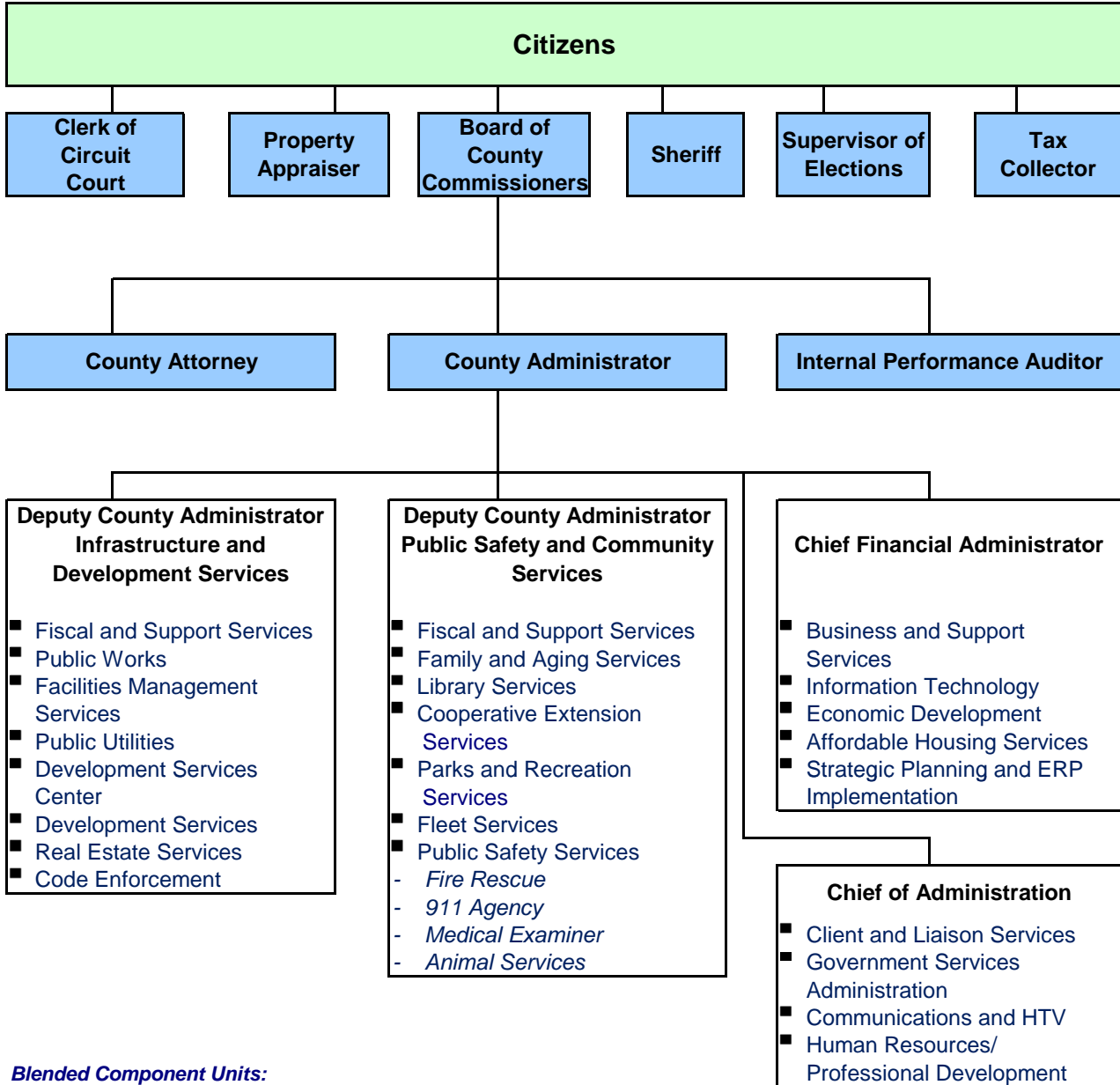
Linda C. Davison

President

Jeffrey R. Emer

Executive Director

Hillsborough County, Florida Organization Chart



Blended Component Units:

Civil Service Board

Discretely Presented Component Units:

Neighborhood Dependent Districts

Housing Finance Authority of Hillsborough County

Law Library Board

Hillsborough County City-County Planning Commission

Note: Board of County Commissioners includes the Environmental Protection Commission since the County Commissioners also serve as the members of the Environmental Protection Commission.

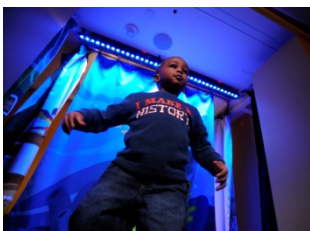
Financial Section

Glazer Children's Museum

The Glazer Children's Museum is a 53,000 square foot museum providing a safe and playful environment where children and adults can learn about themselves, each other, and the world around them through exploration, role-playing and direct experience. The highly interactive museum includes 12 themed galleries and 170 'interactivities' – hands-on, minds-on exhibits – for children aged birth to around ten. A combination of permanent and traveling exhibits, comprehensive year round programs and special events provides children, parents, caregivers and teachers a rich and ever-changing environment for playful learning.



KidsPort exhibit is where children can build boats, navigate water channels, and carry cargo from port to port.



Twinkle Stars Theatre is where children can act out their favorite plays or books or make something up as they go.

A place where it is ok to kid around



Artsmart exhibit is where families can create unique works of art, or get groovy in the dance studio.



"The Water's Journey" exhibit is where kids can pretend to be drop of water in nature and recreate the water's cycle by climbing through "leaves" of the exhibit.



Vet Clinic exhibit is a great place to teach children to care for animals of all kind.



Design + Build exhibit is a place where children can construct a bridge, plumb a bathroom and plant a garden in the front yard.



Report of Independent Certified Public Accountants

To the Board of County Commissioners of
Hillsborough County, Florida:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Hillsborough County, Florida (the "County"), as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the County as of September 30, 2011, and the respective changes in financial position, and where applicable, cash flows, thereof and the respective budgetary comparison information for the General, Countywide Special Purpose, Sales Tax Revenue, and County Transportation Funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2012 on our consideration of the County's internal control over financial reporting and 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.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Infrastructure Condition and Maintenance Data, and Schedule of Funding Progress for Postemployment Benefits Other Than Pensions, 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 County's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Cherry, Behant & Holland, L.L.P.

Tampa, Florida
February 13, 2012

Management's Discussion and Analysis

Our discussion and analysis provides an overview of the financial activities of Hillsborough County, Florida (the County) for the fiscal year ended September 30, 2011 using the reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34. The reporting model is described in the following narrative as well as in the *Notes to the Financial Statements*. We encourage reading this narrative with the *transmittal letters* starting on the first page of this document.

Financial Highlights

- At September 30, 2011, the County's assets exceeded its liabilities by approximately \$8.612 billion (net assets). Of this amount, \$7.106 billion were invested in capital assets, net of related debt, and \$441 million were restricted by law, grant agreements, debt covenants, or for capital projects. As a result, \$1.065 billion of unrestricted net assets were available at year-end to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers. This amount represents a \$52 million favorable overall increase from the prior year's unrestricted net assets of \$1.013 billion.
- During the year, the County's net assets increased \$96.0 million. Of this amount, governmental activities were responsible for an increase in net assets of approximately \$79.8 million, and business-type activities were responsible for an increase in net assets of approximately \$16.2 million. A total of \$41.4 million of the increase in net assets was reflected in an increase in net assets invested in capital assets, net of related debt.
- At September 30, 2011, the General Fund's fund balance was \$249.9 million, representing an increase of \$31.6 million or 14.5% from the previous year. The County's governmental funds in total, reported a combined fund balance at year-end of \$892.5 million, a decrease of \$32.5 million or 3.5% from the previous year.
- The County's Water Enterprise Fund had an increase in net assets of \$21.0 million over the previous year primarily due to: operating income of \$5.0 million, capital contributions of \$9.8; net interest revenues of \$3.0 million, other nonoperating revenues of \$3.5 million, offset by other nonoperating expenses of \$0.5 million. The County's Solid Waste Enterprise Fund had a decrease in net assets of \$4.2 million from the previous year primarily due net interest expenses of \$5.2 million, partly offset by a gain on disposal of capital assets of \$1.0 million.
- The County's total liabilities increased by \$106.7 million to \$1.434 billion at September 30, 2011. This change was primarily due to the following: a new bond issue for \$150.2 million, net new note issuance of \$26.6 million, offset by regular principal payments of \$42.7 million and offset by decreases in various short-term liabilities.

More information on these financial highlights is found in the narrative that follows.

Overview of the Financial Statements

This comprehensive annual financial report consists of the Basic Financial Statements, which are high-level summary statements, as well as other statements and schedules with more detailed information. The tables and narratives that follow below provide an overview of the Basic Financial Statements and how they relate to other parts of this report.

Management's Discussion & Analysis

Basic Financial Statement

- a. Government-wide Financial Statements and Fund Financial Statements
- b. Notes to the Financial Statements

Required Supplementary Information

- a. Infrastructure Condition and Maintenance Data
- b. Funding Progress for Postemployment Benefits Other Than Pensions (OPEB)

Description of Government-wide and Fund Financial Statements				
	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County except for Fiduciary Funds	Activities that are not Proprietary or Fiduciary	Activities operated similar to private businesses	Assets held on behalf of other entities
Financial Statements	<ul style="list-style-type: none"> ▪ Statement of Net Assets ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenses, and Changes in Fund Net Assets ▪ Statement of Cash Flows 	<ul style="list-style-type: none"> ▪ Statement of Fiduciary Assets and Liabilities – Agency Funds
Basis of Accounting	Accrual accounting	Modified accrual accounting	Accrual accounting	Accrual accounting
Timing of when revenues and expenses or expenditures are recognized	<i>Revenues are recorded when earned. Expenses are recorded when the liabilities are incurred.</i>	<i>Revenues recorded when measurable and available. Expenditures recognized when incurred with certain exceptions.</i>	<i>Revenues are recorded when earned. Expenses are recorded when the liabilities are incurred.</i>	<i>Increases or decreases in assets and liabilities are recorded when incurred.</i>
Measurement Focus	Economic resources:	Financial resources:	Economic resources:	
Types of resources being measured	<i>All assets less all liabilities</i>	<i>Current assets less current liabilities</i>	<i>All assets less all liabilities</i>	<i>Not applicable</i>

Government-wide financial statements The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The Statement of Net Assets presents information

on the assets and liabilities of the County as a whole. The difference between assets and liabilities is reported as net assets. Changes in net assets may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net assets changed during the fiscal year. Changes in net assets are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement of activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will be received in the following fiscal year. An increase in unused vacation leave is recorded as an expense even though related cash outflows will occur in the future.

The government-wide financial statements show a distinction between *governmental activities*—activities that are supported primarily by taxes and intergovernmental revenues versus *business-type activities*—activities that are supported by the recovery of all or most of their costs through user fees and charges. The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation functions. The business-type activities of the County are the Water Enterprise and Solid Waste Enterprise operations.

The government-wide financial statements include not only the County (known as the *primary government*), but also the legally separate entities for which the County is financially accountable (known as *component units*). The discretely presented component units of the County are the Neighborhood Dependent Special Districts, the Housing Finance Authority of Hillsborough County, the Law Library Board, and the Hillsborough County City-County Planning Commission (see *Basic Financial Statements*). The financial activities of these component units are reported separately from the financial information of the primary government. To obtain the separately issued financial statements of the discretely presented component units, see Note 1.A., *Financial Reporting Entity*, in the *Notes to the Financial Statements*. The Hillsborough County Civil Service Board, although also legally separate, is included as a part of the primary government because it is fiscally dependent on the County and it provides services almost entirely to the primary government.

Fund financial statements A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to demonstrate and ensure compliance with legal, legislative, contractual, and other finance-related provisions. All of the County's funds may be divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental funds Most of the County's basic services are reported in governmental funds, which focus on how money or other spendable resources flow into and out of those funds and the level of balances remaining at year-end that are available for expenditure. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the County's general governmental operations. Governmental fund information helps determine the extent to which financial resources are available for expenditure on County programs. Reconciliations of the differences between the government-wide and fund financial statements are provided immediately after the *Balance Sheet - Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds*, respectively, in the *Basic Financial Statements*.

Funds that are significant in terms of revenues, expenditures, assets or liabilities are identified as *major* funds in the Basic Financial Statements. Budget and actual comparison statements are also presented in the Basic Financial Statements for the General Fund and each major special revenue fund with a legally adopted annual budget. The County's nonmajor funds, and budget and actual comparison schedules for any nonmajor governmental funds with annually appropriated budgets, are presented in the *Combining and Individual Fund Statements and Schedules* section.

Proprietary funds The County uses *Enterprise* and *Internal Service* proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water Enterprise and Solid Waste Enterprise operations. Both of these operations are considered to be major proprietary funds of the County. Internal service funds are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for self-insurance, fleet management, and the Sheriff's risk management programs. These programs are included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The three internal service funds are combined into a single presentation in the proprietary fund financial statements. Information on individual internal service funds is provided in the *Combining and Individual Fund Statements and Schedules* section of this report. The proprietary fund financial statements may be found in the Basic Financial Statements.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Agency funds are the only type of fiduciary fund used by the County. The amounts in these agency funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. However, the *Statement of Fiduciary Assets and Liabilities—Agency Funds* in the *Basic Financial Statements* is provided for information on the agency funds. In addition, the individual agency funds are presented in the *Combining and Individual Fund Statements and Schedules* section.

Notes to the financial statements The notes provide additional information for a more complete understanding of the information in the government-wide and fund financial statements.

Other information In addition to the Basic Financial Statements and accompanying notes, this report also presents *Infrastructure Condition and Maintenance Data* and *Funding Progress for Postemployment Benefits Other Than Pensions (OPEB)* located immediately after the *Notes to the Financial Statements*, and the *Statistical Section* located at the end of this report. The combining statements for the nonmajor funds, internal service funds, and agency funds, as well as individual fund budget and actual comparison schedules are found in the *Combining and Individual Fund Statements and Schedules* section of this report.

Government-wide Financial Analysis

Net assets over time, may serve as the most useful indicator of a government's financial position. At September 30, 2011, the County's total net assets, i.e. total assets less liabilities, were \$8.612 billion. As shown on the chart on this page, the County reported positive balances at September 30, 2011, in all three categories of net assets for governmental activities, business-type activities, and the County as a whole.

Hillsborough County, Florida Net Assets						
<i>in thousands</i>	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current assets and						
other assets	\$ 1,413,229	1,444,415	672,792	517,118	2,086,021	1,961,533
Capital assets	<u>6,888,532</u>	<u>6,795,023</u>	<u>1,072,133</u>	<u>1,087,418</u>	<u>7,960,665</u>	<u>7,882,441</u>
Total assets	<u>8,301,761</u>	<u>8,239,438</u>	<u>1,744,925</u>	<u>1,604,536</u>	<u>10,046,686</u>	<u>9,843,974</u>
Noncurrent liabilities	519,381	536,205	365,677	233,031	885,058	769,236
Other liabilities	<u>465,925</u>	<u>466,561</u>	<u>83,489</u>	<u>92,002</u>	<u>549,414</u>	<u>558,563</u>
Total liabilities	<u>985,306</u>	<u>1,002,766</u>	<u>449,166</u>	<u>325,033</u>	<u>1,434,472</u>	<u>1,327,799</u>
Net assets:						
Invested in capital assets,						
net of related debt	6,260,660	6,177,650	845,037	886,677	7,105,697	7,064,327
Restricted	346,463	368,823	94,647	69,850	441,110	438,673
Unrestricted	<u>709,332</u>	<u>690,199</u>	<u>356,075</u>	<u>322,976</u>	<u>1,065,407</u>	<u>1,013,175</u>
Total net assets	<u>\$ 7,316,455</u>	<u>7,236,672</u>	<u>1,295,759</u>	<u>1,279,503</u>	<u>8,612,214</u>	<u>8,516,175</u>

A significant portion, 83%, of the County's net assets, is identified as invested in capital assets (such as land, buildings, equipment, and infrastructure), less related debt outstanding that was used to acquire or construct those assets. Since the County uses capital assets to provide services to its residents, the net assets identified as "invested in capital assets, net of related debt" are not available for future spending. In fact the payment of maintenance and debt service costs on those capital assets will themselves require governmental resources. Another portion of the County's net assets is restricted net assets, which are assets subject to external constraints such as debt covenants, grantors, laws or regulations, or assets subject to restrictions through enabling legislation. Unrestricted net assets are net assets that are available to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers. Significant changes between years are described later.

Governmental activities Although governmental revenues and expenses both declined compared to the prior year, there was still a \$79.8 million increase in the County's net assets. The growth in net assets from governmental activities represented 83% of the County's total growth in net assets of \$96.0 million. The chart on the following page describes changes in net assets during the current versus the prior fiscal year. Key net asset changes during fiscal year 2011 are described below. Cost reduction is a major theme throughout the expense variance explanations provided on the next few pages.

Governmental Activities

- **Charges for services** decreased \$3.8 million or 2.2% due to reasons including the following: In the General Fund, there was a \$1.3 million decrease in charges for services revenues associated with the indirect cost allocation plan which assigns costs to benefiting departments with offsetting charges for services revenues in departments providing services, and a \$0.6 million decrease in the Tax Collector's statutory fee for collecting taxes due to the lower value of property taxes collected. In the Countywide Special Purpose Fund, there was a total \$0.5 million decrease in revenues assigned to the intergovernmental radio communication program (800MHz) as a result of lower civil traffic infractions and pollution control violation fees. In the County Transportation Fund there was a \$0.8 million decrease in impact fee revenues and a \$0.8 million decrease in other transportation revenues. There was a \$1.4 million decrease in reimbursements received for maintaining state roads and stormwater management infrastructure engineering services. These decreases were partly offset by a \$1.6 million increase in physical environment impact fees in the Countywide Special Purpose Fund.
- **Operating grants and contributions** decreased \$0.7 million or 0.7% primarily due to the following: There was a \$12.6 million decrease in housing-related grants in the economic environment function primarily due to \$11.9 million reduction in the US Department of Housing and Urban Development's (HUD's) Neighborhood Stabilization Program, a \$2.8 million decrease in HUD's Community Development Block Grant, partially offset by a \$1.5 million increase in HUD's Section 8 Housing Choice Vouchers program. These net decreases in economic environment grant revenues were offset by an \$11.1 million increase in the human services function primarily from a \$15.7 million increase in the US Department of Health and Human Services (HHS) Head Start program, partially offset by a \$2.1 million decrease in the HHS Ryan White HIV grants. There was also a \$0.8 million increase in public safety grants, mostly from grants received by the Sheriff.
- **Capital grants and contributions** increased \$3.1 million or 7.6% primarily due to the following: There was a \$2.6 million increase in infrastructure contributions such as roads and sidewalks from real estate developers. There was a comparative \$4.9 million increase in capital contributions from Constitutional officers including intangible assets, i.e. software, contributed by the Clerk of Circuit Court due to work on new computer systems for courts, traffic and financial operations. These increases were offset by a \$3.5 million decrease in capital grant revenue from the federal government and a \$0.5 million decrease in capital grant revenues from local governments.
- **Property tax revenues** decreased \$70.0 million or 11.1% due to a \$2.77 billion or 4.3% reduction in the taxable assessed value of property in Hillsborough County. This decline was primarily the net result of real property market values falling \$3.52 billion, offset by property tax exemptions falling only \$0.75 billion (since market values less exemptions equal assessed values).

Hillsborough County, Florida Changes in Net Assets

<i>in thousands</i>	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 169,007	172,835	295,125	275,108	464,132	447,943
Operating grants and contributions	110,996	111,736	-	-	110,996	111,736
Capital grants and contributions	44,705	41,560	9,770	7,847	54,475	49,407
Restricted investment earnings	-	-	10,542	12,828	10,542	12,828
General revenues:						
Property taxes	561,081	631,103	-	-	561,081	631,103
Sales taxes, state shared revenues	375,502	364,312	-	-	375,502	364,312
Other taxes	47,159	44,558	-	-	47,159	44,558
Investment earnings	11,317	24,796	-	-	11,317	24,796
Gains on capital asset disposals	3,029	3,141	1,013	649	4,042	3,790
Other revenues	49,649	55,778	1,317	1,568	50,966	57,346
Total revenues	1,372,445	1,449,819	317,767	298,000	1,690,212	1,747,819
Expenses:						
General government	274,082	287,687	-	-	274,082	287,687
Public safety	510,743	518,781	-	-	510,743	518,781
Physical environment	29,862	35,814	-	-	29,862	35,814
Transportation	73,344	83,338	-	-	73,344	83,338
Economic environment	71,282	79,857	-	-	71,282	79,857
Human services	226,941	244,703	-	-	226,941	244,703
Culture and recreation	80,580	90,026	-	-	80,580	90,026
Interest on long-term debt	25,638	25,899	-	-	25,638	25,899
Water Resource Services System	-	-	196,836	190,042	196,836	190,042
Solid Waste Resource Recovery	-	-	104,865	99,140	104,865	99,140
Total expenses	1,292,472	1,366,105	301,701	289,182	1,594,173	1,655,287
Change in net assets before transfers	79,973	83,714	16,066	8,818	96,039	92,532
Transfers	(190)	(467)	190	467	-	-
Special item - debt defeased	-	(8,063)	-	-	-	(8,063)
Change in net assets	79,783	75,184	16,256	9,285	96,039	84,469
Net assets, beginning of year	7,236,672	7,161,488	1,279,503	1,270,218	8,516,175	8,431,706
Net assets, end of year	\$ 7,316,455	7,236,672	1,295,759	1,279,503	8,612,214	8,516,175

- **Sales tax revenues and state shared revenues**, as a combined category, increased \$11.2 million or 3.1% from the prior year. Most of these revenues increased due to higher retail sales caused by improving economic conditions. The discretionary sales surtax for the healthcare of low-income residents increased by \$3.4 million. The Community Investment Tax, a discretionary sales surtax for infrastructure capital projects, increased by \$3.5 million. The local government half-cent sales tax, a state shared revenue, increased by \$3.0 million. State revenue sharing proceeds increased by \$0.8 million. And state shared revenues for the State Housing Initiatives Partnership program of \$0.7 million were received again during fiscal year 2011 after not being provided by the state of Florida during the prior year.
- **Other Taxes** increased \$2.6 million or 5.8% primarily due to the following: There was a \$1.0 million increase in Communication Services Tax revenues due to greater use of cellular phone services. There was a \$1.6 million increase in Tourist Development Tax revenues due to greater use of hotels by tourists.
- Total **investment earnings** declined \$13.5 million or 54.4% from the previous year primarily due to interest earnings on the County's investment pool dropping from 1.45% for fiscal year 2010 to 0.82% for fiscal year 2011 as a result of a decline in short-term interest rates earned on the County's investments. Interest earnings declined even though cash equivalents and investments rose 12% during the fiscal year.
- **Other revenues** decreased \$6.1 million or 11.0% primarily due to a nonrecurring \$6.1 million sale of environmentally sensitive land to the state's Florida Communities Trust (Lake Dan) during fiscal year 2010. By selling environmentally sensitive land to the Florida Communities Trust, additional funding is provided to buy and protect more environmentally sensitive land in the County.
- **General government** expenses declined \$13.6 million or 4.7% primarily due to the following: There was a \$5.3 million reduction in the Countywide portion of the General Fund of which \$3.5 million of the reduction was from a decrease in personnel services including court system personnel services. There was a \$2.1 million reduction in the Unincorporated Area portion of the General Fund, of which \$1.4 million of the reduction was from a decrease in personnel services. There were also \$0.8 million and \$0.2 million reductions in the Tax Collector and Property Appraiser portions of the General Fund, respectively, due to a reduction in the statutory fees for tax collection and property appraisal services due to a decline in property taxes collected. There was a \$1.2 million reduction in the Countywide Special Purpose Fund due to decreases in personnel services, repair and maintenance, office supplies, and other operating expenditures for the purpose of cost reduction. There was a \$0.7 million reduction in the County Transportation Fund from lower personnel and professional services. There was a \$0.6 million reduction in the Clerk of Circuit Court's Court Operations and Public Records Fund due to lower state appropriations. And there was a \$2.6 million decrease due to a nonrecurring write off of maintenance costs from certain Capital Improvement Program projects during fiscal year 2010.
- **Public safety** expenses decreased \$8.0 million or 1.5% due to items including the following: There was a \$2.6 million decrease in the Unincorporated Area portion of the General Fund due to a reduction in personnel costs. There was a \$6.5 million increase in the Sheriff's Law

Enforcement portion of the General Fund due to a greater emphasis by the County on protecting the public. There was a \$2.5 million reduction in the Countywide Special Purpose Fund due to a refund received during fiscal year 2011 for amounts overpaid on the City and County Juvenile Detention Cost Share Project and other reductions in expenditures. There was a \$1.3 million comparative decrease in public safety expenses due to the write-off of Federal Emergency Management Agency (FEMA) receivables during fiscal year 2010 that was not repeated during fiscal year 2011. There was an overall \$2.7 million decrease in the Sheriff's Child Protection Fund, Jail Inmate Canteen Fund, and Communications 911 Fund expenditures due to lower revenues in each of these funds. There was a \$0.7 million decrease in the Intergovernmental Grants Fund due to a reduction in expenditures on public safety-related grants funded by federal and state grantors. There was a \$1.1 million decrease in the Unincorporated Area Special Revenue Fund due to decreases in personnel costs, repair and maintenance, rental, and other operating expenditures. There was a \$2.7 million decrease in compensated absences allocated to public safety expenses due to the terminations of many long-term employees who took the Voluntary Separation Incentive Program (VSIP) during fiscal year 2011. There was a \$0.7 million increase in expenses due to the liability for VSIP incentives payable in future years. In addition, there was a comparative decrease of \$1.6 million due to assets contributed by the Sheriff during fiscal year 2010 that were not repeated during fiscal year 2011.

- **Physical environment** expenses decreased \$6.0 million or 16.6% primarily due to the following: In the General Fund there was a \$2.9 million decrease in contractual services due to the geotechnical engineering services for sinkhole remediation which was incurred in fiscal year 2010 that was not repeated, a \$0.9 million decrease in personnel cost, a \$0.5 million decrease in road materials and supplies, and a combined \$0.5 decrease in various operating expenditures. There was a \$0.8 million decrease in the Unincorporated Area Special Purpose Fund due to higher contractual services due to payments for a US Geological Survey, pollutant discharge monitoring, and other expenditures in fiscal year 2010 that were not repeated.
- **Transportation** expenses decreased \$10.0 million or 12.0% due to items such as the following: There was a \$2.1 million reduction in personnel services and a \$1.3 million reduction in operating expenditures in the County Transportation Fund. There was a \$4.3 million decrease because road resurfacing costs are expensed on the Statement of Activities. There was a \$3.1 million net decrease from a combination of fewer infrastructure disposals compared to the prior fiscal year partly offset by nonrecurring developer contributions and Florida Department of Transportation reimbursements received in fiscal year 2010. These decreases were offset by a \$0.8 million increase in depreciation expenses allocated to transportation expenses.
- **Economic environment** expenses decreased \$8.6 million or 10.7% primarily due to the following: There was a \$4.8 million reduction in the General Fund predominantly as a result of: a \$3.6 million reduction in payments to the city of Tampa for tax increment levies due to a decline in property values; and a \$0.9 million decrease due to the timing of expenditures for the operating subsidy and property taxes paid to/for the Tampa Sports Authority (TSA). There was also a \$0.6 million decrease in the Sales Tax Revenue Fund resulting from the timing of expenditures for the operating subsidy paid to the TSA. There was an \$8.4 million decrease in the Intergovernmental Grants Fund due to a \$7.9 million decrease in grants and aids to private

organizations for residential construction projects as well as other various decreases in economic environment grant expenditures. These decreases were offset by a \$3.8 million increase in the Local Housing Assistance Fund primarily due to: a \$3.0 million increase in community development payments which included projects such as Cristina Woods Apartments, Sabal Ridge Apartments, and Self Reliance; as well as a \$0.7 million increase in down payment assistance to first time home buyers. These increased Local Housing Assistance Fund grant expenditures were made possible because the state of Florida funded the State Housing Initiatives Partnership program again during fiscal year 2011 after having not funded it in fiscal year 2010. There was a \$2.0 million increase in the Countywide Capital Projects Fund mostly due to \$1.8 million expended for a Bioscience Research and Development Grant to the University of South Florida Research Foundation for the benefit of the Charles Stark Draper Laboratory, Inc. There was a \$0.6 million decrease in depreciation expenses allocated to economic environment expenses.

- **Human services** expenses decreased \$17.8 million or 7.3% primarily due to the following: There was a \$4.0 million decrease in the General Fund due to reductions in personnel services, contractual services, and various other operating expenditures for cost reduction purposes. There was a \$10.1 million decrease in the Countywide Special Purpose Fund due to lower medical payments expenditures under the Hillsborough Healthcare Plan for low-income County residents because of a continuation of a number of policy and operational changes from the prior year including shifting eligible members to governmental or private sector plans, negotiating lower medical reimbursement costs, more efficient medical management, and emphasizing personal member accountability which in turn reduced the average monthly members from 15,232 to 13,798 compared to the prior year. There was also a \$1.2 million decrease in human services grant expenditures due to changes in amounts spent on a wide variety of grants. There was a \$0.6 million decrease in the Countywide Capital Projects Fund due to expenditures made in fiscal year 2010 that were not repeated in fiscal year 2011. Specifically, there were repair, maintenance, and supplies expenditures as well as the relocation of Mosquito Control to the Tampa Executive Airport. There was also a \$1.5 million decrease in depreciation expenses allocated to human services expenses.
- **Culture and recreation** expenses decreased \$9.4 million or 10.5% primarily due to the following: There was a \$4.2 million reduction in the General Fund as a result of a \$1.5 million reduction in personnel costs, a \$1.3 million decrease in operating expenditures, and a \$1.7 million decrease in aid to other governmental agencies. There was a \$2.3 million decrease in the Library Fund due to a \$0.6 million decrease in personnel services, a \$0.8 million decrease in office supplies, a \$0.6 million comparative decrease due to contributions to the Hillsborough County School Board for the Sulphur Springs Partnership Library during fiscal year 2010 that was not repeated, and a \$0.2 million decrease due to lower expenditures on books and professional services. There was a \$0.5 million reduction in the Infrastructure Surtax Special Revenue Fund due to contributions to the city of Temple Terrace for the Busch/56th Street enhancements. There was a \$0.5 million reduction in the Unincorporated Area Special Revenue Fund due to a decrease in repairs and maintenance as well as a decrease in costs allocated to it by the Indirect Cost Allocation plan. There was a \$0.6 million decrease in the Countywide Capital Projects Fund due to a decrease in repair and maintenance expenditures. There was a \$0.6 million reduction in the Unincorporated Area

Capital Projects Fund due to a decrease in repair and maintenance expenditures as well as a construction-related expenditures for the Citrus Park Community project that were not repeated during fiscal year 2011. There was a \$0.7 million decrease in depreciation expenses allocated to the culture and recreation expenses.

Business-type activities

The **Water Enterprise** provides potable water as well as the collection, treatment, and environmentally safe disposal of wastewater for the County's unincorporated area residents. The Water Enterprise's principal assets consist of three water and eight wastewater treatment plants. Water program revenues increased \$20.2 million or 10% from the previous year primarily due to a \$19.2 million increase in charges for services as a result of increased consumption from new rules allowing a return to twice weekly lawn sprinkling and automatic rate increases based on an index factor published by the Florida Public Service Commission. Water program expenses rose \$6.8 million due to a \$3.7 million increase in interest costs on long-term debt, a \$2.0 million increase in repair and maintenance costs, a \$0.8 million increase in contractual services, a \$0.4 million increase in operating the System's water and wastewater treatment plants, a \$0.2 million increase in health care costs, a \$0.2 million increase in fleet costs due to higher fuel and vehicle maintenance costs. These increases were partly offset by a \$1.3 million decrease in depreciation/amortization, communication, supplies and other general operating costs.

The **Solid Waste Enterprise** primarily provides solid waste collection and disposal services to the County's unincorporated area residents and businesses. The Solid Waste System's principal assets include a waste-to-energy plant, a 1,500-acre sanitary landfill, and neighborhood refuse collection sites. The Solid Waste Enterprise's program revenues were down \$0.5 million due to a \$1.3 million decrease in interest earnings partly offset by a \$0.8 million increase in charges for services brought about by rate increases. The Solid Waste program expenses were up \$5.7 million primarily due to a \$1.4 million increase in personnel costs due to higher health costs and a nonrecurring fiscal year 2010 workers' compensation assessment refund, a \$3.2 million increase in contractual services related to operating the Resource Recovery Plant and Southeast Landfill, a \$0.3 million increase in landfill closure and postclosure care costs, a \$0.2 million increase in Fleet costs due to higher fuel and vehicle maintenance costs, and various other expenses.

Fund Financial Analysis

The County uses fund accounting to demonstrate and ensure compliance with legal, legislative, contractual, and other finance-related provisions.

Governmental funds The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in determining the County's financial resources. Unreserved fund balance at year-end is a good measure of a government's net resources available for expenditure.

At September 30, 2011, the County's governmental funds reported combined ending fund balances of \$892.5 million, an increase of \$32.6 million from the previous year. This decrease was the result of a combination of changes in fund balances such as the following:

The fund balance of the General Fund increased \$31.6 million primarily by cost control initiatives that kept expenditures of \$731.4 million lower than a combination of revenues of \$691.7 million and net transfers in of \$69.1 million. The fund balance of the Unincorporated Area Special Revenue Fund increased \$5.3 million due to cost control activities yielding a \$3.8 million reduction in expenditures compared to the prior year. The fund balance of the Sheriff Child Protection increased \$1.0 million due to a \$2.5 million increase in revenues from grants and charges for services. The fund balance of the Infrastructure Surtax Projects Fund fell \$14.3 million due to the continued spending down of financial resources set aside for capital projects funded by a combination of current year Community Investment Tax discretionary sales surtax receipts and accumulated balances from prior years. The fund balances in the County Transportation Fund fell \$14.3 million due to a \$19.9 million increase in expenditures for transportation-related capital projects. The fund balance of the Environmentally Sensitive Lands Acquisition Capital Projects Fund decreased \$12.8 million due to continued spend down of about \$60.2 million in bond proceeds for the acquisition of environmentally sensitive land. The fund balance of the Countywide Special Purpose Fund fell \$6.4 million due to a \$2.4 million decline in the fund balance of the County's health insurance program for low-income residents as well as a \$4.1 million decline from lower capital outlays, personnel services, and operating expenditures. The fund balance of the Intergovernmental Grants Fund declined by \$5.6 million because grant revenues fell more than grant expenditures. The fund balances in the Countywide and Unincorporated Area Capital Projects Funds, fell \$4.9 million and \$5.5 million, respectively, due to the spending down of amounts set aside for capital projects in prior years. The fund balance of the Local Housing Assistance Fund declined by \$3.6 million due to continued spend down of accumulated balances as the state of Florida funded the State Housing Initiatives Program. The fund balance in the Sales Tax Revenue Fund fell \$3.3 million as accumulated balances were used.

About \$248.3 million or 27.8% of ending combined fund balances, consisted of unassigned fund balances, which are available for spending at the government's discretion. The remainder of the funding is categorized as nonspendable, restricted, or committed in accordance with the Governmental Accounting Standards Board Statement No. 54. See Note 13 for more information.

Proprietary funds The proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Water Enterprise Fund's charges for services revenues were \$196.5 million. This was a \$19.2 million or 10.8% increase from fiscal year 2010. The increase was primarily due to automatic index-based rate increases. At September 30, 2011, unrestricted net assets of the Water Enterprise Fund were \$313.3 million, an increase of \$32.4 million over the prior year.

The Solid Waste Enterprise Fund's charges for services revenues were \$98.6 million. This was a \$0.8 million or 0.8% revenue increase from fiscal year 2010. The revenue increase was primarily due to a bond covenant required increase in customer rates. At September 30, 2011, unrestricted net assets of the Solid Waste Enterprise Fund were \$41.0 million, an increase of \$1.3 million over the prior year. See previous section on *business-type activities* for more information.

General Fund Budgetary Highlights

Budget and actual comparison statements are provided in the *Basic Financial Statements* for the General Fund and all major special revenue funds with legally adopted annually appropriated budgets. Budget and actual comparison schedules are also provided in the *Combining and Individual Fund Statements and Schedules* section for all nonmajor funds with legally adopted annually appropriated budgets. The budget and actual comparison statements and schedules show the original adopted budget, the final revised budget, and actual results.

Since the Constitutional Officers are considered a part of the Hillsborough County Primary Government, the General Fund includes the general operating funds of the Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of Circuit Court. During fiscal year 2011, total General Fund expenditures were \$58.9 million lower than the final budget shown in the budgetary basis budget and actual financial statement due to a variety of cost reduction measures put in place to compensate for lower property tax revenues and charges for services revenues.

After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, or new grant awards. During fiscal year 2011, supplemental appropriations to the Board of County Commissioners' budget, excluding component units, were approximately \$223.2 million or 6.7% of the original legally adopted budget. During fiscal year 2011, supplemental appropriations to the General Fund budget were approximately \$4.5 million on the budgetary basis. These supplemental appropriations were primarily for an increase in physical environment expenditures.

Capital Assets and Debt Administration

Capital assets At the end of fiscal year 2011, the County's governmental activities had \$6.889 billion invested in a broad range of capital assets, including land, equipment, buildings, construction work in progress, and infrastructure. Infrastructure consists of roads, streets, bridges, sidewalks, stormwater systems, and related assets. See the following table for more information.

Hillsborough County, Florida
Capital Assets Net of Accumulated Depreciation at Year-End

<i>in thousands</i>	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Primary Government:						
Land	\$ 522,490	505,799	42,186	42,185	564,676	547,984
Buildings	420,359	429,611	218,863	231,552	639,222	661,163
Building improvements	112,379	108,099	724,849	735,482	837,228	843,581
Equipment	84,965	86,931	9,607	12,189	94,572	99,120
Intangibles	3,749	1,423	8,318	-	12,067	1,423
Infrastructure	5,722,057	5,634,140	-	-	5,722,057	5,634,140
Construction in progress	22,533	29,020	68,310	57,509	90,843	86,529
Goodwill	-	-	-	8,501	-	8,501
Totals	\$ 6,888,532	6,795,023	1,072,133	1,087,418	7,960,665	7,882,441

Infrastructure is not depreciated since the County has an asset management system in place and has made a commitment to incur the maintenance expenses necessary to preserve (a) infrastructure assets at or above a condition of fair, on a scale from failed, poor, fair and good, to excellent, and (b) to preserve its paved roadway lane miles at or above a condition of 55 or more on the American Society for Testing and Materials (ASTM) pavement condition index from 0 to the highest level of 100. Both of these target condition levels were achieved with actual infrastructure condition at *fair or above* and paved roadway miles at 75.1. The actual fiscal year 2011 maintenance expenditures for the preservation of infrastructure were \$69.4 million versus \$77.1 million estimated. Actual fiscal year 2011 maintenance expenditures were 14.5% lower than actual fiscal year 2010 expenditures. The County continued to meet infrastructure preservation goals for infrastructure including paved roadway lane miles. See the *Infrastructure Condition and Maintenance Data* section in Required Supplementary Information after the *Notes* for more information. The \$93.5 million increase in net capital assets of governmental activities during fiscal year 2011 was attributed to the following:

- Land, rights-of-way, and infrastructure asset contributions received from real estate developers and others, as well as equipment donated to the County were responsible for \$20.1 million of the increase in capital assets.
- A total of \$150.5 million of the increase was due to capital outlay expenditures such as: infrastructure capital projects, \$51.3 million; county transportation construction projects, \$41.1 million; environmentally sensitive lands acquisitions, \$11.1 million; Sheriff law enforcement equipment, \$13.2 million; intergovernmental grants, \$9.9 million; unincorporated area capital projects, \$5.9 million; library construction, \$5.4 million; other constitutional officer equipment and projects, \$4.0 million; General Fund capital acquisitions excluding the Sheriff, \$3.3 million; countywide capital projects, \$2.3 million; and other remaining funds, \$3.0 million.
- Infrastructure preservation costs and library book purchases were included in the \$150.5 million of capital outlays mentioned above, but were not capitalized like other capital outlays. Infrastructure preservation costs, which totaled \$8.3 million, were not capitalized under the modified approach for accounting for infrastructure assets. Library book purchases that did not meet the \$1,000 capitalization threshold,

totaling \$4.0 million, were also not capitalized. Both infrastructure preservation costs and library book purchases were treated as expenses in the Statement of Activities and represent offsets against capital outlays.

- Depreciation expense accounted for \$68.8 million of the reduction in capital assets. Disposals and other write offs of capital assets during the year accounted for an additional \$3.6 million of the reduction.

- Capital asset acquisitions by the internal service fund accounted for \$7.6 million of the increase.

The \$15.3 million decrease in net capital assets of business-type activities during fiscal year 2011 was primarily attributed to additions of \$56.8 million consisting of capital outlays of \$50.8 million, capitalized interest cost of \$2.2 million, and contributions of \$3.8 million; offset by depreciation expense of \$71.9 million and disposals of \$0.2 million. See Note 6, *Capital Assets*, in the *Notes to the Financial Statements* for more information.

Long-term liabilities At September 30, 2011, the County had 20 bonded debt issues outstanding. These issues included \$72.3 million in general obligation bonds, \$431.0 million in non-ad valorem revenue bonds, and \$347.5 million in Enterprise Fund revenue bonds. The County's short-term commercial paper note program is supported by a third-party letter of credit. At September 30, 2011, all \$136.4 million of these notes payable were classified as general government notes payable. There were no notes payable in the Enterprise Funds. See the following chart of long-term liabilities outstanding at year-end.

The County follows GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires public sector employers to expense the cost of other (i.e. non-pension) postemployment benefits (OPEB) over the active service lives of their employees rather than using a "pay-as-you-go" basis. The net OPEB obligation is the net amount for which the County would be obligated. The net OPEB obligation is equivalent to the annual OPEB cost, which is the OPEB expense for the year on the accrual basis of accounting, less estimated retiree claims paid by the County. The County's net OPEB obligation at September 30, 2011, was \$8.921 million.

**Hillsborough County, Florida
Outstanding Long-Term Liabilities, at Year-End**

<i>in thousands</i>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General obligation bonds, net *	\$ 72,346	73,166	-	-	72,346	73,166
Limited ad valorem tax bonds *	-	4,952	-	-	0	4,952
Revenue bonds*	431,028	451,032	347,497	214,202	778,525	665,234
Notes payable	136,379	109,802	-	-	136,379	109,802
Compensated absences payable	63,860	72,010	4,159	4,675	68,019	76,685
Insurance claims payable**	37,559	34,770	-	-	37,559	34,770
Net OPEB obligation	8,921	7,154	-	-	8,921	7,154
Other long-term debt	2,163	1,144	36,769	34,945	38,932	36,089
Totals	\$ 752,256	754,030	388,425	253,822	1,140,681	1,007,852

* Bonds are presented net of deferred losses on bond refundings, and unamortized bond issuance discounts and Premiums.

** The Hillsborough County Health care program for low-income residents has an "insurance claims payable, current" liability reported for claims incurred but not reported and reported but not paid, which is shown in the Statement of Net assets and Balance Sheet -- Governmental Funds. That liability of \$3,673,000 is not included in the chart above because it is not a long-term liability.

The County has been assigned the highest possible credit ratings on its general creditworthiness by the three credit rating agencies. The County's high credit ratings are a notable achievement since they generally lead to lower interest costs on debt issuances. The County's debt obligations are issued and administered in a manner that helps achieve the highest possible credit rating while sustaining the long-term financial integrity of the County.

Credit ratings assigned to the County's debt at September 30, 2011 by Moody's Investors Service (Moody's), Standard and Poor's Ratings Services (S&P), and Fitch Ratings were as follows.

Hillsborough County, Florida, Credit Ratings at September 30, 2011

Type of Debt Issue	Moody's	S&P	Fitch Ratings
General obligation bonds (i.e. general credit ratings)	Aaa	AAA	AAA
Revenue bonds supported by the County's share of the Community Investment Tax (CIT)	Aa2	AA	AA
Revenue bonds supported by a covenant to budget and appropriate legally available non-ad valorem revenue	Aa1	AA	AA
Revenue bonds supported by County's share of the Half-Cent Sales Tax from state of Florida	Aa2	AA+	AA+
Revenue bonds supported by Water and Wastewater System Enterprise System revenue	Aa1	AA+	AA+

Revenue bonds supported by Solid Waste Resource System Enterprise Fund	A1	AA	A
Revenue bonds supported by the County's 4th Cent Tourist Development Tax	A2	A+	AA-
Revenue bonds supported by the County's 5th Cent Tourist Development Tax	A3	A+	AA-
Commercial paper notes (rating includes letter of credit enhancement)	P-1	A-1+	F1+
<p>Long-term credit ratings from highest to lowest investment grade: Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3 (Moody's) AAA, AA+, AA, AA-, A+, A, A-, BBB+, BBB, BBB- (S&P and Fitch)</p> <p>Short-term credit ratings from highest to lowest investment grade: P-1, P-2, P-3 (Moody's); A-1+, A-1, A-2, A-3 (S&P); F1+, F1, F2, F3 (Fitch)</p>			

For more information on long-term liabilities see Note 7, *Long-Term Liabilities*, in the *Notes to the Financial Statements*.

Economic Factors

Local, national, and international economic factors influence the County's revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, and state revenue sharing, as well as state and federal grants. Economic growth may be measured by a variety of indicators such as employment growth, employment diversity, the unemployment rate, new construction and assessed values, diversity of the property tax base, and Enterprise Fund revenue and net asset growth.

- Ad valorem property taxes represented 41% of total revenues from governmental activities for fiscal year 2011. These revenues are based on assessed values (market value less exemptions). After reaching an all-time high of \$80.05 billion in fiscal year 2007, the assessed value of real estate in the County fell to \$55.2 billion or a decline of 31% from its peak. These declines in assessed values were due to a combination of lower market values and higher exemptions set by state law.
- The fact that the ten largest property taxpayers in the County represent only 6.2% of the total ad valorem property tax levy indicates that the County has a diversified tax base. Hillsborough County's diversified property tax base should continue to provide a stabilizing effect on property tax revenues in the future.
- Sales-related taxes such as the ninth cent and first local option fuel taxes, discretionary sales surtaxes and other taxes (i.e. communications services taxes on telephone usage) represented 19% of total general revenues from governmental activities for fiscal year 2011. In addition, sales-related state shared revenues such as the local government half-cent sales tax, state revenue sharing proceeds, and constitutional and county fuel taxes represented 12% of total general revenues of government activities for fiscal year 2011. Both sales-related taxes and state shared revenues are linked to employment within the County. Hillsborough County's annual average unemployment rate in 2010 was 11.8%, compared to only 6.3% in 2008. The

County's 2010 unemployment rate was slightly higher than the state of Florida's rate of 11.7%, but 2.2 percentage points above the nation's overall rate of 9.6%.

- Hillsborough County also has a diversified employment base. The top 19 employers in the County employ only 24.6% of the total employees within the County. In addition, employment within the County is spread among a wide variety of categories including education, health, restaurants and entertainment, professional and business services, government, finance/insurance/real estate, construction, transportation, communications, wholesale/retail trade, and manufacturing. The County's diversified employment base provides a stabilizing effect on the County's sales-related revenues.

The economic factors described above show that the County's revenue is well balanced between property tax revenues (41% of general revenues) and sales-related revenues (31% of general revenues). In addition, there is wide variety in the principal property tax taxpayers and employers in Hillsborough County both of which tend to stabilize County's revenues. More information on economic factors is provided in the *Statistical Section*.

To Obtain Further Information

This financial report was designed to provide an overview of the County's finances. If you have any questions concerning budgets, long-term financial planning, future debt issuances, or the management of County operations, please contact the county administrator. If you have any questions concerning the Basic Financial Statements or other accounting information in this report, please contact the finance director or assistant finance director. Contact information is shown below:

Office of the County Administrator
County Center, 26th Floor
PO Box 1110
Tampa, Florida 33601

County Finance Department
County Center, 12th Floor
PO Box 1110
Tampa, Florida 33601

BASIC FINANCIAL STATEMENTS

HILLSBOROUGH COUNTY, FLORIDA
Statement of Net Assets
September 30, 2011
(amounts in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 70,344	74,348	144,692	5,198
Investments	766,947	222,174	989,121	1,688
Accounts receivable, net	33,143	20,387	53,530	109
Accounts receivable, long-term, current portion	--	4,739	4,739	--
Interest receivable	2,687	730	3,417	130
Delinquent ad valorem taxes receivable	1,704	--	1,704	--
Due from other governmental units	2,286	--	2,286	819
Internal balances--due from (to)	(600)	1,366	-- *	--
Inventories	2,185	2,173	4,358	--
Prepaid charges	3,689	--	3,689	18
Other assets	2	838	840	--
Total unrestricted current assets	<u>882,387</u>	<u>326,755</u>	<u>1,209,142</u>	<u>7,964</u>
Restricted current assets:				
Cash and cash equivalents	312,656	58,282	370,938	--
Investments	65,563	178,505	244,068	--
Accounts receivable, net	841	78	919	--
Interest receivable	267	693	960	--
Delinquent property taxes receivable	16	--	16	--
Due from other governmental units	55,157	--	55,157	--
Internal balances--due from (to)	(766)	--	-- *	--
Inventories	4,805	--	4,805	--
Total restricted current assets	<u>438,539</u>	<u>237,558</u>	<u>676,097</u>	<u>--</u>
Total current assets	<u>1,320,926</u>	<u>564,313</u>	<u>1,885,239</u>	<u>7,964</u>
Noncurrent assets:				
Restricted noncurrent assets:				
Cash and cash equivalents	--	--	--	2,405
Investments	--	--	--	38,408
Notes and loans receivable	84,271	--	84,271	1,102
Other assets	3,360	--	3,360	--
Total restricted noncurrent assets	<u>87,631</u>	<u>--</u>	<u>87,631</u>	<u>41,915</u>
Capital assets (net of accumulated depreciation):				
Land	522,490	42,186	564,676	--
Buildings	420,359	218,863	639,222	--
Building improvements	112,379	724,849	837,228	17
Equipment	84,965	9,607	94,572	24
Intangibles	3,749	8,318	12,067	8
Infrastructure	5,722,057	--	5,722,057	1,864
Construction in progress	22,533	68,310	90,843	--
Total capital assets, net	<u>6,888,532</u>	<u>1,072,133</u>	<u>7,960,665</u>	<u>1,913</u>
Accounts receivable, long-term	--	103,893	103,893	--
Unamortized bond issuance costs	4,672	4,586	9,258	274
Total noncurrent assets	<u>6,893,204</u>	<u>1,180,612</u>	<u>8,073,816</u>	<u>2,187</u>
Total assets	<u>\$ 8,301,761</u>	<u>1,744,925</u>	<u>10,046,686</u>	<u>52,066</u>

* Although the two "internal balances--due from (to)" accounts shown above net to zero in total, each individual line does not crossfoot due to GASB Statement No. 34's requirement that internal balances be eliminated in the primary government total column.

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 21,327	16,178	37,505	218
Accrued liabilities	15,724	779	16,503	66
Accrued interest payable	9,029	--	9,029	483
Due to other governmental units	6,787	1	6,788	--
Deferred revenue	12,349	21,082	33,431	--
Deposits held	8	--	8	57
Insurance claims payable, current	19,985	--	19,985	--
Notes payable, current	131,249	--	131,249	--
Compensated absences, current	58,837	3,278	62,115	654
Bonds payable, current	21,790	18,985	40,775	140
Other long-term debt, current	1,014	485	1,499	--
Total unrestricted current liabilities	<u>298,099</u>	<u>60,788</u>	<u>358,887</u>	<u>1,618</u>
Current liabilities payable from restricted assets:				
Accounts and contracts payable	69,806	7,186	76,992	--
Accrued liabilities	1,631	--	1,631	--
Accrued interest payable	--	3,768	3,768	--
Deposits	--	11,609	11,609	--
Due to other governmental units	1,410	--	1,410	--
Deferred revenue	91,306	138	91,444	--
Insurance claims payable, current	3,673	--	3,673	--
Total current liabilities payable from restricted assets	<u>167,826</u>	<u>22,701</u>	<u>190,527</u>	<u>--</u>
Total current liabilities	<u>465,925</u>	<u>83,489</u>	<u>549,414</u>	<u>--</u>
Noncurrent liabilities:				
Insurance claims payable	17,574	--	17,574	--
Notes payable	5,130	--	5,130	--
Compensated absences payable	5,023	881	5,904	--
Bonds payable, net	481,584	328,512	810,096	36,394
Net OPEB obligation	8,921	--	8,921	--
Other long-term debt, net	1,149	36,284	37,433	--
Total noncurrent liabilities	<u>519,381</u>	<u>365,677</u>	<u>885,058</u>	<u>36,394</u>
Total liabilities	<u>985,306</u>	<u>449,166</u>	<u>1,434,472</u>	<u>38,012</u>
NET ASSETS				
Invested in capital assets, net of related debt	6,260,660	845,037	7,105,697	1,913
Restricted externally for:				
Bond covenants or debt service	28,684	94,647	123,331	6,500
Other purposes	7,645	--	7,645	--
Restricted by enabling legislation:				
Capital projects	44,558	--	44,558	--
Grants and other purposes	265,576	--	265,576	--
Unrestricted	<u>709,332</u>	<u>356,075</u>	<u>1,065,407</u>	<u>5,641</u>
Total net assets	<u>\$ 7,316,455</u>	<u>1,295,759</u>	<u>8,612,214</u>	<u>14,054</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Activities
For the fiscal year ended September 30, 2011

(amounts in thousands) Functions/Programs	Program Revenues					Net (Expenses) Revenues and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants, Contributions and Restricted Interest		Primary Government			Component Units
				Grants/Contributions	Interest	Governmental Activities	Business-type Activities	Total	
Primary government:									
Governmental activities:									
General government	\$ 274,082	30,763	872	292	--	(242,155)	--	(242,155)	--
Public safety	510,743	90,249	13,330	2,122	--	(405,042)	--	(405,042)	--
Physical environment	29,862	4,511	2,948	2,164	--	(20,239)	--	(20,239)	--
Transportation	73,344	11,264	2,586	33,993	--	(25,501)	--	(25,501)	--
Economic environment	71,282	2,470	21,652	6,422	--	(40,738)	--	(40,738)	--
Human services	226,941	21,216	68,586	--	--	(137,139)	--	(137,139)	--
Culture and recreation	80,580	8,534	1,022	(288)	--	(71,312)	--	(71,312)	--
Interest on long-term debt	25,638	--	--	--	--	(25,638)	--	(25,638)	--
Total governmental activities	<u>1,292,472</u>	<u>169,007</u>	<u>110,996</u>	<u>44,705</u>	<u>--</u>	<u>(967,764)</u>	<u>--</u>	<u>(967,764)</u>	<u>--</u>
Business-type activities:									
Water Resource Services System	196,836	196,512	--	9,770	9,011	--	18,457	18,457	--
Solid Waste Resource Recovery	104,865	98,613	--	--	1,531	--	(4,721)	(4,721)	--
Total business-type activities	<u>301,701</u>	<u>295,125</u>	<u>--</u>	<u>9,770</u>	<u>10,542</u>	<u>--</u>	<u>13,736</u>	<u>13,736</u>	<u>--</u>
Total primary government	<u>\$ 1,594,173</u>	<u>464,132</u>	<u>110,996</u>	<u>54,475</u>	<u>10,542</u>	<u>(967,764)</u>	<u>13,736</u>	<u>(954,028)</u>	<u>--</u>
Component units:									
Neighborhood dependent districts	\$ 1,939	2,084	1	--	--	--	--	--	146
Housing Finance Authority	2,613	1,051	2,876	--	--	--	--	--	1,314
Law Library Board	477	469	--	--	--	--	--	--	(8)
Planning Commission	4,118	394	3,664	--	--	--	--	--	(60)
Total component units	<u>\$ 9,147</u>	<u>3,998</u>	<u>6,541</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,392</u>
General revenues:									
Ad valorem property taxes						561,081	--	561,081	--
Fuel taxes						31,081	--	31,081	--
Discretionary sales surtaxes						183,326	--	183,326	--
Other taxes						47,159	--	47,159	--
Intergovernmental--state shared revenues, unrestricted						161,095	--	161,095	--
Investment earnings						11,317	--	11,317	47
Gains on capital asset disposals						3,029	1,013	4,042	--
Miscellaneous						49,649	1,317	50,966	--
Transfers						(190)	190	--	--
Total general revenues						<u>1,047,547</u>	<u>2,520</u>	<u>1,050,067</u>	<u>47</u>
Change in net assets						79,783	16,256	96,039	1,439
Net assets - beginning of year, as previously reported						7,236,672	1,279,503	8,516,175	9,717
Restatement for neighborhood districts and component unit not included in the prior year's financial statements						--	--	--	2,898
Net assets - beginning of year, as restated						<u>7,236,672</u>	<u>1,279,503</u>	<u>8,516,175</u>	<u>12,615</u>
Net assets - end of year						<u>\$ 7,316,455</u>	<u>1,295,759</u>	<u>8,612,214</u>	<u>14,054</u>

The accompanying notes are an integral part of these financial statements.

DESCRIPTIONS OF MAJOR FUNDS - GOVERNMENTAL ACTIVITIES

BOARD OF COUNTY COMMISSIONERS:

General Fund – To account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories: Countywide, Unincorporated Area, Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of Circuit Court.

Countywide Special Purpose Revenue Fund – To account for special purpose revenues used to provide services for residents throughout the County. Examples include state revenue sharing, the discretionary sales surtax for indigent health care, the 911 emergency telephone system, pollution settlement and recovery, and U.S. Marshal and state contraband forfeitures.

Sales Tax Revenue Fund – To account for the local government infrastructure discretionary sales surtax known as the Community Investment Tax; the local half-cent sales tax distributed by the state of Florida which is transferred to other funds for various program expenditures; the 5% tourist development tax designated to promote tourism in the County; and the professional sports franchise sales tax revenues.

Intergovernmental Grants Fund – To account for federal, state, or local governmental or non-governmental grants for programs including aging services, children's services, social services, transportation, public assistance, housing, public safety, and capital projects.

County Transportation Fund – To account for motor fuel taxes, state revenue sharing, and various grant funds designated to finance road and street construction, maintenance, and other transportation projects.

Local Housing Assistance Program Fund – To account for State Housing Initiatives Partnership (SHIP) program moneys received from the state of Florida and related program income. This program makes loans to low and moderate-income persons, first-time homebuyers, builders and others for funding home purchases, new home construction, existing home renovation, and for the payment of matching funds needed to obtain grants.

Infrastructure Surtax Projects Fund – To account for use of the County's share of the voter-approved local government infrastructure discretionary sales surtax levied per Section 212.055, Florida Statutes. This sales tax, commonly known as the Community Investment Tax, may be used to purchase or construct equipment or infrastructure related to jails, criminal justice computer systems, fire stations, roads and traffic intersections, stormwater systems, parks, and libraries. This tax is shared with the Hillsborough County School Board, the Tampa Sports Authority, and the three municipalities located in the County.

BUSINESS-TYPE ACTIVITIES

BOARD OF COUNTY COMMISSIONERS:

Water Enterprise Fund – To account for the operations of the water and wastewater system in the unincorporated areas of the County. Water and wastewater fees are determined annually by rate studies and are set at levels to recover operating expenses, including debt service, in a manner similar to private business enterprises. Activities necessary to provide water and wastewater service are accounted for in this fund, including customer service, engineering, operations, and maintenance.

Solid Waste Enterprise Fund – To account for the operations of the Solid Waste Management Division of the Public Utilities Department on a countywide basis. Refuse generated in the unincorporated areas of the County is collected by franchised and non-franchised collectors serving residential and commercial customers and by private companies serving their own customers. Refuse dumping fees are reviewed annually and are set at levels sufficient to recover operating and debt service expenses, and to also account for landfills owned and operated by the Solid Waste Fund as well as monitoring closed landfills.

HILLSBOROUGH COUNTY, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2011
(amounts in thousands)

	MAJOR FUNDS			
	General	Countywide Special Purpose	Sales Tax Revenue	Inter- Governmental Grants
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 130,664	47,264	6,276	--
Investments	153,620	144,753	19,221	--
Accounts receivable, net	4,092	1	--	85
Interest receivable	543	514	68	--
Delinquent ad valorem taxes receivable	1,558	--	--	--
Due from other funds	60,618	4,161	1,555	--
Due from other governmental units	2,916	12,215	14,914	15,831
Inventories	1,645	--	--	--
Notes and loans receivable	--	--	--	33,445
Other assets	2	--	--	3,360
Total assets	<u>355,658</u>	<u>208,908</u>	<u>42,034</u>	<u>52,721</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	10,594	41,342	4,974	7,537
Accrued liabilities	15,274	157	3	487
Due to other funds	63,060	1	4,125	2,898
Due to other governmental units	5,648	--	767	--
Deferred revenue	11,136	239	--	40,383
Deposits held	8	--	--	--
Insurance claims payable, current	--	3,673	--	--
Total liabilities	<u>105,720</u>	<u>45,412</u>	<u>9,869</u>	<u>51,305</u>
FUND BALANCES				
Nonspendable:				
Inventories	1,645	--	--	--
Restricted for:				
Bond covenants or debt service	--	--	--	--
Grant programs and projects	--	--	--	1,416
Federal and state law	--	51,933	13,194	--
Impact fees	--	24,144	--	--
Hillsborough Healthcare	--	51,865	--	--
Other purposes	--	380	--	--
Committed to:				
Capital projects	--	--	--	--
Major maintenance & repair	--	29,716	--	--
Ordinance/other purposes	--	5,458	18,971	--
Unassigned	248,293	--	--	--
Total fund balances	<u>249,938</u>	<u>163,496</u>	<u>32,165</u>	<u>1,416</u>
Total liabilities and fund balance	<u>\$ 355,658</u>	<u>208,908</u>	<u>42,034</u>	<u>52,721</u>

Residential properties to be redeveloped and sold using funding from the federal Neighborhood Stabilization Program grant are reported as other assets in the Intergovernmental Grants Fund.

MAJOR FUNDS				
County Transportation	Local Housing Assistance	Infrastructure Surtax Projects	Other Governmental Funds	Total Governmental Funds
36,583	1,169	8,882	80,377	311,215
112,043	3,582	9,686	197,062	639,967
143	--	--	557	4,878
398	13	35	700	2,271
42	--	--	120	1,720
200	--	4,113	1,609	72,256
11,547	--	--	20	57,443
4,786	--	--	232	6,663
--	50,826	--	--	84,271
--	--	--	--	3,362
<u>165,742</u>	<u>55,590</u>	<u>22,716</u>	<u>280,677</u>	<u>1,184,046</u>
10,522	1,071	7,295	2,958	86,293
434	--	--	914	17,269
1	--	--	3,537	73,622
--	--	--	648	7,063
183	50,826	--	888	103,655
--	--	--	--	8
--	--	--	--	3,673
<u>11,140</u>	<u>51,897</u>	<u>7,295</u>	<u>8,945</u>	<u>291,583</u>
4,786	--	--	232	6,663
--	--	--	27,424	27,424
--	3,693	--	459	5,568
46,411	--	15,421	73,482	200,441
56,195	--	--	14,057	94,396
--	--	--	--	51,865
--	--	--	1,678	2,058
44,643	--	--	97,841	142,484
--	--	--	8,219	37,935
2,567	--	--	48,340	75,336
--	--	--	--	248,293
<u>154,602</u>	<u>3,693</u>	<u>15,421</u>	<u>271,732</u>	<u>892,463</u>
<u>165,742</u>	<u>55,590</u>	<u>22,716</u>	<u>280,677</u>	<u>1,184,046</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Reconciliation of the Balance Sheet--Governmental Funds
to the Statement of Net Assets--Governmental Activities
September 30, 2011
(amounts in thousands)

Fund balances reported on the Balance Sheet--Governmental Funds		\$ 892,463
Differences between the amounts reported on the Balance Sheet--Governmental Funds and the governmental activities reported on the Statement of Net Assets were as follows:		
<input type="checkbox"/> Capital assets used in governmental activities were not financial resources and, therefore, were not reported in the governmental funds:		
Total capital assets, see Note 6	6,888,532	
Less: Internal Service Fund capital assets	<u>(19,335)</u>	6,869,197
<input type="checkbox"/> Other assets or liabilities shown in governmental activities were not financial resources and, therefore, were not reported in the governmental funds:		
<input type="checkbox"/> Accounts receivable from local revenue sources including discretionary sales surtaxes, non-grant intergovernmental revenues, tourist development and fuel taxes.		28,467
<input type="checkbox"/> Elimination of the operating income earned by the Internal Service Funds through transactions with business-type activities.		(1,804)
Internal service funds were used to charge self-insurance and fleet management costs to individual funds. The assets and liabilities of the internal service funds were included in the governmental activities portion of the Statement of Net Assets.		238,894
<input type="checkbox"/> Compensated absences of the Planning Commission and Law Library component units were offset by amounts "due from other governmental units," which corresponded to amounts "due to other governmental units" on the governmental activities portion of the Statement of Net Assets.		
<input type="checkbox"/> Long-term liabilities, including bonds payable, were not due and payable in the current period and therefore were not reported in the governmental funds.		
<input type="checkbox"/> Unamortized bond issuance costs	4,672	
Total long-term liabilities, see Note 7	(752,256)	
Add: interest payable due to interest accruals	(9,029)	
Less: Internal Service Fund insurance claims payable	37,559	
Less: Internal Service Fund compensated absences	255	
Less: Internal Service Fund OPEB liability, see Note 9	<u>8,921</u>	(709,878)
<input type="checkbox"/> A contractual payment to the Hillsborough County Aviation Authority reported as due to other governmental units on the Statement of Net Assets was not yet due and payable in the governmental funds.		
		(230)
Net assets reported for governmental activities on the Statement of Net Assets		<u>\$ 7,316,455</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended September 30, 2011
(amounts in thousands)

	MAJOR FUNDS			
	General	Countywide Special Purpose	Sales Tax Revenue	Inter- Governmental Grants
Revenues:				
Taxes--ad valorem property taxes	\$ 523,083	--	--	--
Taxes--fuel taxes	--	--	--	--
Taxes--discretionary sales surtaxes	--	91,501	91,559	--
Taxes--other	27,450	--	19,104	--
Licenses, permits, special assessments	616	9,070	--	--
Intergovernmental--state shared revenues	19,937	15,513	78,522	--
Intergovernmental--grants	4,194	2	--	105,569
Charges for services	101,313	7,385	--	1,241
Fines and forfeitures	3,383	1,108	--	68
Interest	4,177	1,229	235	26
Miscellaneous	7,571	9,717	--	2,020
Total revenues	691,724	135,525	189,420	108,924
Expenditures:				
Current:				
General government	158,870	9,742	48,356	4,098
Public safety	440,975	12,313	--	4,928
Physical environment	19,987	1,549	--	4,116
Transportation	162	--	--	--
Economic environment	14,328	--	14,420	30,612
Human services	41,973	104,513	--	67,743
Culture and recreation	38,565	809	--	17
Capital outlay	16,504	1,701	--	9,876
Debt service:				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total expenditures	731,364	130,627	62,776	121,390
Excess (deficiency) of revenues over (under) expenditures	(39,640)	4,898	126,644	(12,466)
Other financing sources (uses):				
Transfers in	591,600	20,116	--	7,144
Transfers out	(522,503)	(31,452)	(129,987)	(306)
Face amount of long-term debt issued	--	--	--	--
Sales of capital assets	1,775	--	--	--
Total other financing sources (uses)	70,872	(11,336)	(129,987)	6,838
Net change in fund balances	31,232	(6,438)	(3,343)	(5,628)
Fund balances, beginning of year	218,377	169,934	35,508	7,044
Increase (decrease) in nonspendable fund balances	329	--	--	--
	--			
Fund balances, end of year	\$ 249,938	163,496	32,165	1,416

MAJOR FUNDS				
County Transportation	Local Housing Assistance	Infrastructure Surtax Projects	Other Governmental Funds	Total Governmental Funds
--	--	--	37,998	561,081
30,933	--	--	--	30,933
--	--	--	--	183,060
--	--	--	633	47,187
9,828	--	--	16,023	35,537
15,985	716	--	29,884	160,557
17,366	--	--	8,121	135,252
2,252	--	192	15,712	128,095
--	--	--	2,620	7,179
1,336	89	14	1,470	8,576
1,284	1,114	142	2,138	23,986
<u>78,984</u>	<u>1,919</u>	<u>348</u>	<u>114,599</u>	<u>1,321,443</u>
4,225	--	3	33,523	258,817
--	--	--	26,421	484,637
--	--	146	2,410	28,208
56,563	--	2,183	--	58,908
--	5,547	--	2,428	67,335
--	--	--	144	214,373
--	--	69	32,927	72,387
41,067	--	51,334	29,980	150,462
--	--	225,330	34,458	259,788
--	--	1,790	24,739	26,529
<u>101,855</u>	<u>5,547</u>	<u>280,855</u>	<u>187,030</u>	<u>1,621,444</u>
<u>(22,871)</u>	<u>(3,628)</u>	<u>(280,507)</u>	<u>(72,431)</u>	<u>(300,001)</u>
11,747	--	43,363	69,842	743,812
(2,557)	--	(30,532)	(21,784)	(739,121)
--	--	253,330	8,000	261,330
--	--	--	34	1,809
<u>9,190</u>	<u>--</u>	<u>266,161</u>	<u>56,092</u>	<u>267,830</u>
(13,681)	(3,628)	(14,346)	(16,339)	(32,171)
168,892	7,321	29,767	288,179	925,022
(609)	--	--	(108)	(388)
<u>154,602</u>	<u>3,693</u>	<u>15,421</u>	<u>271,732</u>	<u>892,463</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the fiscal year ended September 30, 2011
(amounts in thousands)

Net change in fund balances reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances--Governmental Funds \$ (32,171)

Differences between the amounts reported on Statement of Revenues, Expenditures, and Changes in Fund Balances--Governmental Funds and governmental activities reported on the Statement of Activities were as follows:

Capital assets-related items	
o Capital outlay expenditures represented an increase to capital assets on the Statement of Activities.	150,462
o Depreciation expense was a reduction of net assets on the Statement of Activities.	(60,698)
o Infrastructure preservation costs were not capitalized, but decreased net assets under the modified approach. Library books were under the capitalization threshold, so they also decreased net assets.	(12,280)
o Contributions of infrastructure assets received increased net assets on the Statement of Activities.	16,625
o Contributions of capital assets received from the Constitutional Officers, Planning Commission, Law Library and others increased net assets.	3,490
o Loss on sale of capital assets was not reported in the fund financial statements, but was reported in the Statement of Activities. The book value of assets disposed was a reduction of net assets.	(890)
o Loss on disposal of infrastructure, which was reported as an expense represented a reduction of net assets.	(2,653)
o Transfer of capital assets to the Fleet Management Internal Service Fund was a reduction of net assets.	(249)
Long-term liability-related items	
o The reduction of the arbitrage rebate liability during the year increased interest earnings, which increased net assets on the Statement of Activities.	702
o Proceeds from the issuance of new long-term debt were in "other financing sources" on the fund financial statements but did not increase net assets on the Statement of Activities.	(261,330)
o Repayments of long-term liabilities represented expenditures on the fund financial statements, but did not decrease net assets on the Statement of Activities.	259,788
o Bond issuance costs were amortized over the life of the bond issue, decreasing net assets on the Statement of Activities.	(515)
o The decrease in compensated absences decreased net assets on the Statement of Activities.	8,211
o The reduction in interest accruals and other interest related entries increased net assets on the Statement of Activities.	1,406
Eliminations of inter-organizational items	
o The operating profit earned on transactions with business-type activities was eliminated.	590
Revenues and receivables-related items	
o Sales tax and state shared revenues accrued at year-end less the reversal of the prior year's revenue accruals increased net assets on the Statement of Activities.	
o Debt service related costs incurred in bond defeasances were not expensed, but were amortized over the life of the new debt or old debt, whichever is shorter. This in turn, increased net assets on the Statement on Activities.	632
o Net revenues of the Self-Insurance and Fleet Internal Service Funds increased net assets since they were reported in the governmental activities section of the Statement of Activities.	10,772
Other reconciling items	
o The decrease in reserves on the fund financial statements decreased net assets on the Statement of Activities.	(388)
o The liability associated with the Voluntary Separation Incentive Program (VSIP) decreased net assets on the Statement of Net Assets.	(1,721)
Change in net assets reported on the governmental portion of the Statement of Activities	<u>\$ 79,783</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<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:				
Taxes--ad valorem property taxes	\$ 548,379	548,379	523,083	(25,296)
Taxes--other	25,972	25,972	27,450	1,478
Licenses, permits, special assessments	589	590	616	26
Intergovernmental--state shared revenues	18,760	18,760	19,937	1,177
Intergovernmental--grants	1,563	2,729	2,528	(201)
Charges for services	99,994	99,558	98,808	(750)
Fines and forfeitures	3,820	3,820	3,383	(437)
Interest	8,000	8,595	4,177	(4,418)
Miscellaneous	5,042	5,042	8,208	3,166
Total revenues	<u>712,119</u>	<u>713,445</u>	<u>688,190</u>	<u>(25,255)</u>
Expenditures:				
Current:				
General government	167,576	165,816	156,428	9,388
Public safety	477,342	470,379	438,542	31,837
Physical environment	21,321	21,320	19,987	1,333
Transportation	176	176	162	14
Economic environment	15,353	16,942	14,328	2,614
Human services	45,633	45,615	41,973	3,642
Culture and recreation	43,938	43,985	38,565	5,420
Capital outlay	9,106	17,709	13,073	4,636
Total expenditures	<u>780,445</u>	<u>781,942</u>	<u>723,058</u>	<u>58,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(68,326)</u>	<u>(68,497)</u>	<u>(34,868)</u>	<u>33,629</u>
Other financing sources (uses):				
Transfers in	567,479	571,785	588,900	17,115
Transfers out	(492,719)	(494,339)	(522,503)	(28,164)
Sales of capital assets	--	--	1,137	1,137
Budgetary reserves	(177,425)	(179,978)	--	179,978
Budget allowance	(34,741)	(34,741)	--	34,741
Distribution of excess fees	(1,327)	(1,289)	(1,434)	(145)
Total other financing sources (uses)	<u>(138,733)</u>	<u>(138,562)</u>	<u>66,100</u>	<u>204,662</u>
Net change in fund balances	(207,059)	(207,059)	31,232	238,291
Fund balances, beginning of year	207,059	207,059	218,377	11,318
Increase (decrease) in nonspendable fund balances	--	--	329	329
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>249,938</u>	<u>249,938</u>
To convert to GAAP basis:				
Reduce distribution of excess fees			1,434	
Add intergovernmental grants			1,666	
Add contract-related charges for services			1,496	
Revenues from certain governments not budgeted			1,008	
Expenditures from certain governments not budgeted			(1,008)	
Decrease miscellaneous revenue			(638)	
Add proceeds from the sale of capital assets			638	
Increase public safety and general government expenditures			(3,865)	
Decrease capital outlay			(3,431)	
Add transfers in for Sheriff's vehicles			2,700	
Fund balances, end of year--GAAP basis			<u>\$ 249,938</u>	

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Countywide Special Purpose Fund (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 92,286	92,286	91,501	(785)
Licenses, permits, special assessments	6,624	6,624	9,070	2,446
Intergovernmental--state shared revenues	14,426	14,426	15,249	823
Intergovernmental--grants	120	120	2	(118)
Charges for services	7,666	7,666	7,385	(281)
Fines and forfeitures	1,576	1,576	1,108	(468)
Interest	2,595	2,595	1,258	(1,337)
Miscellaneous	7,273	7,278	9,484	2,206
Total revenues	<u>132,566</u>	<u>132,571</u>	<u>135,057</u>	<u>2,486</u>
Expenditures:				
Current:				
General government	9,197	8,932	8,332	600
Public safety	14,843	15,097	12,231	2,866
Physical environment	1,161	1,165	1,107	58
Human services	118,308	119,290	104,134	15,156
Capital outlay	1,424	2,309	1,315	994
Total expenditures	<u>144,933</u>	<u>146,793</u>	<u>127,119</u>	<u>19,674</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,367)</u>	<u>(14,222)</u>	<u>7,938</u>	<u>22,160</u>
Other financing sources (uses):				
Transfers in	15,260	15,420	15,990	570
Transfers out	(20,451)	(25,966)	(25,966)	--
Budgetary reserves	(94,639)	(87,429)	--	87,429
Budget allowance	(5,187)	(5,187)	--	5,187
Total other financing sources (uses)	<u>(105,017)</u>	<u>(103,162)</u>	<u>(9,976)</u>	<u>93,186</u>
Net change in fund balances	(117,384)	(117,384)	(2,038)	115,346
Fund balances, beginning of year	117,384	117,384	129,339	11,955
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>127,301</u>	<u>127,301</u>
Add end of year fund balances from non-annually appropriated projects			<u>36,195</u>	
Fund balances, end of year--GAAP basis			<u>\$ 163,496</u>	

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Sales Tax Revenue Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--discretionary sales surtaxes	\$ 92,286	97,978	91,559	(6,419)
Taxes--other	19,925	19,925	19,104	(821)
Intergovernmental--state shared revenues	78,617	78,617	78,522	(95)
Interest	303	303	235	(68)
Total revenues	<u>191,131</u>	<u>196,823</u>	<u>189,420</u>	<u>(7,403)</u>
Expenditures:				
Current:				
General government	46,821	49,172	48,356	816
Economic environment	14,201	15,189	14,420	769
Total expenditures	<u>61,022</u>	<u>64,361</u>	<u>62,776</u>	<u>1,585</u>
Excess (deficiency) of revenues over (under) expenditures	<u>130,109</u>	<u>132,462</u>	<u>126,644</u>	<u>(5,818)</u>
Other financing sources (uses):				
Transfers out	(127,968)	(131,025)	(129,987)	1,038
Budgetary reserves	(19,165)	(18,177)	--	18,177
Budget allowance	(9,142)	(9,741)	--	9,741
Total other financing sources (uses)	<u>(156,275)</u>	<u>(158,943)</u>	<u>(129,987)</u>	<u>28,956</u>
Net change in fund balances	(26,166)	(26,481)	(3,343)	23,138
Fund balances, beginning of year	26,166	26,481	35,508	9,027
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>32,165</u>	<u>32,165</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
County Transportation Fund (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<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:				
Taxes--fuel taxes	\$ 6,830	6,935	6,563	(372)
Licenses, permits, special assessments	8,776	8,776	7,849	(927)
Intergovernmental--state shared revenues	5,418	5,418	5,212	(206)
Charges for services	1,934	1,934	2,253	319
Interest	928	928	255	(673)
Miscellaneous	2	2	107	105
Total revenues	<u>23,888</u>	<u>23,993</u>	<u>22,239</u>	<u>(1,754)</u>
Expenditures:				
Current:				
General government	4,450	4,483	4,039	444
Transportation	60,004	59,943	56,306	3,637
Capital outlay	115	173	72	101
Total expenditures	<u>64,569</u>	<u>64,599</u>	<u>60,417</u>	<u>4,182</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,681)</u>	<u>(40,606)</u>	<u>(38,178)</u>	<u>2,428</u>
Other financing sources (uses):				
Transfers in	48,773	50,624	50,619	(5)
Transfers out	(8,564)	(8,698)	(8,665)	33
Budgetary reserves	(8,330)	(10,180)	--	10,180
Budget allowance	(1,547)	(1,774)	--	1,774
Total other financing sources	<u>30,332</u>	<u>29,972</u>	<u>41,954</u>	<u>11,982</u>
Net change in fund balances	(10,349)	(10,634)	3,776	14,410
Fund balances, beginning of year	10,349	10,634	18,688	8,054
Increase (decrease) in nonspendable fund balances	--	--	(118)	(118)
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>22,346</u>	<u>22,346</u>
Add end of year fund balances from non-annually appropriated projects			<u>132,256</u>	
Fund balances, end of year--GAAP basis			<u>\$ 154,602</u>	

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2011
(amounts in thousands)

	<u>Business-Type Activities--Enterprise Funds</u>			Governmental
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	Activities--
ASSETS	Resource	Resource		Internal
				Service Funds
Current assets:				
Cash and cash equivalents	\$ 48,748	23,796	72,544	73,589
Investments	149,296	72,878	222,174	192,543
Accounts receivable, net	17,295	3,092	20,387	639
Accounts receivable, long-term, current portion	4,739	--	4,739	--
Interest receivable	473	257	730	683
Due from other funds	22	1,461	1,483	9
Inventories	2,173	--	2,173	327
Prepaid charges	--	--	--	3,689
Other assets	669	169	838	--
Total unrestricted current assets	<u>223,415</u>	<u>101,653</u>	<u>325,068</u>	<u>271,479</u>
Restricted current assets:				
Cash and cash equivalents	46,836	11,446	58,282	--
Investments	143,447	35,058	178,505	--
Accounts receivable, net	78	--	78	--
Interest receivable	566	127	693	--
Due from other funds	193	--	193	--
Total restricted current assets	<u>191,120</u>	<u>46,631</u>	<u>237,751</u>	<u>--</u>
Total current assets	<u>414,535</u>	<u>148,284</u>	<u>562,819</u>	<u>271,479</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Land	28,559	13,627	42,186	--
Buildings	179,521	39,342	218,863	--
Building improvements	564,677	160,172	724,849	--
Equipment	4,504	5,103	9,607	19,323
Intangibles	8,318	--	8,318	--
Construction in progress	61,608	6,702	68,310	12
Total capital assets, net	<u>847,187</u>	<u>224,946</u>	<u>1,072,133</u>	<u>19,335</u>
Accounts receivable, noncurrent	103,893	--	103,893	--
Unamortized bond issuance costs	2,456	2,130	4,586	--
Total noncurrent assets	<u>953,536</u>	<u>227,076</u>	<u>1,180,612</u>	<u>19,335</u>
Total assets	<u>\$ 1,368,071</u>	<u>375,360</u>	<u>1,743,431</u>	<u>290,814</u>

(continued)

	<u>Business-Type Activities--Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	<u>Activities--</u> <u>Internal</u> <u>Service Funds</u>
	<u>Resource</u>	<u>Resource</u>		
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 6,811	9,367	16,178	4,840
Accrued liabilities	637	142	779	86
Due to other funds	15	295	310	9
Due to other governmental units	--	1	1	250
Deferred revenue	5,419	15,663	21,082	--
Insurance claims payable, current	--	--	--	19,985
Compensated absences, current	2,778	500	3,278	255
Bonds payable, current	18,040	945	18,985	--
Other long-term debt, current	33	452	485	--
Total unrestricted current liabilities	<u>33,733</u>	<u>27,365</u>	<u>61,098</u>	<u>25,425</u>
Current liabilities payable from restricted assets:				
Accounts and contracts payable	5,568	1,618	7,186	--
Accrued interest payable	3,182	586	3,768	--
Deposits	11,187	422	11,609	--
Deferred revenue	138	--	138	--
Total current liabilities payable from restricted assets	<u>20,075</u>	<u>2,626</u>	<u>22,701</u>	<u>--</u>
Total current liabilities	<u>53,808</u>	<u>29,991</u>	<u>83,799</u>	<u>25,425</u>
Noncurrent liabilities:				
Insurance claims payable	--	--	--	17,574
Compensated absences payable	708	173	881	--
Capital leases	--	--	--	--
Bonds payable, net	178,449	150,063	328,512	--
Net OPEB obligation	--	--	--	8,921
Other long-term debt, net	65	36,219	36,284	--
Total noncurrent liabilities	<u>179,222</u>	<u>186,455</u>	<u>365,677</u>	<u>26,495</u>
Total liabilities	<u>233,030</u>	<u>216,446</u>	<u>449,476</u>	<u>51,920</u>
NET ASSETS				
Invested in capital assets, net of related debt	756,401	88,636	845,037	19,290
Restricted externally for:				
Bond covenants or debt service	65,342	29,305	94,647	--
Unrestricted	<u>313,298</u>	<u>40,973</u>	<u>354,271</u>	<u>219,604</u>
Total net assets	<u>1,135,041</u>	<u>158,914</u>	<u>1,293,955</u>	<u>238,894</u>
Total liabilities and net assets	<u>\$ 1,368,071</u>	<u>375,360</u>		<u>290,814</u>
Adjustment to reflect the cumulative effect of the elimination of Internal Service Fund transactions related to Enterprise Funds			<u>1,804</u>	
Net assets of business-type activities on the Statement of Net Assets			<u>\$ 1,295,759</u>	

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Business-type Activities--Enterprise Funds</u>			Governmental Activities-- Internal Service Funds
	<u>Water Resource</u>	<u>Solid Waste Resource</u>	<u>Totals</u>	
Operating revenues:				
Charges for services	\$ 196,512	98,613	295,125	124,997
Total operating revenues	<u>196,512</u>	<u>98,613</u>	<u>295,125</u>	<u>124,997</u>
Operating expenses:				
Personnel services	41,111	9,134	50,245	5,456
Contractual services	70,291	67,978	138,269	4,877
Fleet services	2,075	1,917	3,992	--
Repairs and maintenance	7,964	393	8,357	196
Utilities	10,525	1,436	11,961	167
Rentals and leases	--	--	--	16
Supplies	324	67	391	101
Landfill closure and postclosure care	--	2,123	2,123	--
Depreciation and amortization	57,391	14,510	71,901	8,149
Costs of services provided	--	--	--	84,061
Other operating expenses	1,827	1,004	2,831	8,533
Annual OPEB expense	--	--	--	1,767
Total operating expenses	<u>191,508</u>	<u>98,562</u>	<u>290,070</u>	<u>113,323</u>
Operating income	<u>5,004</u>	<u>51</u>	<u>5,055</u>	<u>11,674</u>
Nonoperating revenues (expenses):				
State shared revenue	--	--	--	292
Interest revenue	9,011	1,531	10,542	2,039
Interest expense	(6,046)	(6,726)	(12,772)	--
Gain on disposal of capital assets	61	952	1,013	1,220
Other revenues	3,524	187	3,711	94
Other expenses	(514)	(149)	(663)	--
Total nonoperating revenues (expenses)	<u>6,036</u>	<u>(4,205)</u>	<u>1,831</u>	<u>3,645</u>
Income (loss) before contributions	11,040	(4,154)	6,886	15,319
Capital contributions	9,770	--	9,770	334
Transfers in	190	--	190	--
Transfers out	--	--	--	(4,881)
Change in net assets	<u>21,000</u>	<u>(4,154)</u>	<u>16,846</u>	<u>10,772</u>
Net assets, beginning of year	1,114,041	163,068		228,122
Net assets, end of year	<u>\$ 1,135,041</u>	<u>158,914</u>		<u>238,894</u>
Adjustments to reflect the elimination of Internal Service Fund transactions related to Enterprise Funds:				
Reversal of prior year adjustment			(2,394)	
Reversal of prior year adjustment			1,804	
Current year adjustment				
Change in net assets of business-type activities			<u>\$ 16,256</u>	

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Business-type Activities--Enterprise Funds			Governmental
	Water Resource Services	Solid Waste Resource Recovery	Totals	Activities-- Internal Service Funds
Cash flows from operating activities:				
Receipts from customers	\$ 196,361	99,165	295,526	125,110
Payments to suppliers	(100,990)	(79,196)	(180,186)	(92,440)
Payments to employees	(42,777)	(9,467)	(52,244)	(5,859)
Cash paid for claims	--	--	--	(4,481)
Cash from other sources	3,717	110	3,827	404
Net cash provided by operating activities	<u>56,311</u>	<u>10,612</u>	<u>66,923</u>	<u>22,734</u>
Cash flows from noncapital financing activities:				
State shared revenues	--	--	--	292
Transfers out to other funds	--	--	--	(4,881)
Net cash used for noncapital financing activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>(4,589)</u>
Cash flows from capital and related financing				
Contributed capital	8,160	--	8,160	--
Acquisition and construction of capital assets	(46,847)	(4,009)	(50,856)	(7,557)
Principal paid on capital debt	(17,105)	--	(17,105)	--
Interest paid on capital debt	(7,139)	(7,035)	(14,174)	--
Refunding bonds issued	150,240	--	150,240	--
Proceeds from sale of capital assets	280	1,025	1,305	1,258
Net cash provided by (used for) capital and related	<u>87,589</u>	<u>(10,019)</u>	<u>77,570</u>	<u>(6,299)</u>
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	338,012	157,067	495,079	446,368
Purchase of investment securities	(493,223)	(182,832)	(676,055)	(496,796)
Interest and dividends received	7,651	1,133	8,784	1,863
Net cash used for investing activities	<u>(147,560)</u>	<u>(24,632)</u>	<u>(172,192)</u>	<u>(48,565)</u>
Net change in cash and cash equivalents	(3,660)	(24,039)	(27,699)	(36,719)
Cash and cash equivalents, beginning of year	<u>99,244</u>	<u>59,281</u>	<u>158,525</u>	<u>110,308</u>
Cash and cash equivalents, end of year	<u>95,584</u>	<u>35,242</u>	<u>130,826</u>	<u>73,589</u>
Classified as:				
Current assets	48,748	23,796	72,544	73,589
Restricted assets	46,836	11,446	58,282	--
Total cash and cash equivalents, end of year	<u>\$ 95,584</u>	<u>35,242</u>	<u>130,826</u>	<u>73,589</u>

	<u>Business-type Activities--Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Solid Waste</u>		<u>Activities--</u>
	<u>Resource</u>	<u>Resource</u>		<u>Internal</u>
	<u>Services</u>	<u>Recovery</u>	<u>Totals</u>	<u>Service</u>
				<u>Funds</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 5,004	51	5,055	11,674
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	57,391	14,510	71,901	8,151
Miscellaneous non-operating revenues	3,716	110	3,826	94
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	568	(142)	426	114
(Increase) decrease in due from other governments	(70)	(525)	(595)	2
(Increase) decrease in inventories	(969)	--	(969)	(93)
(Increase) decrease in other current assets	(145)	(19)	(164)	--
(Increase) decrease in due from other funds	--	--	--	(9)
Increase (decrease) in accounts and contracts	(4,359)	(6,177)	(10,536)	(1,496)
Increase (decrease) in accrued and other liabilities	(5,033)	3,007	(2,026)	(182)
Increase (decrease) in due to other funds	--	--	--	9
Increase (decrease) in compensated absences	(307)	(72)	(379)	(100)
Increase (decrease) in insurance claims payable	--	--	--	2,803
Increase (decrease) in net OPEB obligation	--	--	--	1,767
Increase (decrease) in deposits	515	(131)	384	--
Total adjustments	<u>51,307</u>	<u>10,561</u>	<u>61,868</u>	<u>11,060</u>
Net cash provided by operating activities	\$ <u>56,311</u>	<u>10,612</u>	<u>66,923</u>	<u>22,734</u>
Noncash investing, capital, and financing				
Contributed capital assets	\$ 3,788	--	3,788	333
Change in fair value of investments	15	28	43	(82)
Interest expense capitalized to construction work-in-	2,084	143	2,227	--
Special assessment impact fee contributions	2,320	--	2,320	--

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Fiduciary Assets and Liabilities--Agency Funds
September 30, 2011
(amounts in thousands)

		Total Agency Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$	55,545
Investments		13,114
Accounts receivable, net		168
Interest receivable		47
Due from other governmental units		1
Total assets		<u>68,875</u>
 LIABILITIES		
Current liabilities:		
Accounts and contracts payable		3,595
Accrued liabilities		9,532
Due to other governmental units		24,106
Deposits held		31,642
Total liabilities	\$	<u>68,875</u>

The accompanying notes are an integral part of these financial statements.

COMPONENT UNITS

Neighborhood Dependent Special Districts – To account for neighborhood dependent special districts created for levying special assessments against property in the district for the purpose of constructing and maintaining public improvements.

Housing Finance Authority of Hillsborough County – To account for the general fund of the Housing Finance Authority of Hillsborough County (Authority). The purpose of this Authority is to encourage the investment of private capital in, and the construction of, residential housing for low and moderate income families through public financing. Bonds issued by the Authority are special obligations of the Authority payable solely from revenues, receipts and resources of the Authority pledged under a related trust indenture. These bonds do not constitute a debt, liability, general or moral obligation or pledge of the faith or credit of the Authority, Hillsborough County, the state of Florida or any of its political subdivisions. Accordingly, the Authority has determined that the obligations of its bond programs should not be presented in the Authority's financial statements. To also account for the Single Family Bond Program of the Housing Finance Authority of Hillsborough County.

Law Library Board Fund – To account for the revenues and expenditures of the Law Library Board which maintains a legal reference library.

Hillsborough County City-County Planning Commission Fund – To account for the revenues and expenditures of the Hillsborough County City-County Planning Commission. The Planning Commission performs long-range comprehensive planning and makes recommendations to the County and city governments concerning the orderly growth and development of Hillsborough County.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Net Assets
Component Units
September 30, 2011
(amounts in thousands)

	Neighborhood Dependent Districts	Housing Finance Authority	Law Library Board	Planning Commission	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,792	3,406	--	--	5,198
Investments	68	1,620	--	--	1,688
Accounts receivable, net	2	107	--	--	109
Interest receivable	--	130	--	--	130
Due from other governmental units	1	--	99	719	819
Deposits	2	--	--	--	2
Prepaid charges	3	15	--	--	18
Total current assets	<u>1,868</u>	<u>5,278</u>	<u>99</u>	<u>719</u>	<u>7,964</u>
Noncurrent assets:					
Restricted noncurrent assets:					
Cash and cash equivalents	--	2,405	--	--	2,405
Investments	--	38,408	--	--	38,408
Notes and loans receivable	--	1,102	--	--	1,102
Total restricted noncurrent assets	<u>--</u>	<u>41,915</u>	<u>--</u>	<u>--</u>	<u>41,915</u>
Capital assets (net of accumulated depreciation):					
Building improvements	17	--	--	--	17
Equipment	24	--	--	--	24
Intangibles	8	--	--	--	8
Infrastructure	1,864	--	--	--	1,864
Total capital assets, net	<u>1,913</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,913</u>
Unamortized bond issuance costs	--	274	--	--	274
Total noncurrent assets	<u>1,913</u>	<u>274</u>	<u>--</u>	<u>--</u>	<u>2,187</u>
Total assets	<u>3,781</u>	<u>47,467</u>	<u>99</u>	<u>719</u>	<u>52,066</u>
LIABILITIES					
Current liabilities:					
Accounts and contracts payable	42	31	40	105	218
Accrued liabilities	--	--	5	61	66
Accrued interest payable	--	483	--	--	483
Deposits held	--	57	--	--	57
Compensated absences, current	--	--	41	613	654
Bonds payable, current	--	140	--	--	140
Total current liabilities	<u>42</u>	<u>711</u>	<u>86</u>	<u>779</u>	<u>1,618</u>
Noncurrent liabilities:					
Bonds payable, net	--	36,394	--	--	36,394
Total noncurrent liabilities	<u>--</u>	<u>36,394</u>	<u>--</u>	<u>--</u>	<u>36,394</u>
Total liabilities	<u>42</u>	<u>37,105</u>	<u>86</u>	<u>779</u>	<u>38,012</u>
NET ASSETS					
Invested in capital assets, net of related	1,913	--	--	--	1,913
Restricted externally for:					
Bond covenants or debt service	--	6,500	--	--	6,500
Unrestricted	1,826	3,862	13	(60)	5,641
Total net assets	<u>\$ 3,739</u>	<u>10,362</u>	<u>13</u>	<u>(60)</u>	<u>14,054</u>

The accompanying notes are an integral part of these financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Statement of Activities
Component Units
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Neighborhood Dependent Districts	Housing Finance Authority	Law Library Board	Planning Commission	
Neighborhood Dependent Districts								
General government	\$ 822	--	--	(822)	--	--	--	(822)
Physical environment	1,117	2,084	1	968	--	--	--	968
Total neighborhood districts	1,939	2,084	1	146	--	--	--	146
Housing Finance Authority								
General government	12	--	--	--	(12)	--	--	(12)
Economic environment	2,601	1,051	2,876	--	1,326	--	--	1,326
Total Housing Finance Authority	2,613	1,051	2,876	--	1,314	--	--	1,314
Law Library Board								
General government	477	469	--	--	--	(8)	--	(8)
Total Law Library Board	477	469	--	--	--	(8)	--	(8)
Planning Commission								
General government	4,118	394	3,664	--	--	--	(60)	(60)
Total Planning Commission	4,118	394	3,664	--	--	--	(60)	(60)
Total component units	\$ 9,147	3,998	6,541	146	1,314	(8)	(60)	1,392
General revenues:								
Investment earnings				1	46	--	--	47
Total general revenues				1	46	--	--	47
Change in net assets				147	1,360	(8)	(60)	1,439
Net assets, beginning of year, previously reported				2,855	6,841	21	--	9,717
Restatement for districts and component unit not included in the prior year's financial statements				737	2,161	--	--	2,898
Net assets, beginning of year, as restated				3,592	9,002	21	--	12,615
Net assets, end of year	\$			3,739	10,362	13	(60)	14,054

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

The Florida Museum of Photographic Arts

The Florida Museum of Photographic Arts (FMoPA) is a museum dedicated to exhibiting important photographic art as central to contemporary life and culture. FMoPA collects, preserves and exhibits historic and contemporary works by nationally and internationally known photographic artists. FMoPA also enriches the community by operating outreach programs to educate children and adults.



The Opening Reception for the exhibition, *Life and Death* by Duane Michals.



FMoPA offers lectures, docent tours and photography workshops for adults and youths interested in expanding their knowledge of the art of photography.



Founded in 2001, by a group of Tampa residents passionate about the community, art and photography, the museum operates on contributions, gifts, bequests, grants and sponsorships, along with the generosity of its members who volunteer their time.



FMoPA's *Children's Literacy Through Photography* program benefits at-risk area children. These free workshops include a brief introduction to the basics of photography, an exploratory photo hunt, photo selection, story writing and framing.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2011

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Hillsborough County, Florida reporting entity (County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's more significant accounting policies are described below.

A. Financial Reporting Entity

Hillsborough County is a political subdivision of the state of Florida. It is guided by an elected Board of County Commissioners (BOCC), which is governed by Florida Statutes and a home-rule charter enacted by the voters. In addition, there are five elected Constitutional Officers: the Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The BOCC and the Constitutional Officers together comprise the *Hillsborough County primary government*.

As required by GAAP, these financial statements cover the *Hillsborough County reporting entity*, which includes the Hillsborough County primary government as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, component units are either classified as blended component units or discretely presented component units, depending on the nature of the entity's relationship with the primary government. GASB Statement No. 14 provides the following criteria for determining whether or not an entity is a component unit of the reporting entity:

The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of the separate organization's governing body *and* either is able to impose its will on that organization or there is the potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities of, or the level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government is entitled to the organization's resources; is legally obligated or has otherwise assumed the obligations to finance the deficits of, or provide financial support to, the organization; or is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its own budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

In addition, any entity for which the primary government is not financially accountable, but for which exclusion would cause the primary government's financial statements to be misleading, should be included as a component unit.

In accordance with GASB Statement 39, *Determining Whether Certain Organizations Are Component Units: an Amendment of GASB Statement No. 14*, a government must include certain legally separate, tax-exempt entities in the government's financial reporting entity as discretely presented component units if they meet all three of the following conditions: (a) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (b) the primary government or its component units, are entitled to or have the ability to otherwise access a majority of the economic resources received or held by the separate organization; and (c) the economic resources received or held by an individual organization that the specific primary government is entitled to, or has the ability to otherwise access, are significant to that primary government. Based on the criteria specified above, the Hillsborough County reporting entity includes both blended and discretely presented component units.

Blended Component Units

Component units that meet the criteria for blended presentation in accordance with GASB Statement Numbers 14 and 39 are reported in a manner similar to that of the primary government itself. Accordingly, the data of blended component units is presented as a part of the primary government throughout this report.

The financial statements of the board discussed below are included in the financial reporting entity as a blended component unit because, despite being legally separate from the primary government, it is so intertwined with the primary government that it is in substance, the same as the primary government. This entity, and the nature of its relationship with the County, is described in the following paragraph.

The Hillsborough County Civil Service Board (CSB), a blended component unit, is housed in the County's administrative offices and is accounted for as a nonmajor Special Revenue Fund of the Hillsborough County primary government. Separate financial statements are not required for it. The CSB administers a uniform classified merit employment system. CSB responsibilities include developing personnel rules, records, and reports related to employees and positions; handling recruitment functions; coordinating an employee performance management system; and conducting other programs to ensure compliance with the Civil Service Act and other statutory requirements. Although the Hillsborough County Civil Service Board is legally separate, it is fiscally dependent on the primary government and provides services almost entirely to the primary government.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Discretely Presented Component Units

Component units that meet the criteria for discrete presentation in accordance with GASB Statement Numbers 14 and 39 are presented in a separate component units column in the government-wide financial statements in order to clearly distinguish the balances and transactions of these component units from those of the primary government. The component units listed below are discretely presented and are identified as *component units* throughout this report. The Component Units are presented as governmental fund types.

Housing Finance Authority of Hillsborough County

The purpose of the Housing Finance Authority of Hillsborough County (HFA) is to use public financing to encourage private investment in, and construction of, residential housing for low and moderate income families. The members of the governing body of the HFA are appointed by the BOCC. The County Ordinance which created the HFA provides that the BOCC may remove members of the HFA's governing body without cause, and may change the structure, organization, or activities of the HFA, including terminating the HFA. The HFA is neither financially accountable to nor fiscally dependent on the BOCC. Bonds issued by the HFA are special obligations of the HFA payable solely from revenues, receipts and resources of the HFA pledged under related trust indentures. These bonds do not constitute a debt, liability, general or moral obligation or pledge of the faith or credit of the HFA, Hillsborough County, the state of Florida or any of its political subdivisions. Accordingly, the HFA has determined that the obligations of its bond programs should not be presented in the HFA's basic financial statements.

Neighborhood Dependent Special Districts

The Neighborhood Dependent Special Districts (NDs) shown on the following page were created by County Ordinances at the request of property owners in order to levy special assessments against property in residential subdivisions. The purpose of the assessments is to construct and maintain public improvements in these special districts. Although the NDs are legally separate, they are fiscally dependent on the primary government since the NDs must obtain BOCC approval to set or modify district budgets, or to incur debt. Since each Neighborhood District by itself is immaterial, the individual Neighborhood Districts were combined into one unit to facilitate presentation.

Arlington Special Tax District	Keystone Groves Lakes Special Dependent District
Bay Crest Special Tax District	Lago Vista Special Maintenance District
Beacon Meadows Special Tax District	Lake Brant Special Dependent District
Bloomington Oaks Special Tax District	Lake Heather Special Tax District
Bloomington Special Tax District	Lake Magdalene Estates West Special Tax District
Boyette Springs Special Tax District	Lake Magdalene Special Dependent District
Brandon Groves North Special Tax District	Lake Strawberry Special Tax District
Brandon Hills Special Tax District	Logan Gate Special Tax District

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Buckhorn Estates Special Tax District	North Lakes Special Maintenance District
Buckhorn Oaks Special Tax District	North Pointe Special Tax District
Carrollwood Meadows Special Tax District	Northdale Special Maintenance District
Carrollwood North Special Tax District	Pine Meadows Special Dependent District
Carrollwood South Special Tax District	Pine Hollow Special Tax District
Country Lakes Special Tax District	South Pointe Special Tax District
Country Place Special Maintenance District	Sugarwood Grove Special Tax District
Country Run Special Maintenance District	Tampa Shores Dependent Special District
Country Village Special Tax District	Tarawood Special Tax District
Cove at Bayport Colony Special Tax District	Valrico Manor Special Tax District
East Lake Park Special Dependent District	Village Estates West Special Tax District
Hammock Woods Special Dependent District	Waterford Special Tax District
Hickory Hill Special Tax District	Westchester Special Dependent District
Hunters Lake Special Tax District	Westwood Special Tax District
Indian Hills - Hickory Ridge II Special Tax District	Windemere Special Tax District

Each of the neighborhood dependent special districts listed above has been included in this annual financial report.

Law Library Board

The Law Library Board (LLB) maintains the James J. Lunsford Law Library for legal research conducted by attorneys, judges, and the public. The LLB is legally separate. Although the governing body is appointed by the primary government from members selected from the Hillsborough County Bar Association, it cannot impose its will on the LLB. The primary government cannot set fees, modify the budget or appoint or dismiss the management of the LLB. The LLB is a component unit of the primary government because the primary government provides a significant portion of the financial support for the LLB including providing the office space occupied by the Law Library, and providing accounting, purchasing, and other support services. The LLB is reported as a discretely presented component unit because it provides services to the general public rather than entirely or almost entirely to the County.

Hillsborough County City-County Planning Commission

The Hillsborough County City-County Planning Commission (CCPC) performs long-range comprehensive planning and makes recommendations to the County and city governments concerning the orderly growth and development of Hillsborough County. The CCPC is legally separate. The primary government appoints only four of the ten members of the CCPC's governing body, which does not represent a voting majority. However, the CCPC is a component unit of the primary government because the CCPC is fiscally dependent on the primary government for almost all of its funding and because it would be misleading to exclude the CCPC from the Hillsborough

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

County financial reporting entity's financial statements. The CCPC is reported as a discretely presented component unit because it provides services to the cities of Tampa, Temple Terrace, and Plant City, in addition to the primary government.

Restatement of Beginning Net Assets, Discretely Presented Component Units

Beginning net assets on the County and Component Units Statements of Activities were restated because five neighborhood dependent districts and the HFA's single family bond program were not included in the prior year's financial statements but were included in the fiscal year 2011 financial statements.

Additional Information on Discretely Presented Component Units

Separate financial statements are not prepared for the LLB or CCPC, but financial data including budget and actual comparisons may be obtained from:

County Finance Department, County Center, 12th Floor,
P.O. Box 1110, Tampa, Florida 33601-1110

Financial statements of the discretely presented Housing Finance Authority of Hillsborough County and the individual Neighborhood Dependent Special Districts, including budget and actual comparisons, may be obtained directly from these entities. For a nominal photocopying charge, copies of these financial statements may also be obtained from:

Board of County Commissioners Records, County Center, 12th Floor
601 East Kennedy Boulevard, Tampa, Florida 33602

Related Organizations

The BOCC appoints a voting majority of the governing bodies of certain entities for which the County is not financially accountable. These entities are classified as related organizations. In accordance with governmental accounting standards, related organizations are excluded from the financial reporting entity, but their relationships with the County are disclosed.

Arts Council of Hillsborough County (AC) - The BOCC appoints a voting majority of the AC's governing body, but each appointment may be made only from a list of candidates nominated by the existing governing body of the AC. The BOCC does not have the ability to impose its will on the AC. The AC has the autonomous authority to set fees and issue its own debt. The outstanding debt of the AC is not an obligation of the County.

Hillsborough County Educational Facilities Authority, and Hillsborough County Industrial Development Authority - The BOCC appoints the members of the governing bodies of each of these entities but the BOCC has generally not imposed its will on them, or significantly influenced operational or fiscal matters. The governing bodies of these entities are neither financially accountable to nor fiscally dependent on the BOCC.

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

Hillsborough County Hospital Authority (HCHA) - Although the BOCC appoints a voting majority of the HCHA's governing body, the BOCC does not have the ability to impose its will on the HCHA. The HCHA has the autonomous authority to establish its own budget, set rates for medical services, and issue its own revenue bonds. The outstanding debt of the HCHA is not an obligation of the County.

Tampa Bay Water Joint Venture

On May 1, 1998, the member governments of the West Coast Regional Water Supply Authority (WCRWSA) reorganized the WCRWSA in accordance with Section 30, Chapter 97-160, Laws of Florida, and Chapter 373, Florida Statutes. The purpose of the reorganization was to meet the region's current and future water supply requirements. The reorganization also resulted in a new forty-year master regional water supply contract and interlocal governance agreement. The WCRWSA was dissolved and a new organization named Tampa Bay Water (TBW) was created. The new regional water supply agreement became effective on September 29, 1998 to coincide with TBW's issuance of Series 1998A and 1998B Utility System Revenue Bonds.

A joint venture is a legal entity resulting from a contractual arrangement that is governed by two or more participants in which the participants retain either an ongoing financial interest or an ongoing financial responsibility. The County is one of six participants governing Tampa Bay Water and has an ongoing contractual responsibility to purchase water solely from TBW.

TBW sets water rates to produce sufficient revenue from the participants to meet its operating costs and debt service requirements. TBW's audited financial statements for the fiscal year ended September 30, 2011 may be obtained from:

Finance Director
Tampa Bay Water
2575 Enterprise Road
Clearwater, Florida 33763-1102

B. Basic Financial Statements

The County's Basic Financial Statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide financial statements The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The government-wide financial statements include not only the County itself (the primary government), but also its component units, the legally separate entities for which the County is financially accountable. The Statement of Net Assets presents information on all of the assets and liabilities of the County as a whole. The difference between assets and liabilities is reported as net assets. Changes in net assets may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net assets changed during the fiscal year.

HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

All changes in net assets are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement of activities will have cash flows in future fiscal periods. For example, uncollected taxes are shown as revenues although cash receipts will occur in the future. Unused vacation leave is recorded as an expense even though related cash outflows will occur in the future.

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are intended to recover all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation functions. The business-type activities of the County include Water Resource Services and the Solid Waste Resource Recovery operations.

Program revenues include charges for services, operating grants and contributions, capital grants and contributions, and restricted interest earnings. The charges for services category encompasses revenues from licenses and permits, fines and forfeitures, and special assessments, as well as charges for services transactions. Restricted interest is interest related to specific programs within business-type activities.

To minimize the “grossing up” effect on revenues and expenses in the government-wide financial statements, transactions between the internal service funds and other funds were eliminated. Therefore, risk management, employee healthcare, and fleet management assessments were eliminated as well as the corresponding charges for services revenues received by the internal services activities. As a result, the government-wide financial statements are presented as if the internal service activities took place in the benefiting funds rather than in the internal service funds. Any revenues and expenditures remaining after eliminations, as well as any assets and liabilities, are presented in the governmental activities columns of the government-wide financial statements.

Administrative overhead charges are allocated in BOCC accounting records using a “cost allocation plan.” For example, the costs of Business and Support Services (procurement and budget), Facilities Management, Human Resources, Administrative Services, County Attorney, and other “indirect” activities are allocated to benefiting functions. Such administrative overhead charges are included with other direct expenses categorized by function on the Statement of Activities.

Fund financial statements A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the County’s funds may be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds Most of the County’s basic services are reported in governmental funds, which focus on how money or other spendable financial resources flow into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of

HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

the County's general governmental operations and the basic services it provides. The measurement focus is based upon determination of changes in financial position. Governmental fund information helps determine whether financial resources that can be spent in the near future to finance the County's programs have increased or decreased. The Balance Sheet – Governmental Funds is followed by a reconciliation to the Statement of Net Assets and the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds is followed by a reconciliation to the Statement of Activities. The following is a description of the County's major governmental funds:

The **General Fund** is the County's primary operating fund. It is used to account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories: Countywide, Unincorporated Area, Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of Circuit Court.

The **Countywide Special Purpose Revenue Fund** is used to account for special purpose revenues used to provide services for residents throughout the County, and a discretionary sales surtax for healthcare for low-income residents. The expenditures of the Hillsborough County health care program for the poor are also accounted for in this fund.

The **Sales Tax Revenue Fund** is used to account for the 5% tourist development tax designated for the promotion of tourism in the County, the local government half-cent sales tax, the discretionary sales surtax for infrastructure (Community Investment Tax), and state shared revenues, which are transferred to other funds for various program expenditures.

The **Intergovernmental Grants Fund** is used to account for federal, state, local governmental or non-governmental grants and state shared revenues for programs including aging services, children's services, social services, transportation, public assistance, housing, and capital projects.

The **County Transportation Fund** is used to account for motor fuel taxes, state revenue sharing, and various grant funds designated to finance road and street construction, maintenance, and other transportation projects.

The **Local Housing Assistance Program Fund** is used to account for State Housing Initiatives Partnership (SHIP) program moneys received from the state of Florida. This program makes loans to low and moderate income persons, first time home buyers, builders and others for funding home purchases, new home construction, existing home renovation, and for the payment of matching funds needed to obtain grants.

The **Infrastructure Surtax Projects Fund** is used to account for the County's share of the voter-approved local government infrastructure discretionary sales surtax levied per Section 212.055, Florida Statutes. This sales tax, which is commonly known as the Community Investment Tax, is authorized to purchase equipment, or purchase or construct infrastructure related to jails, criminal justice computer systems, fire stations, roads and traffic intersections, stormwater systems, parks, and libraries. This tax is shared with the Hillsborough County School Board, the Tampa Sports Authority, and the three municipalities located in Hillsborough County.

HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

Other Governmental Funds is a summarization of all nonmajor governmental funds. Individual fund statements are available in the Combining Section.

The County maintains two different types of **Proprietary Funds**. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water Resource Services and for its Solid Waste Resource Recovery operations. Both of these operations are considered to be major proprietary funds of the County. *Internal service funds* are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for Self-Insurance, Fleet Management, and Risk Management programs. These programs are included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The three internal service funds are combined into a single column on the proprietary fund financial statements. In proprietary funds, operating revenues and expenses are distinguished from nonoperating revenues and expenses. Operating revenues and expenses are those transactions related to a proprietary fund's principal ongoing operations. Operating revenues consist of charges for services. Operating expenses include such items as personnel and contractual services, costs of services provided, and depreciation on capital assets. Nonoperating revenues and expenses are those transactions that are not directly related to a proprietary fund's principal activities. Nonoperating revenues and expenses include operating grants, investment earnings, and interest expense. The County's two major proprietary funds are described below:

The **Water Enterprise Fund** is used to account for the operations of the water and wastewater system in the unincorporated areas of the County. Water and wastewater fees are determined annually by rate studies and are set at levels to recover the expenses of operations, including debt service, in a manner similar to private business enterprises. Activities necessary to provide water and wastewater service are accounted for in this fund, including customer service, engineering, operations, and maintenance.

The **Solid Waste Enterprise Fund** is used to account for the operations of the Solid Waste Management Division of the Public Utilities Department on a countywide basis. Refuse generated in the unincorporated areas of the County is collected by franchised and non-franchised collectors serving residential and commercial customers and by private companies serving their own customers. Refuse tipping fees are reviewed annually and are set at levels sufficient to recover operating and debt service expenses. The Solid Waste Fund also owns and operates landfills and monitors closed landfills.

Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are specifically used for purposes such as: holding bond proceeds and related bonds payable liabilities of the reclaimed water improvement units and capacity assessment units which are not obligations of Hillsborough County; payroll deductions payable, performance bonds, the Clerk of Circuit Court's tax accounts; forfeited bond accounts, fines and forfeiture accounts; and various other agency accounts. Agency funds are fiduciary funds used to account for assets that the County holds on behalf of others as their agent. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support County programs.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Reconciling Government-wide Financial Statements to Fund Financial Statements

The differences between the government-wide financial statements and the fund financial statements are identified in the following sections of the Basic Financial Statements: Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets – Governmental Activities; Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities; the reconciliation at the bottom of the Balance Sheet, Proprietary Funds; and the reconciliation at the bottom of the Statement of Revenues, Expenses, and Changes in Fund Net Assets, Proprietary Funds.

C. Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the types of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets less all liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. For example, under the accrual basis of accounting, transactions are recognized when the transactions take place, whereas on the cash basis of accounting, transactions are recognized when cash is received or paid.

The proprietary fund financial statements and the government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are presented using the current financial resources measurement focus and modified accrual basis of accounting. The agency fund financial statements are presented using the accrual basis of accounting. Since agency funds do not show revenues or expenditures, a measurement focus is not applicable for agency funds.

With the economic resources measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. With the accrual method of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Government-wide financial statements and proprietary fund financial statements show increases (revenues) and decreases (expenses) in net assets.

Governmental fund financial statements are presented using the current financial resources and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds show increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when they become both measurable and available to pay liabilities of the current period. Revenues not considered available are recorded as deferred revenues. Expenditures are recorded when a liability is incurred except for (a) unmatured interest on general long-term debt, which is recorded when due, and (b) the noncurrent portion of accrued

HILLSBOROUGH COUNTY, FLORIDA
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compensated absences, which is recorded in long-term debt on the government-wide financial statements.

In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, money must be expended for specific purposes or projects before any intergovernmental revenues will be received by the County; therefore, revenues are recognized based on the timing of expenditures incurred. In the other, intergovernmental revenues are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The availability period used for revenue recognition under the modified accrual basis of accounting is as follows: Property taxes are recognized as revenue in the fiscal year for which taxes are levied, provided they are collected within thirty days after fiscal year-end. Special assessments are recorded as revenue in the year the payments are due. Investment earnings such as interest revenues are recorded as earned. Fire Rescue billings are recognized as revenue if expected to be collected within 120 days. Intergovernmental grant revenues are recognized when eligibility requirements are met and related amounts are available from grantors. Certain other revenues such as sales taxes and state shared revenues are recognized as revenues if expected to be received within 30 days. Certain other miscellaneous revenues are recorded as revenues when received because they are generally not measurable until actually received.

D. Cash, Cash Equivalents, and Investments

Cash consists of checking and savings accounts, collectively designated as cash deposits. Cash deposits are carried at cost. For purposes of financial statement presentation, cash equivalents are highly liquid investments with maturities of three months or less from date of purchase.

The County deposits cash in qualified public depositories. The deposits are fully insured by the Federal Deposit Insurance Corporation and/or secured by the multiple financial institution collateral pool established under Chapter 280, Florida Statutes. In accordance with these statutes, qualified public depositories are required to pledge eligible collateral in varying percentages. Any losses to public depositors are covered by applicable deposit insurance, by the sale of pledged securities, and if necessary, by assessments against other qualified public depositories.

County Ordinance 08-6 and Section 218.415, Florida Statutes, authorize the County to invest in obligations of the U.S. government, its agencies and instrumentalities, and certain other investments. Investments are stated at fair value. More information is provided in Note 3, *Deposits and Investments*.

E. Unbilled Utility Service Receivables

Billings to water and wastewater customers are generally based on metered consumption, which is determined at various dates each month. At fiscal year-end, unbilled receivables are recorded and

HILLSBOROUGH COUNTY, FLORIDA
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revenue is recognized in the Water Resource Services Fund based on estimated water consumption since the last billing cycle.

F. Inventories and Prepaid Items

Inventories are valued at the lower of cost (using the first-in, first-out or average cost methods), or market value. In proprietary funds, the cost of inventory or prepaid items is recorded as an expense at the time individual inventory or prepaid items are consumed (consumption method). In governmental funds, the cost of inventory or prepaid items is recorded as an expenditure at the time it is acquired (purchase method). Inventories on hand in governmental funds at fiscal year-end are reported as assets on the balance sheet. The amount held in inventory, and prepaid items if applicable, is shown as nonspendable fund balance in the fund financial statements because the amount held in inventory may not be spendable during the current period.

G. Capital Assets

Property, plant, and equipment, and infrastructure assets (such as roads, sidewalks, bridges, and drainage systems), are reported in the applicable governmental or business-type activities columns of the government-wide Statement of Net Assets. Except for intangible assets described later in this note, capital assets are defined as those assets with an initial, individual cost of over \$1,000. Capital contributions are recorded at their estimated fair value after the receipt of the asset and formal acceptance by the BOCC. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 5 to 50 years for buildings, 10 to 35 years for building improvements, and 2 to 10 years for equipment. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Infrastructure assets are not depreciated since the County has an asset management system in place and has made a commitment to preserve infrastructure assets at or above the condition levels set by the BOCC. See Infrastructure Condition and Maintenance Data section (required supplementary information after the Notes to the Financial Statements) for more information.

All capital assets, including buildings and building improvements, associated with Solid Waste Recovery Resource and Water Resource Services Funds are recorded and depreciated within these two enterprise funds. However, only equipment is recorded and depreciated within the Self-Insurance and Fleet Internal Service Funds. Therefore, the internal service funds are set up to recover the costs of operations, except for costs associated with the depreciation of buildings and building improvements.

The County follows GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. Intangible assets are assets that lack physical substance, are non-financial in nature, and have initial useful lives of over one year. Intangible assets under GASB Statement No. 51 include easements and internally or externally generated software, but exclude investments, capital leases, or goodwill. Intangible assets are capitalized and treated like capital assets for accounting purposes, but

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are amortized rather than depreciated. The County uses a capitalization threshold of \$5,000 for intangible assets.

There are three stages involved in internally generated software. (a) The *preliminary project* stage includes conceptual formulation, surveying the existence of needed technology, evaluation of alternatives, and final selection of alternatives for the development of the software. (b) The *application development* stage includes designing the software, including configuration and interfaces, coding, installation to hardware, and testing, including the parallel processing phase. (c) The *post-implementation/operation* stage includes training and software maintenance. Only application development stage costs are capitalized as intangible assets. Preliminary project stage costs and post-implementation stage costs are expensed. Data conversion is considered a part of the application development stage only to the extent it is necessary to make the software operational, that is, in condition for use. Otherwise, data conversion is considered a post-implementation/operation stage activity. Purchased software is handled like internally generated software.

GASB Statement No. 51 has been implemented prospectively, so only intangible assets acquired or generated on or after October 1, 2009 are capitalized. During fiscal year 2011, the County capitalized \$117,000 of permanent easements and \$2,852,000 of software.

In the governmental fund financial statements, the costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets. In the proprietary fund financial statements, the costs associated with the acquisition or construction of capital assets are recorded as increases in capital assets. See Note 6, *Capital Assets*, for more information.

H. Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the County accrues a liability for compensated absences, as well as certain other salary-related costs associated with the payment of compensated absences. The County's compensated absences liability at September 30, 2011 consisted of accruals for both vacation and sick leave. Vacation leave is accrued as a liability as the benefits are earned by employees. Sick leave is also accrued as a liability as the benefits are earned by employees, but only to the extent that it is probable that the County will compensate employees for the benefits through cash payments at termination or retirement.

Hillsborough County Civil Service Rules state that sick leave termination payments are to be made under two conditions. Compensation for employees in "Plan A" includes a sick leave payment at termination for all hours of sick time accrued up to 480 hours and half of the sick time accrued over 960 hours. A liability is recorded for each employee in Plan A based on the employee's hourly pay rate. Compensation for employees in "Plan B" includes a sick leave payment at termination for only the employee's unused sick leave hours accrued at February 2, 1997, with payment only for each hour of sick time accrued up to 480 hours and half of the sick time accrued over 960 hours. A liability is recorded for each employee who has a termination payment under Plan B. Employees in Plan B hired after February 2, 1997, will not receive a sick leave payment at termination, so no sick leave liability is recorded for these employees.

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The compensated absences liability also includes other salary-related costs incrementally associated with the payment of compensated absences such as the County's share of Social Security and Medicare taxes as well as the County's required pension contributions to the Florida Retirement System. The entire compensated absences liability, both short-term and long-term portions, is recorded in the government-wide financial statements and the separate proprietary fund financial statements.

I. Conduit Debt Obligations

The County's conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the specific purpose of providing capital financing for a specific third party that is not a part of the County's financial reporting entity. Although conduit debt obligations bear the name of a component unit of the County, neither the County nor the component unit has an obligation for such debt. See Note 7.I., *Non-Commitment Conduit Debt Obligations*, for more information.

J. Landfill Closure and Postclosure Care Costs

In accordance with governmental accounting standards, the County, as a municipal solid waste landfill owner, records a current expense and the related long-term liability for certain future landfill closure and postclosure care costs for landfills accepting solid waste. The portion of these future costs currently recognized is based on the amount of landfill capacity consumed as of each balance sheet date. The County also records the current estimated liability for remediation and monitoring costs for landfills that closed on or before October 9, 1991. More information on these expenses and related long-term liabilities is disclosed in Note 15, *Accounting for Municipal Solid Waste Landfill Costs*.

K. Bond Issuance Costs, Deferred Losses on Debt Refundings, and Original Issue Discounts and Premiums

In the government-wide financial statements and proprietary fund financial statements, there are several situations where amounts are amortized to interest expense. Bond issuance costs are deferred and reported as assets on the Statement of Net Assets and Balance Sheet for proprietary funds. The County records bond refunding loss transactions as follows: When losses are incurred from issuing new debt to refund outstanding debt, they are deducted from the principal balance of the new long-term bonds payable. Original issue discounts are reported as deductions from the principal balance of long-term bonds. Conversely, original issue premiums are reported as additions to the principal balance of long-term bonds.

Deferred refunding losses, original issue premiums and discounts are amortized using the effective interest method and reported as a component of interest expense on the Statement of Activities or Statement of Revenues, Expenses, and Changes in Fund Net Assets, Proprietary Funds. The

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amortization period is the remaining life of either the old debt or the new debt, whichever is shorter. In addition during fiscal year 2011, bond issuance costs, deferred refunding losses, and original issue discounts and premiums amortized were, in total, a reduction of \$741,000 for governmental activities and an increase of \$160,000 for business-type activities as shown in the following chart.

<i>(Amounts in Thousands)</i>	Deferred Refunding Loss	Original Issue Discount	Original Issue Premium	Total Amortized to Interest	Bond Issuance Costs
Governmental activities	\$ 390	24	(1,155)	(741)	515
Business-type activities	719	36	(595)	160	356
Totals	<u>\$ 1,109</u>	<u>60</u>	<u>(1,750)</u>	<u>(581)</u>	<u>871</u>

L. Self-Insurance

The County has self-insurance internal service funds maintained by the BOCC and Sheriff. These self-insurance funds include both *risk management* and *employee group health insurance* activities.

Risk management deals with risks related to workers' compensation, and general and automotive liability. The County is substantially self-insured for workers' compensation claims as permitted by Florida law. The BOCC is self-insured for workers' compensation claims up to a maximum of \$350,000 per occurrence with unlimited excess coverage above the self-insurance cap. The Sheriff is self-insured for workers' compensation claims up to a maximum of \$500,000 per occurrence with unlimited excess coverage above the self-insurance cap. The County is also self-insured against general liability and automotive claims with limited liability per Section 768.28, Florida Statutes, of \$100,000 per person and \$200,000 per occurrence. Negligence claims in excess of the statutory limits can only be recovered through federal lawsuits or acts of the Florida Legislature.

The County also provides a group health insurance plan for its employees and their eligible dependents. The County has an employee group health self-insurance plan in order to account for and finance its uninsured risks of loss. Under this plan, the County is self-insured for up to \$400,000 per person annually. Stop-loss insurance was purchased to cover an unlimited lifetime amount per person above the \$400,000 per person deductible.

Based on actuarial estimates, liabilities have been established in the self-insurance fund for claims reported but not paid, and incurred but not reported. In addition, premiums charged to customer departments are recorded as revenues in the self-insurance fund and as insurance assessment expenditures in the customer departments. See Note 14 for more information on the Self-Insurance Fund and the actuarially determined claims liabilities.

M. Financial Reporting for Business-type Activities and Enterprise Funds

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County elected

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not to apply Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 for its business-type activities and enterprise funds.

N. Pension Disclosure

The County follows GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, for the measurement, recognition, and display of pension expenditures or expenses. See Note 8, *Defined Benefit and Defined Contribution Pension Plan*, for more information.

O. Use of Restricted Versus Unrestricted Net Assets

When both restricted and unrestricted net assets are available, it is the County's policy that restricted resources are used first if appropriate.

P. Interfund Transfers In and Out

In the Statement of Activities, interfund activity, such as transfers in and out as well as transfers within the Internal Service Funds and within the Governmental Activities category, is eliminated. Interfund activity between Governmental and Business-type activities is not eliminated. Interfund services provided and used between functions are not eliminated because removing interfund services used would distort the functional expenses presented in the Statement of Activities. Except for intrafund activity between the BOCC and Constitutional Officers within the General Fund, intrafund activity in the fund financial statements was eliminated. Intrafund activity between the Constitutional Officers and the BOCC was significant and necessary for effective presentation. See Note 11, *Interfund Transfers In and Out*, for details.

Q. Goodwill

Under the County's election to follow all applicable GASB pronouncements and those applicable FASB pronouncements issued before December 1, 1989, the Water Resource Services Fund recorded goodwill of \$10,155,000 during fiscal year 2004. This amount represents the excess paid to purchase four independent water and wastewater franchise providers over the fair value of the tangible capital assets acquired. Through these transactions, the Water Resource Services Fund added over 4,700 customers. The goodwill is scheduled for straight-line amortization over thirty years. For fiscal year 2011, goodwill of \$330,000 was amortized to operating expense and included in "depreciation and amortization" in the proprietary fund financial statements. GASB Statement 51, *Accounting and Financial Reporting for Intangible Assets*, does not have an impact on goodwill accounting in the government-wide financial statements. Goodwill and accumulated depreciation for goodwill were presented as a part of capital assets rather than as a part of other long-term assets on the Proprietary Funds Balance Sheets as well as in Note 6, *Capital Assets*.

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R. Sales and Pledges of Receivables

The County follows GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. Governments sometimes exchange an interest in their expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments—generally in a lump sum. This statement sets criteria to determine whether the proceeds received should be reported as revenue or as a collateralized borrowing resulting in a liability. If a government retains control or continues to be involved with the receivables or future revenues, then the transaction is more likely to be considered a collateralized borrowing. If transactions involving receivables are to be recognized as a sale, a gain or loss is reported in the period of the sale. If transactions involving future revenues are to be recognized as a sale, the revenue should be deferred and amortized in most cases. The County has certain revenues pledged for debt service. See Note 7, *Long-Term Liabilities*, for more information.

S. Pollution Remediation Obligations

The County follows GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This GASB standard requires the recognition of a liability when any of the following events occur: (a) The government is compelled to take remediation action because of imminent danger to public health, welfare, or the environment. (b) The government is in violation of a pollution-prevention-related permit or license under state or federal law. (c) The government is named, or evidence indicates that it will be named, by a regulator as a responsible party or potentially responsible party for remediation. (d) The government is named, or evidence indicates that it will be named, in a lawsuit to compel the government to participate in remediation, or (e) The government commences, or legally obligates itself to commence, cleanup activities or monitoring or operation and maintenance of the remediation effort.

The Florida Department of Environmental Protection (FDEP) issued a draft consent order after discovering indicators of groundwater pollution outside the Solid Waste Resource Recovery Enterprise Fund’s closed Northwest Landfill regulated and permitted discharge area. Responding to the draft consent order, Solid Waste Resource Recovery management conducted a pollution assessment and the BOCC appropriated \$206,000 to reimburse the FDEP for certain costs, and to start remediation action. On September 2, 2009, the FDEP issued the final consent order in the agreed upon amount of \$206,000. As remediation work was done, the pollution remediation obligation was reduced by \$62,000 and \$43,000, in fiscal years 2010 and 2011, respectively. Although the pollution remediation obligation at September 30, 2011 as shown on the following chart is estimated at \$101,000, this liability is an estimate subject to changes in prices, technology, laws or regulations.

Pollution Remediation Obligations From Known Pollution and Remediation Effort	<i>(Amounts in Thousands)</i>		
	Gross Outlay	Percentage	Expected Outlay
Business-Type Activities: Solid Waste Enterprise Fund: the FDEP issued a consent order after discovering groundwater pollution outside the closed Northwest Landfill and permitted discharge area.	<u>\$ 101</u>	100	<u>101</u>

HILLSBOROUGH COUNTY, FLORIDA
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There were no recoveries reducing the pollution remediation obligation. See Note 7, *Long-Term Liabilities*, for more information on pollution remediation obligations.

T. Derivative Instruments

The County is committed to following GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, if derivative contracts are used by the County in the future. During fiscal year 2011, the County had no derivatives requiring recognition, measurement, or disclosure.

U. Fund Balance Reporting and Governmental Fund-Type Definitions

The County follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which clarifies governmental fund balance classifications and fund-type definitions. Fund balances are reported in classifications based on whether the amounts are nonspendable or spendable. Spendable amounts are further classified based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent. The change in the governmental fund type definition resulted in the combining of certain special revenue funds for reporting purposes. See Note 13, *Governmental Fund Balances*, for more information.

V. Voluntary Separation Incentive Program for BOCC Employees

In May 2011 the BOCC approved the “Voluntary Separation Incentive Program” (VSIP) for BOCC employees who were eligible for normal retirement under the Florida Retirement System (FRS) at June 30, 2011 or current FRS Deferred Retirement Option Plan (DROP) participants who were scheduled to terminate January 1, 2012 or later. A total of 165 employees took this separation incentive, from a total of approximately 660 eligible employees. The incentive program offered (a) three consecutive years of single employee premium payments for the Coverage First Group Health Plan or a one-time cash payment of \$10,000 and (b) twelve weeks of salary up to a maximum of \$25,000. To participate in the VSIP, eligible employees had to terminate no later than June 30, 2011. Ninety-five employees chose to receive three consecutive years of single employee health insurance coverage, which had an expected total cost of \$2,013,000 over three years. The other seventy employees chose the \$10,000 one-time cash payment in lieu of the health coverage, which had a cost of \$700,000. Lump sum salary payments in July under the incentive program totaled \$2,111,000. As a result of these 165 terminations, the County paid out \$651,000 for vacation accruals and \$855,000 of sick accruals during fiscal year 2011. The VSIP liability at September 30, 2011 represented a total liability of 33 months of single employee coverage or about \$1,858,000. The VSIP liability is based on a 10% escalation rate for health care costs in both fiscal years 2013 and 2014. Future estimated payments considered in determining the VSIP liability were not discounted because the effect of discounting would have been immaterial.

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W. Subsequent Events

In accordance with GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, the County has, while preparing this annual financial report, evaluated events occurring after the balance sheet date through February 13, 2012, which is the date this report was available to be issued. See Note 18, *Subsequent Events: Debt Issued for Governmental Activities*, for more information.

X. Reclassification of Prior Year Balances

Certain prior year balances have been reclassified to conform to the current year presentation.

Note 2 - Budgetary Accounting

Chapter 129, Florida Statutes, requires each county to prepare, approve, adopt, and execute an annual budget, for such funds as required by law, sound financial practice, or GAAP. The budget controls the levy of taxes and the expenditures of money for County purposes. Most County funds have annually appropriated budgets, meaning that their budgets are established annually. Certain funds have project-length budgets rather than annually appropriated budgets. Project-length budgets are budgets established at the start of capital projects or grants since they generally involve more than one fiscal year. Project-length budgets allow for more effective control over expenditures since costs may be controlled from the inception-to-date perspective rather than each year being controlled separately. The Intergovernmental Grants Fund, Local Housing Assistance Fund, Infrastructure Surtax Projects Fund, Supervisor Grants Fund, and all Capital Projects Funds have project-length budgets. Certain funds have a mixture of annually appropriated and project-length budgets. The General Fund, Countywide Special Purpose Fund, Unincorporated Area Special Purpose Fund, County Transportation Fund, and Library Fund have a mixture of annually appropriated and project-length budgets. The Sheriff's Jail Inmate Canteen Fund, Communications 911, and Child Protection Investigations Special Revenue Funds, are completely unbudgeted. With the exceptions noted above, the rest of Hillsborough County's governmental and proprietary funds have annually appropriated budgets.

Chapter 129, Florida Statutes, requires that budgetary controls be established at the fund level, and provides that it is unlawful to expend more than is budgeted in a fund, and in no instance may expenditures exceed total appropriations. The Constitutional Officers and component units exercise budgetary control at a legal level of control, which is at the fund level. The legal level of control is that level of detail at which the governing body must approve expenditures or transfers which exceed appropriated amounts. The BOCC exercises budgetary control at a legal level of control, which is at the fund, department, and character level. A character is a category such as personnel services, operating expenditures, capital outlay, debt service, or grants and aids. A separate *Supplemental Budget Versus Actual Expenditures Report for the Fiscal Year Ended September 30, 2011* has been prepared to present the data of the BOCC at its legal level of control for funds with annually appropriated budgets as well as the annually appropriated portions of funds with a mixture of annually appropriated and project-length budgets.

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Notes to the Financial Statements

During a fiscal year the BOCC may amend its adopted budget. These amendments provide supplemental appropriations in a fund and department to meet operational requirements resulting from: unanticipated circumstances; error corrections; or the need to expend new funds received from grant awards, contributions, insurance recoveries or bond/loan proceeds. During fiscal year 2011, supplemental appropriations to the BOCC budget, excluding Component Units, were approximately \$233,267,000 or 6.7% of the originally adopted budget. These supplemental appropriations were largely due to: the adjustment of estimated fund balances to actual fund balances where advisable; grant awards received after October 1, 2010; and debt transactions.

At the end of the fiscal year, the appropriations of annually adopted budgets lapse, but the appropriations of project-length budgets continue until the end of the capital project or grant. Budget amendments may be used to reduce appropriations in cases where actual revenues are anticipated to fall short of original estimates. The intent of the County is to establish a revised budget that provides for the use of available funds where permitted by law.

The County uses encumbrance accounting in governmental funds. Encumbrances represent commitments for future expenditures, based on purchase orders or contracts issued, where the goods or services have been ordered but have not been received. Encumbrances are used to help ensure that the sum of actual expenditures and commitments for future expenditures do not exceed the total level of appropriations authorized. Encumbrances do not constitute expenditures or liabilities because no resources are expended until the goods or services are received.

County budgets are prepared on a basis of accounting consistent with GAAP except for the budgets of the General Fund, Countywide Special Purpose Fund, and County Transportation Fund, which are prepared on a basis of accounting that differs from GAAP. With the Sheriff portion of the General Fund, there are differences between the budgetary basis of accounting and GAAP in the treatment of grants and contract revenues and related expenditures. On a budgetary basis, cost-reimbursement type grant revenues, contract-related charges for services, and associated expenditures are netted. On a GAAP basis, revenues and expenditures from these grants and contracts are presented at gross amounts in the financial statements.

With the Property Appraiser and Tax Collector portions of the General Fund, there are differences between the budgetary basis of accounting and GAAP in the treatment of excess fee distributions to entities outside of the County's reporting entity. On a budgetary basis, distributions of excess fees through these two funds are reported as other financing uses. On a GAAP basis, these distributions are reported as expenditures because there is a reduction in the net financial resources of the County.

The actual results of operations of the Sheriff, Property Appraiser, and Tax Collector portions of the General Fund are presented on a GAAP basis in the Statement or Schedules of Revenues, Expenditures and Changes in Fund Balances. These funds, however, are presented on a budgetary basis on the Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual. The Sheriff's Child Protection Investigations Fund, Jail Inmate Canteen Fund, Communication 911 Fund, Drug Enforcement Task Force, and Supervisor's Grant Fund did not have legally adopted budgets. Therefore, these funds are not included in the Nonmajor Special Revenue

HILLSBOROUGH COUNTY, FLORIDA
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Funds or Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.

In addition, on the budgetary basis, only the financial activity of funds with annually appropriated budgets are included in the Statements or Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual. On the GAAP basis, all financial activity is presented on the Statements or Schedules of Revenues, Expenditures and Changes in Fund Balances, whether budgeted annually or in project-length budgets. Reconciliations of the fund balance as reported on the budgetary basis to the fund balance reported on the GAAP basis are presented on the face of the applicable statements or schedules on the budgetary basis.

Note 3 - Deposits and Investments

A. Deposits

At September 30, 2011, the total of the carrying amounts of the County's deposits (unrestricted and restricted) was \$260,066,000 and the total of the bank balances was \$387,512,000. The County's deposits consisted of demand deposits, and money market accounts. The bank balances are fully insured by federal deposit insurance and/or secured by the multiple financial institution collateral pool established under the "Florida Security for Public Deposits Act," Chapter 280, Florida Statutes. Cash in excess of the operating requirements of each fund are pooled and invested by the County in a variety of deposits and investments with the objectives of optimizing safety, liquidity, and yield, in that order. Earnings from pooled investments are allocated to each of the funds based on the average daily cash equity balance of each fund or as prescribed by BOCC resolution. Amounts that may not be commingled in accordance with certain bond resolutions or other agreements are invested outside the investment pool. For the component units, which are included in the County reporting entity figures shown above, the carrying amounts and bank balances were both \$4,998,000.

B. Investments

In accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are carried and reported at fair value, except for investments in 2a-7-like pools, which are reported at amortized cost as described later in this note. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. If quoted market prices are available, they are used to determine fair value. For investments in open-end mutual funds, fair value is determined by the fund's current share price. Investments made by the County (unrestricted and restricted) are summarized in the following table. The investments are classified by investment category and show fair value, modified duration in years, and credit rating. All investment income, including changes in the fair value of investments, is reported as a part of interest revenue in the financial statements.

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Investments

<i>(Amounts in Thousands)</i>	Fair Value		Modified Duration	Credit Rating
	Primary Government	Component Units		
U.S. treasury securities	\$ 408,387	156	1.2	AA+/A-1+ ^(a)
U.S. government sponsored agency securities	708,790	38,130	1.6	AA+/A-1+ ^(a)
Commercial paper notes	58,746	--	0.2	A-1, A-1+
Corporate notes, FDIC guaranteed	23,510	--	0.5	AAA
Corporate notes	79,495	--	1.9	AAA
Municipal bonds	10,500		1.4	AA
Subtotal	1,289,428	38,286		
State Board of Administration (SBA):				
Florida PRIME (formerly known as the Local Government Investment Pool)	239,707	236	0.1 ^(b)	AAAm
Fund B Surplus Funds Trust Fund	15,677	92	4.8	unrated
Certificates of deposit	--	1,204	< 1.5	unrated ^(c)
Open-end money market mutual funds	17,598	2,883	0.1	AAA
Total investments	\$ 1,562,410	42,701	1.2	

^(a) If the security's maturity exceeds a year, the long-term credit rating is AA+. If the security's maturity is a year or less, the short-term credit rating is A-1+.

^(b) Weighted average maturity of (38 days)/(365 days) = 0.1 was used to approximate modified duration.

^(c) These certificates of deposit held by the Housing Finance Authority were purchased in sizes small enough to ensure FDIC coverage for the entire amount invested.

Modified duration is a measure of interest rate risk. It measures the sensitivity of an investment's price to interest rate changes. For example, if an investment security has a modified duration of two years, then a one-percentage point increase in the market interest rate will cause the value of the security to decline by two percent. Conversely, a one-percentage point decline in the market interest rate will cause the value of the security with a modified duration of two years to increase in value by two percent. The modified duration of the investment portfolio of the primary government, as a whole at year-end, was approximately 1.2 years. The duration of callable securities was calculated using the call date as the maturity date.

A credit rating is a measure of credit risk, the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk, a subset of credit risk, is the risk that a counterparty fails to fulfill its obligations. All of the investments of the County are insured or registered, or held by the County or its agent in the County's name. Excluding the investment pools managed by the State Board of Administration, securities issued by the U.S. government, its agencies or instrumentalities, and mutual funds investing in such securities, no one issuer represents 5% or more of the total investments of the County.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

C. SBA's Florida PRIME and Fund B Surplus Funds Trust Fund

The SBA manages Florida PRIME, a 2a-7-like pool, carried at amortized cost. A 2a-7-like pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which regulates money market funds. Therefore, Florida PRIME operates essentially as a money market fund and the County's position in Florida PRIME is considered to be equivalent to its fair value.

Regulatory oversight of the SBA is provided by three state of Florida elected officials designated as trustees: the Governor serves as Chairman of the SBA; the Chief Financial Officer serves as Treasurer of the SBA; and the Attorney General serves as Secretary of the SBA. External oversight of the State Board of Administration is provided by the Investment Advisory Council, which reviews investment performance, strategy and decision-making, and provides insight, advice and counsel on these and other matters when appropriate. A six-member participant Local Government Advisory Council was created to review the administration of the fund and make recommendations to the trustees. Audit oversight is also provided by the state of Florida Auditor General.

Due to financial market turmoil and concerns about the Florida Local Government Investment Pool's credit quality, the SBA split the Investment Pool into two funds in December 2007: 86% was allocated to Florida PRIME designated to hold high-quality money-market appropriate securities and 14% was allocated to the Fund B Surplus Funds Trust Fund (Fund B), a fluctuating net asset value (NAV) pool, designated to hold higher-risk securities such as those in default, having payment extensions or having significant changes in credit risk. Of the Hillsborough County Primary Government's \$130.8 million originally placed in Fund B, 84% was collected and moved to Florida PRIME by September 30, 2011. As a result, the County's Fund B balance at year-end at "amortized cost" was \$20.7 million compared to the net asset value (fair value) at year-end of \$15.7 million, which is recorded in the financial statements. The difference between these two amounts was the County's unrealized loss in Fund B at year-end of \$5.0 million. Interest income shown in the financial statements is presented net of all fair value changes through year-end. As a result, any change in the unrealized loss associated with Fund B during the fiscal year is already included as a part of interest income reported in the financial statements.

The SBA took a variety of actions to stabilize and strengthen Florida PRIME. Since December 2007, the SBA has obtained ratings for Florida PRIME from Standard & Poor's. Florida PRIME has received ratings of AAAM each year, which is the highest rating category for a government investment pool fund.

D. Investment Policy

The County's investment policy manages interest rate risk, credit risk, and concentration of credit risk by following Section 218.415, Florida Statutes, and County Ordinance No. 08-6. Section 218.415, Florida Statutes, authorizes the County to invest surplus funds in the following:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

- a. The state of Florida's Local Government Investment Pool.
- b. Direct obligations of the U.S. government.
- c. Obligations of U.S. government agencies such as the Government National Mortgage Association.
- d. Obligations of U.S. government sponsored agencies (instrumentalities) such as the Federal Farm Credit System Banks, Freddie Mac (Federal Home Loan Mortgage Corporation), the Federal Home Loan Banks, or Fannie Mae (Federal National Mortgage Association).
- e. Interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, Florida Statutes.
- f. U.S. Securities and Exchange Commission registered money market funds with the highest credit quality ratings from a nationally recognized rating agency.
- g. Securities of, or other interests in, any open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940 as amended, provided the portfolio is limited to obligations of the U.S. government or its agencies and instrumentalities, and to repurchase agreements fully collateralized by such investments, provided the investment company or investment trust takes delivery of the collateral either directly or through an authorized custodian.
- h. Other investments authorized for the County by law, county ordinance, or resolution.

In addition to the above, County Ordinance 08-6 restricts the County's investments as follows:

- a. The entire portfolio may be invested in U.S. Treasury securities with a maximum maturity length of 10 years, but investments in Treasury strips are limited to 25% of the portfolio.
- b. A maximum of 50% of the portfolio may be invested in the state of Florida's Local Government Investment Pool, which was later split into Florida PRIME and Fund B Surplus Funds Trust Fund.
- c. A maximum of 50% of the portfolio may be invested in U.S. government agency securities, with no more than 10% of the portfolio in any individual U.S. government agency.
- d. A maximum of 60% of the portfolio may be invested in obligations of U.S. government instrumentalities with a maturity length of 10 years, provided that no more than 30% of the portfolio is invested in any one issuer and no more than 25% of the portfolio is invested in callable securities.
- e. A maximum of 20% of the portfolio may be invested in repurchase agreements excluding one-business day agreements and overnight sweep agreements, with no more than 10% of the portfolio in the repurchase agreements of a single institution.
- f. A maximum of 20% of the portfolio may be invested in nonnegotiable interest-bearing time certificates of deposit of an institution with deposits secured by the Florida Security for Public Deposits Act, provided that the maximum maturity on any certificate is no greater than one year and no more than 10% of the portfolio is deposited with any one issuer.
- g. A maximum of 20% of the portfolio may be invested in prime commercial paper (i.e. rated Prime-1 by

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

Moody's, A-1 by Standard & Poor's, or AA by two nationally recognized rating agencies if backed by a letter of credit), with no more than 5% of the portfolio in the commercial paper of a single issuer. The maximum length to maturity shall be 270 days from the date of purchase.

- h. A maximum of 50% of the portfolio may be invested in money market funds offered by registered investment companies and operated in accordance with 17 CFR 270.2a-7, provided that the money market funds are rated AAAM or AAAM-G or better by Standard & Poor's or the equivalent by another nationally recognized rating agency. No more than 25% of the portfolio may be invested in any one money market fund.
- i. A maximum of 15% of the portfolio may be invested in high quality corporate notes (rated Aa by Moody's and AA by Standard & Poor's), with no more than 5% of the portfolio in the notes of a single issuer.
- j. A maximum of 20% of the portfolio may be invested in intergovernmental investment pools, provided that the total investment does not exceed 25% of the intergovernmental pool.
- k. A maximum of 25% of the total portfolio may be invested in state or local government taxable and/or tax exempt general obligation and/or revenue bonds (rated at least Aa by Moody's and AA by Standard and Poor's) or short-term debt (rated at least MIG-2 by Moody's and SP-2 by Standard & Poor's).
- l. A maximum of 20% of the total portfolio may be invested in bankers' acceptances issued by a domestic bank or federally chartered domestic office of a foreign bank (rated at least P-1 by Moody's Investors Service and A-1 by Standard & Poor's), with a maximum of 5% of available funds with any one issuer. The maximum length to maturity shall be 180 days from purchase.
- m. Reverse repurchase agreements and securities lending transactions are not permitted.
- n. The maximum maturities shown above may be exceeded if investments are purchased to fulfill long-term debt service reserve requirements, in which case investments are permitted to have maturity dates up through the life of the debt service reserves.

E. Other

At year-end, the County had \$71,042,000, in callable securities of U.S. government sponsored agencies. These securities were purchased because the advantage gained from their higher interest rates more than offset the reinvestment risk—the risk that securities could be called and the proceeds reinvested at lower interest rates.

For the Hillsborough County reporting entity, deposits of \$260,066,000 plus investments of \$1,605,111,000 shown in the notes to the financial statements equal: the total of restricted and unrestricted cash and cash equivalents and investments of \$1,796,518,000 presented on the Statement of Net Assets; plus the cash and cash equivalents and investments of \$68,659,000 shown on the Statement of Fiduciary Assets and Liabilities - Agency Funds; since the cash and cash equivalents and investments of Fiduciary Funds are included in the notes to the financial statements, but not in the Statement of Net Assets.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Note 4 - Property Taxes

Property taxes based on assessed values at January 1 are payable on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of the following year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of that year. Property tax revenue is recorded when it becomes available. Available means when due and collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. No accrual for the property tax levy becoming due in November of 2011 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period. Section 200.071, Florida Statutes, limits aggregate ad valorem tax millage against property of the County to 10 mills each for countywide and unincorporated area services unless increased by voter referendum.

Note 5 - Accounts Receivable, Amounts Due From Other Governments, and Mortgages Receivable

Accounts receivable at September 30, 2011, for the County’s individual major funds and nonmajor funds in total, including applicable allowances for doubtful accounts, were as follows:

<i>(Amounts in Thousands)</i>	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
General Fund	\$ 18,613	(14,521)	4,092
Countywide Special Purpose Fund	1	--	1
Intergovernmental Grants Fund	182	(97)	85
County Transportation Fund	143	--	143
Nonmajor governmental funds	3,323	(2,766)	557
Internal service funds	639	--	639
Water Resource Services Enterprise Fund	126,430	(425)	126,005
Solid Waste Resource Recovery Enterprise Fund	3,154	(62)	3,092
Accounts receivable reported under accrual basis of accounting (but not reported in funds)	28,467	--	28,467
Total for primary government	180,952	(17,871)	163,081
Component units	239	(130)	109
Total for Hillsborough County reporting entity	<u>\$ 181,191</u>	<u>(18,001)</u>	<u>163,190</u>

On the following chart of amounts due from other governments at September 30, 2011, “due from grantors” refers to amounts receivable from federal, state, or other grantors. “Due from state of Florida” refers to amounts receivable such as sales taxes, state shared revenues or other non-grant receivables from the state of Florida. Most accounts receivable, net, and amounts due from other governments are expected to be collected within one year.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

<i>(Amounts in Thousands)</i>	Due From Grantors	Due From State of Florida	Due From Other Governments	Totals
General Fund	\$ 564	81	2,271	2,916
Countywide Special Purpose Fund	--	8,661	3,554	12,215
Sales Tax Revenue Fund	--	14,914	--	14,914
Intergovernmental Grants Fund	15,831	--	--	15,831
County Transportation Fund	7,978	3,569	--	11,547
Nonmajor governmental funds	--	--	20	20
Total for primary government	24,373	27,225	5,845	57,443
Component units	--	--	819	819
Total for Hillsborough County reporting entity	<u>\$ 24,373</u>	<u>27,225</u>	<u>6,664</u>	<u>58,262</u>

The County has a multi-family, single-family, construction and rehabilitation loan program to allow real estate developers with approved construction or rehabilitation projects to receive low interest mortgage loans where interest may be deferred until the end of the loan period under certain conditions. Most of the funding for this affordable housing program comes from the state of Florida's State Housing Initiative Partnership (SHIP) program and the federal government's HOME Investment Partnerships and Community Development Block Grant (CDBG) programs.

The County has two other programs to help provide affordable housing to County residents. (a) The First Time Home Buyers Down Payment Assistance program provides qualified first-time home buyers with a mortgage loan for down payment assistance which is payable upon sale of the house, but will be forgiven if the borrower remains in the house for an agreed upon period of up to 30 years. (b) The owner-occupied rehabilitation loan program allows qualified residents to apply for a mortgage loan for rehabilitation purposes. In certain cases a third-party administrator manages loan repayments. Both of these programs are funded by SHIP, CDBG, and HOME Investment Partnership grant programs.

The County also receives grant funding from the federal government's Neighborhood Stabilization Program (NSP). Under this program, the County uses NSP funding primarily to provide mortgages to nonprofit organizations to buy foreclosed and abandoned residential properties, renovate them, and sell them to members of the public to repeat the process.

Liens have been recorded in official records for the properties acquired for each of the loan programs described above. Mortgages receivable for these programs at September 30, 2011, for the County's individual major funds in total, including applicable allowances for doubtful accounts, were as follows:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

<i>(Amounts in Thousands)</i>	Mortgages Receivable, Gross	Allowance for Doubtful Accounts	Mortgages Receivable, Net
Intergovernmental Grants Fund	\$ 40,128	(6,683)	33,445
Local Housing Assistance Fund	56,365	(5,539)	50,826
Total for primary government	96,493	(12,222)	84,271
Component units	1,232	(130)	1,102
Total for Hillsborough County reporting entity	<u>\$ 97,725</u>	<u>(12,352)</u>	<u>85,373</u>

In addition, there are code enforcement fines assessed by the Code Enforcement Board and Special Magistrate. Code enforcement fines are generally reduced or cancelled if the property is brought into compliance within specified time limits. The majority of code enforcement fines due the County are comprised of non-compliant properties on which the County has placed liens or locks on the contractors licensed. Code enforcement fines are recorded as they are collected because the length of time for the majority of fines paid is generally beyond the 60-day current status specified for revenue recognition. As a result there are no code enforcement receivables recorded in the financial statements for September 30, 2011.

Note 6 - Capital Assets

Changes in capital assets of governmental and business-type activities for the year ended September 30, 2011 are as follows:

Governmental Activities: <i>Amounts in Thousands</i>	Beginning Balance	Increases	Decreases	Ending Balance
Land, including rights-of-way	\$ 505,799	16,691	--	522,490
Infrastructure	5,634,140	96,177	8,260	5,722,057
Construction in progress	29,020	16,721	23,208	22,533
Total non-depreciable assets	<u>6,168,959</u>	<u>129,589</u>	<u>31,468</u>	<u>6,267,080</u>
Buildings	738,063	9,619	--	747,682
Building improvements	184,872	17,421	128	202,165
Equipment	325,915	34,862	24,089	336,688
Intangibles (goodwill, easements)	1,502	2,779	--	4,281
Total depreciable assets	<u>1,250,352</u>	<u>64,681</u>	<u>24,217</u>	<u>1,290,816</u>
Less accumulated depreciation for:				
Buildings	(308,452)	(18,871)	--	(327,323)
Building improvements	(76,773)	(13,013)	--	(89,786)
Equipment	(238,984)	(36,510)	(23,771)	(251,723)
Intangibles (goodwill, easements)	(79)	(453)	--	(532)
Total accumulated depreciation	<u>(624,288)</u>	<u>(68,847)</u>	<u>(23,771)</u>	<u>(669,364)</u>
Total capital assets, being depreciated, net	<u>626,064</u>	<u>(4,166)</u>	<u>446</u>	<u>621,452</u>
Total governmental capital assets, net	<u>\$ 6,795,023</u>	<u>125,423</u>	<u>31,914</u>	<u>6,888,532</u>

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Business-type Activities <i>(Amounts in Thousands)</i>	Beginning			Ending
	Balance	Increases	Decreases	Balance
Land, including rights-of-way	\$ 42,185	1	--	42,186
Construction in progress	57,509	45,074	34,273	68,310
Total non-depreciable assets	99,694	45,075	34,273	110,496
Buildings	532,750	1,586	--	534,336
Building improvements	1,259,096	42,877	144	1,301,829
Equipment	37,936	1,580	5,170	34,346
Intangibles (goodwill, easements)	10,790	190	--	10,980
Total depreciable assets	1,840,572	46,233	5,314	1,881,491
Less accumulated depreciation for:				
Buildings	(301,198)	(14,277)	--	(315,475)
Building improvements	(523,614)	(53,376)	(12)	(576,978)
Equipment	(25,747)	(3,876)	(4,882)	(24,741)
Intangibles (goodwill, easements)	(2,289)	(372)	(1)	(2,660)
Total accumulated depreciation and amortization	(852,848)	(71,901)	(4,895)	(919,854)
Total capital assets, being depreciated, net	987,724	(25,668)	419	961,637
Total business-type capital assets, net	\$ 1,087,418	19,407	34,692	1,072,133

During fiscal year 2011, interest costs of \$2,227,000 were capitalized to construction work-in-progress on the Balance Sheet - Proprietary Funds and deducted from interest expense on the Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds. The interest expense capitalized represents the net amount after deducting the bond proceeds' investment income from the related tax-exempt debt interest cost. Total business-type interest costs incurred during fiscal year 2011 were \$14,999,000.

Depreciation and/or amortization expense was charged for fiscal year 2011 to functions of the primary government as shown below:

<i>(Amounts in Thousands)</i>	Depreciation and Amortization
Governmental activities:	
General government	\$ 13,204
Public safety	23,678
Physical environment	1,523
Transportation	3,180
Economic environment	3,635
Human services	11,571
Culture and recreation	3,907
Internal service funds	8,149
Total depreciation expense - governmental activities	\$ 68,847
Business-type activities:	
Water Resource Services	\$ 57,391
Solid Waste Resource Recovery	14,510
Total depreciation/amortization expense - business-type activities	\$ 71,901

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Construction or capital improvement commitments outstanding as measured by purchase orders and contracts outstanding of the primary government at September 30, 2011 were as follows:

<i>(Amounts in Thousands)</i>	Construction Commitments Outstanding
Countywide Special Purpose Fund	\$ 957
Intergovernmental Grants	6,551
County Transportation Fund	45,466
Local Housing Assistance Fund	585
Infrastructure Surtax Projects Fund	69,673
Nonmajor special revenue funds	2,986
Nonmajor capital projects funds	5,133
Water Enterprise Fund	34,062
Solid Waste Enterprise Fund	4,745
Total construction commitments outstanding	<u>\$ 170,158</u>

The Capital Improvement Program is a financial plan of proposed capital projects covering a five or six-year period. Project costs can include project development, site acquisition, design, construction, renovation, initial fixtures and equipment, and administration. Major categories of projects include fire services, government facilities, libraries, parks programs, solid waste, stormwater, transportation, and water and wastewater. The Capital Improvement Program does not identify all project costs. It only identifies what will probably be appropriated during the period. Total capital costs will be greater. The Capital Improvement Program for fiscal years 2012 through 2015 incorporates projects with a total cost of \$411,853,000.

Note 7 - Long-Term Liabilities

A. Changes in Long-Term Liabilities

The following is a summary of changes in non-current liabilities for the year ended September 30, 2011, for both governmental activities and business-type activities:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Governmental Activities: <i>(Amounts in Thousands)</i>	Beginning Balance	Additions	Reductions	Ending Balance
General obligation bonds	\$ 72,785	--	720	72,065
Deferred bond refunding losses	(447)	--	(59)	(388)
Unamortized bond issue premiums	828	--	159	669
Limited ad valorem tax bonds	4,945	--	4,945	--
Deferred bond refunding losses	(6)	--	(6)	--
Unamortized bond issue premiums	13	--	13	--
Revenue bonds	445,845	--	19,370	426,475
Deferred bond refunding losses	(3,290)	--	(325)	(2,965)
Unamortized bond issue premiums	8,683	--	983	7,700
Unamortized bond issue discounts	(206)	--	(24)	(182)
Notes Payable (see Note 7.C.)	109,802	261,330	234,753	136,379
Compensated absences payable*	72,010	51,923	60,073	63,860
Net OPEB obligation	7,154	1,767	--	8,921
Insurance claims payable**	34,770	76,312	73,523	37,559
Other long-term liabilities (see Note 7.D.)	1,144	1,721	702	2,163
Governmental activity long-term liabilities-primary government	754,030	393,053	394,827	752,256
Component units	43,284	--	6,750	36,534
Governmental activities long-term liabilities-reporting entity	<u>\$ 797,314</u>	<u>393,053</u>	<u>401,577</u>	<u>788,790</u>

*Note: Compensated absences liabilities were liquidated as sick and vacation expenditures were incurred for employees. Sick and vacation expenditures as well as other payroll expenditures such as salaries were recorded in the applicable funds.

**Note: At September 30, 2011, the Hillsborough County health care program for low-income residents had an “insurance claims payable, current” liability of \$3,673,000 reported for claims incurred but not reported and reported but not paid, which was shown in the Statement of Net Assets and the Balance Sheet – Governmental Funds. That liability was not included in the chart above because it was entirely a current liability.

Business-type Activities: <i>(Amounts in Thousands)</i>	Beginning Balance	Additions	Reductions	Ending Balance
Revenue bonds	\$ 212,880	150,000	17,105	345,775
Deferred bond refunding losses	(1,915)	--	(719)	(1,196)
Unamortized bond issue premiums	3,237	898	594	3,541
Unamortized bond issue discounts	--	(659)	(36)	(623)
Compensated absences payable	4,675	2,919	3,435	4,159
Other long-term liabilities (see Note 7.D.)	34,945	2,260	436	36,769
Business-type activity, long-term liabilities	<u>\$ 253,822</u>	<u>155,418</u>	<u>20,815</u>	<u>388,425</u>

See Note 19 Exhibit A “Schedule of Changes in Long-Term Debt” at the end of the Notes to the Financial Statements for more information on the long-term debt of governmental and business-type

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

activities, including the current portion of long-term debt. Deferred refunding losses and unamortized bond issuance discounts are recorded as reductions of bonds payable on the statement of net assets. Unamortized bond issuance premiums are recorded as additions to bonds payable on the Statement of Net Assets.

B. Bonds Payable

Bonds payable, including current maturities, at September 30, 2011 were as follows:

<i>(Amounts in Thousands)</i>	<u>Long-term Debt, Governmental</u>
General Obligation Bonds:	
\$18,540 August 28, 2002, General Obligation Refunding Bonds (Unincorporated Area Parks and Recreation Program), Series 2002, due in annual installments through 2025; interest cost at 4.20%. (Note 19 - Exhibit B)	\$ 12,635
Deferred bond refunding loss	(388)
Unamortized bond issue premium	139
\$11,305 December 29, 2009, General Obligation Bonds (Environmental Land Acquisition and Protection Program), Series 2009A, due in annual installments through 2019; interest cost at 3.87%. (Note 19 - Exhibit C)	11,305
Unamortized bond issue premium	530
\$48,125 December 29, 2009, General Obligation Bonds (Environmental Land Acquisition and Protection Program), Series 2009B (Federally Taxable Build America Bonds Direct Subsidy), due in annual installments through 2039; interest cost at 4.00%. (Note 19 - Exhibit D)	48,125
Net general obligation bonds, governmental activities	<u>\$ 72,346</u>
Revenue Bonds:	
\$19,965 January 27, 1998, Fuel Tax Refunding Revenue Bonds, Series 1998, due in semi-annual installments through 2011; interest cost at 6.0%. (Note 19 - Exhibit E)	\$ 375
\$49,725 October 30, 2001, Community Investment Tax Revenue Bonds (Jail Projects), Series 2001A, due in annual installments through 2026; interest cost at 4.66%. (Note 19 - Exhibit F)	36,635
Unamortized bond issue discount	(142)
\$14,490 October 30, 2001, Community Investment Tax Revenue Bonds (Stormwater Projects), Series 2001B, due in annual installments through 2026; interest cost at 4.66%. (Note 19 - Exhibit G)	10,920
Unamortized bond issue discount	(40)
\$90,000 August 12, 2004, Community Investment Tax Revenue Bonds, Series 2004, due in annual installments through 2025; interest cost at 4.31%. (Note 19 – Exhibit H)	68,615
Unamortized bond issuance premium	943

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

	Long-term Debt, Governmental
\$17,920 June 8, 2005, Tampa Bay Arena Refunding Revenue Bonds, Series 2005, due in annual installments through 2026; interest cost at 4.12%. (Note 19 – Exhibit I)	\$ 14,795
Deferred bond refunding loss	(311)
Unamortized bond issuance premium	166
\$38,305 August 23, 2005, Court Facilities Refunding Revenue Bonds, Series 2005, due in annual installments through 2029; interest cost at 4.28%. (Note 19 – Exhibit J)	33,025
Deferred bond refunding loss	(1,509)
Unamortized bond issuance premium	26
\$40,285 May 3, 2006, Capital Improvement Program Refunding Revenue Bonds, Series 2006, due in annual installments through 2024; interest cost at 4.16%. (Note 19 - Exhibit K)	31,945
Deferred bond refunding loss	(591)
Unamortized bond issue premium	105
\$18,270 December 6, 2006, Fourth Cent Tourist Development Tax Bonds, Series 2006, due in annual installments through 2035; interest cost at 4.14%. (Note 19 – Exhibit L)	16,600
Unamortized bond issuance premium	45
\$27,125 December 6, 2006, Fifth Cent Tourist Development Tax Bonds, Series 2006A, due in annual installments through 2035; interest cost at 4.27%. (Note 19 – Exhibit M)	27,125
Deferred bond refunding loss	(112)
Unamortized bond issuance premium	108
\$191,800, October 31, 2007, Community Investment Tax Revenue Bonds, Series 2007, due in annual installments through 2026; interest cost at 4.5%. (Note 19- Exhibit N)	169,305
Unamortized bond issuance premium	6,280
\$19,195, May 7, 2008, Capital Improvement Non-Ad Valorem Refunding Revenue Bonds (Warehouse and Sheriff’s Facilities Projects), Series 2008, due in annual installments through 2028; interest cost at 4.2%. (Note 19 – Exhibit O)	17,135
Deferred bond refunding loss	(442)
Unamortized bond issuance premium	27
Net revenue bonds, governmental activities	431,028
Total of net general obligation bonds, and net revenue bonds, for governmental activities	\$ 503,374
Revenue Bonds:	Long-term Debt, Business-type
\$186,105 May 17, 2001, Junior Lien Refunding Utility Revenue Bonds, Series 2001, due in annual installments through 2016; interest cost at 5.06%. (Note 19 - Exhibit P)	\$ 47,150
Deferred bond refunding loss	(1,196)
Unamortized bond issue premium	429

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Notes to the Financial Statements

\$116,990 November 14, 2006, Solid Waste and Resource Recovery Revenue Bonds, Series 2006A, due in annual installments through 2034; interest cost at 4.81%. (Note 19 – Exhibit Q)	108,265
Unamortized bond issue premium	2,059
\$40,360 November 14, 2006, Solid Waste and Resource Recovery Revenue Bonds, Series 2006B, due in annual installments through 2030; interest cost at 4.07%. (Note 19 – Exhibit R)	40,360
Unamortized bond issue premium	324
\$18,035 November 16, 2010, Utility Recovery Revenue Bonds, Series 2010A (tax exempt), due in annual installments through 2019; interest cost at 2.05%. (Note 19 – Exhibit S)	18,035
Unamortized bond issue premium	729
\$110,265 November 16, 2010, Utility Recovery Revenue Bonds, Series 2010B (Build America Bonds, which are taxable, but provide a direct 35% interest subsidy to the local government), final maturity in 2037; interest cost at 3.43%. (Note 19 – Exhibit T)	110,265
Unamortized bond issue discount	(623)
\$21,700 November 16, 2010, Utility Recovery Revenue Bonds, Series 2010C (Recovery Zone Economic Development Bonds, which are taxable, but provide a direct 45% interest subsidy to the local government), final maturity in 2040; interest cost at 3.22%. (Note 19 – Exhibit U)	21,700
Net revenue bonds, business-type activities	\$ 347,497

Note 19, Exhibits B through U, show future debt service requirements, including sinking fund purchases for each issue. Annual debt service requirements to maturity for long-term governmental bonded debt are as follows:

Long-Term Bonded Debt, Governmental Activities
(Amounts in Thousands)

<u>Year Ending</u> <u>September 30</u>	<u>General Obligation Bonds</u>			<u>Revenue Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Less</u> <u>Subsidy</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$ 1,935	3,842	(1,004)	19,855	19,197	43,825
2013	2,085	3,791	(1,004)	20,225	18,431	43,528
2014	2,145	3,736	(1,004)	21,030	17,571	43,478
2015	2,240	3,636	(1,004)	21,990	16,619	43,481
2016	2,315	3,568	(1,004)	22,985	15,605	43,469
2017-2021	13,060	16,318	(4,991)	131,705	60,870	216,962
2022-2026	13,120	12,967	(4,397)	154,280	26,423	202,393
2027-2031	11,430	9,661	(3,382)	24,350	4,586	46,645
2032-2036	13,930	5,822	(2,038)	10,055	1,285	29,054
2037-2039	9,805	1,262	(442)	--	--	10,625
Total	\$ 72,065	64,603	(20,270)	426,475	180,587	723,460

Annual debt service requirements to maturity for business-type bonded debt are as follows:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Long-term Debt, Business-type Activities
(Amounts in Thousands)

Year Ending September 30	Revenue Bonds			Total
	Principal	Interest	Less Subsidy	
2012	\$ 18,985	17,058	(2,544)	33,499
2013	13,460	16,029	(2,544)	26,945
2014	15,025	15,379	(2,544)	27,860
2015	17,355	14,631	(2,544)	29,442
2016	7,145	13,768	(2,544)	18,369
2017-2021	44,155	63,907	(12,658)	95,404
2022-2026	59,870	52,176	(11,289)	100,757
2027-2031	73,235	36,423	(8,897)	100,761
2032-2036	66,795	17,526	(5,793)	78,528
2037-2040	29,750	4,282	(1,883)	32,149
Total	\$ 345,775	251,179	(53,240)	543,714

C. Notes Payable

On April 5, 2000, the BOCC adopted a resolution for the issuance of Capital Improvement Program Commercial Paper Notes, Series A (Non Alternative Minimum Tax), Series B (Alternative Minimum Tax), and Series C (Taxable) not to exceed \$200,000,000. Commercial paper notes were issued as part of a long-term financing program where notes are issued, rolled over as needed, and ultimately refinanced with long-term debt when more favorable longer-term rates become available in the financial markets. The BOCC has currently authorized notes payable issuances of up to \$300,000,000.

The commercial paper notes are issued at face values of \$100,000 or more. The notes are payable in full plus accrued interest on maturity which is not greater than 270 days from the issue date. To facilitate an efficient and effective use of available cash, the County will periodically issue new money notes and reissue maturing notes at current market interest rates to fund its cash needs. During fiscal year 2011, market interest rates ranged from 0.27% to 0.40%. The County intends to redeem a portion of outstanding notes with program revenues and to refinance the remaining notes with future long-term financing. Payment of the maturing commercial paper notes payable is secured by an irrevocable direct pay letter of credit in the amount of \$300,000,000. Interest on the notes is payable at the time each note matures.

On March 19, 2008, the BOCC approved a resolution to fund the expansion of parts of US Highway 301 from two lanes to six lanes with the issuance of 2008 Taxable Transportation Revenue Notes A, B, and C as interim financing. Notes A and B cannot exceed \$26.5 million in total and Notes C cannot exceed \$8.0 million. At September 30, 2008, only Notes A and B were issued, with liabilities of \$4,019,000 and \$5,291,000, respectively. Security for payment of maturing notes is provided by direct pay letters of credit or cash on deposit from third-party providers and by impact fee reserves and future revenues in associated transportation impact fee zones. Interest is paid semi-annually on October 1 and April 1.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

At September 30, 2011, total notes payable outstanding were \$136,379,000 as shown below.

Governmental activities: <i>(Amounts in Thousands)</i>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Amount</u>
Commercial paper notes:	5-06-10	10-14-10	0.40%	\$ 75,110
	7-14-10	10-07-10	0.32	4,000
	9-01-10	10-14-10	0.27	28,000
	9-23-10	10-21-10	0.29	17,354
	9-23-10	10-21-10	0.29	6,785
Total				<u>131,249</u>
Taxable notes:	4-29-08	4-01-13	5.56	3,307
	4-29-08	4-01-13	5.56	1,823
Total				<u>5,130</u>
Total notes payable				<u><u>\$ 136,379</u></u>

On the Statement of Net Assets, commercial paper notes payable of \$131,249,000 are presented as current liabilities and taxable notes of \$5,130,000 are presented as noncurrent liabilities.

D. Other Long-Term Liabilities

Other long-term liabilities, including current maturities, reported in the Governmental Activities column of the Statement of Net Assets at September 30, 2011 are presented on the following chart. Arbitrage rebate liability is liquidated using the financial resources of the associated debt service funds. See Note 7.F., *Arbitrage Rebate Liability*, for information on the arbitrage rebate liability by bond issue and see Note 11, *Interfund Transfers In and Out*, for information on the funds that provided financial resources to individual debt service funds during fiscal year 2011. See Note 1.V. for more information on the Voluntary Separation Incentive Program liability.

<i>(Amounts in Thousands)</i>	<u>Other Long-Term Liabilities Governmental</u>
Arbitrage rebate liability	\$ 442
Voluntary Separation Incentive Program liability	1,721
Total other long term liabilities, business-type activities	<u><u>\$ 2,163</u></u>

Other long-term liabilities, including current maturities, for the Enterprise Funds at September 30, 2011, were as follows:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

<i>(Amounts in Thousands)</i>	Other Long-Term Liabilities Business-Type
Open landfill closure and postclosure costs	\$ 31,330
Closed landfill remediation/monitoring	5,201
Pollution remediation obligation per GASB Statement 49	101
Voluntary Separation Incentive Program liability	137
Total other long term liabilities, business-type activities	<u>\$ 36,769</u>

The other long-term liabilities for governmental and business-type activities shown above will be liquidated as presented on the chart on the following page:

<i>(Amounts in Thousands)</i> Year Ending Sept. 30	Other Long-Term Liabilities	
	Governmental Amount	Business-Type Amount
2012	\$ 1,014	485
2013	629	274
2014	520	265
2015	--	224
2016	--	224
2017-2021	--	1,120
2022-2026	--	1,120
2027-2031	--	1,120
2032-2036	--	607
2037-2041	--	--
2042-2046	--	15,797
2047-2051	--	4,875
2052-2056	--	4,875
2057-2061	--	4,764
2062-2066	--	--
2067-2071	--	--
2072-2076	--	1,019
Total principal	<u>\$ 2,163</u>	<u>36,769</u>

There is no interest on the other long-term liabilities in the governmental and business-type activities.

E. Arbitrage Rebate Liability

Certain long-term debt obligations of the County are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the federal government to the extent that those earnings exceed the interest cost on the related tax-exempt debt. The County has calculated the arbitrage rebate liability of governmental activities to be the following at September 30, 2011:

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Commercial paper notes for H. Lee Moffitt / Merck M2Gen project	442,000
Total arbitrage rebate liabilities in long-term debt, governmental	<u>\$ 442,000</u>

The arbitrage liabilities from the preceding items were recorded in the Governmental Activities section of the Statement of Net Assets. See Note 7. D., *Other Long-Term Liabilities*, for the arbitrage liability found in business-type activities.

F. Debt Compliance

Various bond indentures contain covenants which specify certain limitations and restrictions for the County regarding annual debt service requirements, the use of certain restricted accounts, minimum sinking fund balances, and minimum revenue bond coverage. Management believes that the County has complied with these covenants.

G. Defeased Debt

Defeased debt is unredeemed debt that is not reported on the financial statements because the cash and investments necessary for repayment have been irrevocably placed with an independent escrow agent, who will make debt service payments until the call date. Once defeased debt is called, it is no longer considered defeased because the liability for the bonds has been totally extinguished. The principal balances on bond issues defeased at September 30, 2011, are listed below:

(Amounts in Thousands)

Governmental activities:

1980 Public Improvement Road Construction Bonds	\$	2,195
1999 Court Facility Bonds		3,110
2003 Junior Lien Capital Improvement Program Refunding Revenue Bonds		43,280
2006 Capital Improvement Non-Ad Valorem Revenue Bonds		43,780

Business-type activities:

1983 Refunding Utility Revenue Bonds	3,945
2001 Refunding Utility Revenue Bonds (partial defeasance)	10,000
2003 Refunding Utility Revenue Bonds	8,700

H. Non-Commitment Special Assessment Debt

On December 8, 2000, the County issued \$4.9 million in Reclaimed Water Special Assessment Revenue Bonds, Series 2000 and \$29.6 million in Capacity Assessment Special Assessment Revenue Bonds, Series 2000. These bonds have interest rates that vary from 4.30% to 5.00%, respectively, with interest and principal payable semiannually. Payment of debt service is secured and payable solely from capacity assessment unit and reclaimed water improvement unit special assessment revenues. These obligations were not recorded by the County since the County is not obligated in any manner

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

for the repayment of these debt obligations. At September 30, 2011, the unpaid principal balances of the Capacity Assessment Unit and the Reclaimed Water Improvement Unit bonds were \$15,240,000, and \$2,145,000, respectively.

On May 3, 2006, the County issued \$101.1 million in Capacity Assessment Special Assessment Revenue Bonds, Series 2006. These bonds have interest rates from 3.55% to 5.00% with interest payable semiannually and principal payable annually. The County irrevocably pledged its long-term capacity assessment accounts receivable and related annual special assessment collections of approximately \$10 million to secure repayment of the bonds. In exchange, the Water Enterprise Fund received net proceeds of \$93.8 million for capital expansion. These obligations were not recorded by the County since the County is not obligated in any manner for the repayment of these debt obligations. On September 30, 2011, the outstanding balance on the Capacity Assessment Special Assessment Revenue Bonds, Series 2006, was \$79,300,000.

I. Non-Commitment Conduit Debt Obligations

In accordance with GASB Interpretation No. 2, *Disclosure of Conduit Debt Obligations, an Interpretation of NCGA Statement 1*, the County discloses conduit debt obligations. Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the purpose of providing capital financing for a specific third party that is not a part of the County's financial reporting entity. Although conduit debt obligations bear the name of a component unit of the County, neither the County nor the component unit has an obligation for such debt.

The BOCC created the Housing Finance Authority of Hillsborough County (HFA) in fiscal year 1986 for the purpose of alleviating a shortage of affordable residential housing facilities for persons and families of low and moderate income within Hillsborough County. Since its inception, the HFA has issued \$49,870,000 of Single Family Mortgage Revenue and Refunding Bonds and \$196,015,000 of Multi-Family Housing Revenue and Refunding Bonds. Both of these two types of bonds are payable solely from revenues, receipts, and resources of the HFA pledged under related trust indentures. The HFA, the County, the State, or any political subdivisions of the State, are not obligated in any manner for the repayment of these notes or bonds. However, the HFA routinely makes financial contributions to the single family bond programs and receives fees and other income from the single family bond programs. In addition any residual funds remaining in any single family bond program after the bonds are retired are released to the HFA. As a result of the HFA's financial relationship to the single family bond issues, all transactions related to the Single Family bond programs are included in the financial statements of the HFA starting with fiscal year 2011. The HFA Single Family bond programs are presented as discretely presented component unit.

The HFA's Multi-Family Housing Revenue and Refunding Bonds, however, are considered conduit debt obligations. The County has conduit debt obligations related to the bonds issued in the name of the Housing Finance Authority of Hillsborough County (HFA). As of September 30, 2011, there were 19 HFA multi-family housing revenue and refunding bond issues outstanding. The total principal amount outstanding on these conduit debt obligations was \$166,277,000. These bonds are not reported as liabilities in the accompanying financial statements.

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J. Non-Commitment Debt Service Contributions

The Tampa Sports Authority (TSA), an independent special district, issued the following revenue bonds to finance the construction of a community stadium:

- \$148,945,000 Local Option Sales Tax Revenue Bonds, Series 1997. These bonds were issued for stadium construction and are secured by a share of the half-cent Community Investment Tax approved by voter referendum. In the referendum that initiated the Community Investment Tax, a half-cent sales tax was to be levied pursuant to Section 212.055, Florida Statutes, with the requirement that specified amounts would be spent for infrastructure related projects of the Hillsborough County School District, the TSA's stadium, and infrastructure in the three cities located within the County as well as in the unincorporated areas of the County. To help the TSA with the issuance of its revenue bonds, the County entered into an interlocal agreement with the TSA to confirm the County's commitment to provide a certain amount of the Community Investment Tax to the TSA as legally established by the voters' approval of the Community Investment Tax. On November 16, 2005, the TSA issued \$114,865,000 in Refunding Revenue Bonds, Series 2005, to refund all outstanding series 1997 bonds.
- \$30,010,000 Florida Sales Tax Revenue Bonds, Series 1997. These bonds were issued for stadium construction and are secured by the state of Florida's commitment to provide sales tax revenues of \$2 million per year for 30 years for the construction of facilities for a professional sports franchise pursuant to Sections 288.1162 and 212.20(6)(g)5a, Florida Statutes. On November 16, 2005, the TSA issued \$27,015,000 in Florida Sales Tax Payment Refunding Revenue Bonds, Series 2005, to refund all outstanding series 1997 bonds.

The trust indentures for each of these bonds state that these bonds "shall not constitute a debt, liability, general or moral obligation or a pledge of the faith or loan of credit of the County, the City, the State or any political subdivision of the State." The revenue bonds payable liabilities are recorded in the financial records of the TSA. The trust indentures for each of these bonds states that the bonds "are limited obligations payable solely and only from the pledged revenues." If pledged tax revenues are insufficient, the County has no obligation to provide additional funding to the TSA for debt service. For these reasons, neither the bonds issued by the TSA nor the pledged revenues are recorded as liabilities of the County.

K. Pledged Revenues for Debt Service

The chart on the following page shows information on revenues pledged or used for debt service.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Percentage of Pledged Revenues Used for Debt Service -- Governmental Revenue Bonds

Revenue Bonds for Governmental Activities (a)	Revenues Pledged Used for Fiscal Year 2011 Debt Service Payments						Debt Service Payments Until Final Bond Maturity
	CIT (b)	Fuel Tax	Fourth Cent TDT(c)	Fifth Cent TDT (c)	Court Revenues (d)	Non-Ad Valorem (e)	
<i>Amounts in Thousands</i>							
1998 Fuel Tax Refunding Revenue Bonds, for roads.....	\$ --	1,372	--	--	--	--	\$ 386
2001A Community Investment Tax (CIT) Revenue Bonds, for jail.....	3,513	--	--	--	--	--	50,888
2001B Community Investment Tax Revenue Bonds, for stormwater projects	1,020	--	--	--	--	--	15,183
2004 Community Investment Tax Revenue Bonds, infrastructure.....	6,394	--	--	--	--	--	97,260
2005 Tampa Bay Arena Refunding Revenue Bonds, for arena (f).....	--	--	--	1,311	--	--	20,833
2005 Court Facilities Refunding Revenue Bonds, for court facilities.....	--	--	--	--	2,532	--	48,108
2006 Capital Improvement Program Refunding Revenue Bonds, for facilities	--	--	--	--	--	3,249	42,173
2006 Fourth Cent Tourist Development Tax Bonds, for facilities.....	--	--	1,153	--	--	--	25,822
2006A Fifth Cent Tourist Development Tax Bonds, for facilities.....	--	--	--	1,165	--	--	44,131
2007 Community Investment Tax Revenue Bonds, for facilities.....	16,257	--	--	--	--	--	237,823
2008 Capital Improvement Non-Ad Valorem Refunding Revenue Bonds, for warehouse and Sheriff facilities.....	--	--	--	--	--	1,437	<u>24,455</u>
Total debt service on bonds.....							<u>607,062</u>
Total pledged revenues used for fiscal year 2011 debt service.....	<u>27,184</u>	<u>1,372</u>	<u>1,153</u>	<u>2,476</u>	<u>2,532</u>	<u>4,686</u>	39,403
Total pledged revenues available for fiscal year 2011 debt service (g).....	43,204	4,703	3,821	3,821	2,778	86,918	\$145,245
FY 2011 pledged revenues used as a percentage of revenues available.....	62.9%	29.2%	30.2%	64.8%	91.1%	5.4%	27.1%

- (a) See Note 7. B. for maturity dates and other information on these revenue bonds.
- (b) A discretionary sales surtax known as the Community Investment Tax (CIT).
- (c) A local option tourist development tax (TDT).
- (d) Court revenues consist of noncriminal traffic infraction revenues.
- (e) Non-Ad Valorem revenues consist primarily of \$76,523,000 from the Half Cent Sales Tax, \$6,752,000 from Guaranteed Entitlement Revenues, \$2,210,000 from Local Business Taxes, \$388,000 from mobile home license fees, \$406,000 from alcoholic beverage licenses, \$253,000 from the annual license payment for George M. Steinbrenner Field baseball stadium by the New York Yankees, and \$404,000 from arena special events fees from the Tampa Bay Lightning.
- (f) Although non-ad valorem revenues were pledged for debt service on the 2005 Tampa Bay Arena Refunding Revenue Bonds, the Fifth Cent Tourist Development Tax was used exclusively for fiscal year 2011 debt service on these bonds.
- (g) Although specific revenues are pledged for specific revenue bonds for governmental activities shown on the chart above, non-ad valorem revenues are also available for debt service on these revenue bonds if specific revenues are insufficient.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Note 8 - Defined Benefit and Defined Contribution Pension Plan

Plan Description. With a few exceptions, all full-time and part-time employees working for the County in regularly established positions are members of the Florida Retirement System (FRS), a multiple-employer cost-sharing public retirement system administered by the state of Florida. The FRS offers members both a defined benefit plan (Pension Plan) and/or a defined contribution plan (Investment Plan) to provide retirement, disability, and death benefits for active members, retirees, surviving beneficiaries, and Deferred Retirement Option Program (DROP) participants.

DROP is a program that provides for payment of retirement benefits for FRS members for a maximum of five years. Under this program, an employee may retire and have his benefits accumulate in the FRS Trust Fund, earning interest, while continuing to work for a system employer. When the DROP period ends, employment terminates, the employee receives payment of the accumulated DROP benefits, and monthly Pension Plan and/or Investment Plan retirement benefits begin.

Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code. Effective July 1, 2011, the Florida Legislature passed Senate Bill 2100 making changes to the FRS. Benefits are computed on the basis of age, average final compensation, and service credit.

Plan members hired prior to July 1, 2011 at age 62 with 6 years of credited service or 30 years of service regardless of age are entitled to an annual retirement benefit payable monthly for life, equal to 1.6% of their final average compensation for each year of credited service. Average final compensation is the average of the employee's five highest fiscal years of salary earned during credited service. Vested employees with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special risk class employees such as sworn law enforcement officers, firefighters, and correctional officers who retire at or after age 55 with 6 years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life.

Plan members hired on or after July 1, 2011 at age 65 with 8 years of credited service or 33 years of service regardless of age are entitled to annual retirement benefits payable monthly for life, equal to 1.6% of their final average compensation for each year of credited service. Average final compensation will be the average of the employee's eight highest fiscal years earned during credited service. Vested employees with less than 33 years of service may retire before age 65 and receive reduced retirement benefits. Special risk class employees such as sworn law enforcement officers, firefighters, and correctional officers who retire at or after age 60 with 8 years of credited service, or with 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life.

There will be no Pension Plan Cost of Living Adjustment (COLA) on FRS service earned on or after July 1, 2011. A reduced COLA will be calculated if a member's retirement or DROP participation date is effective on or after August 1, 2011. The reduced COLA will be calculated by taking the total years of service earned prior to July 1, 2011 and dividing it by the total years of service at retirement, then multiplying it by 3%.

HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

The state of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. That report may be obtained by writing to the state of Florida Division of Retirement, Department of Management Services, 4050 Esplanade Way, Tallahassee, Florida 32399-0950. That report may also be viewed on the Florida Retirement System's web site located at http://dms.myflorida.com/human_resource_support/retirement/publications.

Funded Status. The FRS Annual Report July 1, 2009 – June 30, 2010 available as mentioned above, stated that the FRS pension plan was 86.59% funded at July 1, 2010 since the actuarial value of assets was \$120.93 billion compared to the actuarial accrued liability of \$139.65 billion.

Funding Progress. Beginning July 1, 2011 all plan members (except those in DROP) will make a 3% employee contribution on a pretax basis. Governmental employers are required to make contributions to the FRS based on actuarially determined statewide contribution rates. The FRS establishes contribution rates annually. The contribution rates by job class at September 30, 2011 were as follows for both the defined benefit and defined contribution pension plans: regular 4.91%; special risk (e.g. law enforcement personnel) 14.10%; special risk administrative support 6.04%; county elected officials 11.14%; and senior management 6.27%. During the fiscal year ended September 30, 2011, the County contributed to the plan an amount equal to 13.63% of total covered payroll. The County contributions to the FRS for the fiscal years ended September 30, 2009 through 2011 were \$74,826,000, \$75,095,000, and \$68,529,000 respectively, which were equal to the required actuarially determined contributions for each fiscal year. The component units' contributions to the plan, which were included in the County reporting entity figures above, were \$285,000 or 7.51% of total covered payroll. The County's payroll covered by FRS of \$502,614,000 represents about 2% of the total payroll covered by governments participating in the FRS.

Actuarial Methods and Assumptions. In the July 1, 2010 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included (a) a 7.75% investment rate of return and (b) projected salary increases of 5.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include postemployment benefit increases. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility over a five-year smoothing period.

The County's pension expenditures/expenses and associated pension liabilities payables which are included in accrued liabilities at year-end, are reported in compliance with GASB Technical Bulletin 2004-2, *Recognition of Pension and Other Postemployment Benefit Expenditures/ Expenses and Liabilities by Cost-Sharing Employers*. This technical bulletin requires recognition of pension expenditures/expenses in the period in which payments relate even if the payments are not due until the next fiscal period.

Note 9 - Other Postemployment Benefits (OPEB)

In accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, the County expenses the cost of post-employment benefits over the active service lives of its employees rather than using a "pay-as-you-go" basis.

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Expensing the cost of a future benefit over the active work-lives of employees is a fiscally sound approach because employees actually earn the future benefits over their working careers.

OPEB Plan Description. The County provides the following health-related benefits to retirees and certain former employees: (a) The County is required by Florida Statute 112.0801 to allow retirees and certain former employees to buy healthcare coverage at the same “group insurance rates” that current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an “implicit subsidy” for retirees. (b) The County offers a monthly stipend of \$5 for each year of service up to a maximum benefit of \$150 per month. The stipend is payable to regular retired employees from ages 62 to 65 and to special risk retired employees from ages 55 to 65. The stipend is to be used to offset the cost of health insurance. Although the implicit subsidy is required by state law when healthcare is offered as an employee benefit, the stipend may be cancelled at any time. This OPEB plan is a single-employer plan and does not issue a stand-alone financial report. The plan’s financial activity is included in the financial activity of the County.

Annual OPEB cost and net OPEB Obligation. The actuary’s estimate of the County's *accrued OPEB liability*, also known as the *actuarial accrued liability*, which approximates the present value of all future expected postemployment medical premiums, associated administrative costs and stipend payments (which are attributable to the past service of active and retired employees) was \$62.197 million at September 30, 2011. The County’s annual OPEB cost, which is defined as annual OPEB expenses on an accrual basis, was \$5.973 million at September 30, 2011. The annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost (current and future benefits earned) each year and to amortize any unfunded actuarial liabilities over a period of time not to exceed thirty years. The County's estimated ARC for fiscal year 2011 was \$5.925 million. The *net OPEB obligation, at the end of the year*, is the net amount the County was obligated for at year-end and is equivalent to the annual OPEB cost for the fiscal year, plus the net OPEB obligation at the start of the fiscal year less contributions such as retiree claims and stipends paid by the County during the fiscal year. The inter-relationships between the ARC, annual OPEB cost, and net OPEB obligation are presented in the following chart:

	Fiscal Year 2011
Annual required contribution (ARC)	\$ 5,925,000
Interest on the Net OPEB obligation for fiscal year	321,000
Less amortization of Net OPEB obligation for fiscal yr.	(273,000)
Annual OPEB Cost for fiscal year	5,973,000
Net OPEB Obligation, beginning of year	7,154,000
Less contributions (claims paid etc.) for fiscal year	(4,206,000)
Net OPEB obligation, end of year	\$ 8,921,000

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The County's net OPEB obligation at September 30, 2011 was \$8.921 million. The net OPEB obligation increased from the prior year primarily due to increased health care costs for retirees as well as interest imputed on the net OPEB obligation since the County did not "fund" its OPEB liabilities (see next paragraph).

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 5,204,000	76 %	6,086,000
2010	5,544,000	81 %	7,154,000
2011	5,973,000	70 %	8,921,000

Funding Policy, Status and Progress. In order for OPEB obligations to be considered funded under GASB Statement No. 45 an irrevocable trust fund must be used. Since that would be considered very restrictive, the County did not "fund" the net OPEB obligation, but instead chose to appropriate and set aside an amount approximating the net OPEB obligation in the Self-Insurance Internal Service Fund. Each fund was assessed its share of OPEB costs based on an allocation using the number of employees in the fund divided by the total number of County employees. Assessments were then placed in the Self-Insurance Internal Service Fund. Even though money was set aside to almost offset the net OPEB obligation, the County is not considered to have funded any of the obligation since an irrevocable trust fund was not used. It is the County's intent for future years to set aside an amount equivalent to the annual OPEB cost. The County, however, has no legal or contractual obligation to do so. The status of the plan as of September 30, 2011, was as follows:

Actuarial valuation date	September 30, 2011
Actuarial value of plan assets	\$ -- *
Actuarial accrued liability (AAL)	62,197,000
Unfunded actuarial accrued liability (UAAL)	62,197,000
Actuarial value of plan assets/AAL (funded ratio)	0 % *
Covered payroll (active plan members)	501,910,000
UAAL as a percentage of covered payroll	12.4 % *

* Although \$14.863 million has been set aside in the Self-Insurance Internal Service Fund to more than offset the County's net OPEB obligation of \$8.920 million at September 30, 2011, the amount considered to be funded was zero since an irrevocable trust fund was not established.

The calculation of these actuarial estimates is based on a number of estimates and assumptions, including interest rates on investments, the healthcare cost trend, future employment and average retirement age, life expectancy, and healthcare costs per employee, many of which factors are subject to future economic and demographic variations. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multi-year trend information on whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and

HILLSBOROUGH COUNTY, FLORIDA
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include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The entry age actuarial cost method was used in the September 30, 2011 update of the September 30, 2010 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return, a 4.5% discount rate, a 2.5% inflation rate, and an annual healthcare cost trend rate of 8.5% initially, reduced by 1% per year, to an ultimate rate of 5.5% for fiscal year 2014. The approximate average age of employees is 47, with 13 years of service completed and 12 years of additional service estimated. The actuarial value of the County's assets was determined using the fair value of cash and investments at September 30, 2011. The County's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period used by the County at September 30, 2011, was 30 years.

Note 10 - Interfund Receivable and Payable Balances

Interfund receivable and payable balances at September 30, 2011 are on the following page.

<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
Major Governmental Funds:		
General (BOCC)	General (Sheriff*)	\$ 33,001
	General (Tax Collector*)	21,632
	General (Property Appraiser*)	165
	General (Clerk of Circuit Court*)	1,863
	Intergovernmental Grants	2,897
		<u>59,558</u>
General (Sheriff)	General (BOCC)	189
	Solid Waste Enterprise	293
		<u>482</u>
General (Supervisor of Elections)	General (BOCC) +	<u>454</u>
General (Tax Collector)	General (BOCC)	59
	Sales Tax Revenue	12
	Library	4
		<u>75</u>
General (Clerk of Circuit Court)	General (BOCC)	28
	Countywide Special Purpose	\$ 1

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Notes to the Financial Statements

Interfund Receivable Fund	Interfund Payable Fund	Amounts in Thousands
	County Transportation	\$ 1
	Intergovernmental Grants	1
	Unincorporated Area Special Purpose	1
	Solid Waste Enterprise	15
	Water Enterprise	2
		49
	Total General Fund	60,618
Countywide Special Purpose	Sheriff Special Use*	3,532
	General (Clerk of Circuit Court*)	593
	General (Sheriff*)	11
	General (Tax Collector*)	25
		4,161
Sales Tax Revenue	General (Tax Collector*)	1,555
County Transportation	General (Tax Collector*)	200
Infrastructure Surtax Fixed Project	Sales Tax Revenue**	4,113
Nonmajor Special Revenue Funds:		
Unincorporated Area Special Purpose	General (Tax Collector*)	160
Library	General (Tax Collector*)	855
	General (Property Appraiser*)	5
		860
Supervisor of Elections Grants	General (BOCC)	459
Nonmajor Debt Service Funds:		
1992 Environmentally Sensitive Lands Debt Service	General (Tax Collector*)	101
1993 Parks and Recreation Debt Service	General (Tax Collector*)	29
Total Nonmajor Funds		\$ 1,609

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Notes to the Financial Statements

<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
Major Enterprise Funds:		
Water Enterprise	General (Tax Collector*)	\$ 215
Solid Waste Enterprise	General (Tax Collector*)	1,461
Total interfund payable and receivable balances		\$ 73,932

* These balances represent residual and/or excess fees payable by Constitutional Officers to the Board of County Commissioners at year-end in accordance with Florida Statutes.

** This balance represents the Community Investment Tax receipts payable by the Sales Tax Revenue Fund (where funds are received) to the Infrastructure Surtax Fixed Project Fund (where such funds are spent).

+ This interfund receivable and payable was recorded in exchange for the BOCC holding the Supervisor of Elections cash, cash equivalents, and investments balance.

Note 11 - Transfers In and Out

Interfund transfers in and out during fiscal year 2011 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
Major Governmental Funds:		
General (BOCC)	Sales Tax Revenue**	\$ 79,070
	Countywide Special Purpose	16,798
	Intergovernmental Grants	306
	County Transportation	500
	Unincorporated Area Special Purpose	1,668
	Countywide Capital Projects	1,616
	Unincorporated Capital Projects	8,867
	Fleet Services	3,002
	General (Sheriff*)	32,789
	General (Tax Collector*)	11,651
	General (Property Appraiser*)	165
	General (Supervisor of Elections*)	1,649
	General (Clerk of Circuit Court*)	1,341
	<u>159,422</u>	
General (Sheriff)	General (BOCC)	369,310
	Infrastructure Surtax Project	2,700
	<u>372,010</u>	
General (Tax Collector)	General (BOCC)++	19,898
	Unincorporated Area Special Purpose	112
	Sales Tax Revenue++	144
	County Transportation++	150
	Library++	641
	Parks and Recreation Debt Service++	\$ 30

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Transfers In	Transfers Out	Amounts in Thousands
	Environmentally Sensitive Lands Acquisition Debt Service++	\$ 82
		21,057
General (Property Appraiser)	General (BOCC)++ Library++	10,317 291
	Environmentally Sensitive Lands Acquisition Debt Service++ Parks and Recreation Debt Service++	33 8
		10,649
General (Supervisor of Elections) General (Clerk of Circuit Court)	General (BOCC) General (BOCC) Countywide Special Purpose	9,366 18,952 144
		19,096
	Total General Fund	591,600
Countywide Special Purpose	General (BOCC) Fleet Services Sheriff Special Use*	16,048 13 4,055
		20,116
Intergovernmental Grants	General (BOCC) Infrastructure Surtax Project Unincorporated Area Special Purpose Countywide Special Purpose Environmentally Sensitive Lands Capital Project	5,376 872 680 199 17
		7,144
County Transportation	General (BOCC) Infrastructure Surtax Project Fleet Services General (Tax Collector*)	10,166 (328) 1,851 58
		11,747
Infrastructure Surtax Projects	Sales Tax Revenue+ EPC Facility Acquisition Capital Project	43,204 159
		43,363
 Nonmajor Special Revenue Funds:		
Unincorporated Special Purpose	General (BOCC) Countywide Special Purpose County Transportation	2,342 116 \$ 57

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Notes to the Financial Statements

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
	Library	\$ 113
	Fleet Services	15
	General (Tax Collector*)	44
		<u>2,687</u>
Library	General (Tax Collector*)	248
	General (Property Appraiser*)	5
		<u>253</u>
Civil Service Board	General (BOCC)	<u>2,327</u>
Supervisor of Elections Grants	General (BOCC)	<u>26</u>
Sheriff Special Use	Countywide Special Purpose	<u>6,955</u>
Nonmajor Debt Service Funds:		
Environmentally Sensitive Lands Acquisition	General (BOCC)	728
	Environmentally Sensitive Lands Capital Project	3,222
	General (Tax Collector*)	32
		<u>3,982</u>
Parks and Recreation Debt Service	General (BOCC)	320
	General (Tax Collector*)	11
		<u>331</u>
2006 Capital Improvement Program Refunding Revenue	Countywide Special Purpose	1,133
	Sales Tax Revenue	1,904
		<u>3,037</u>
2006 Museum of Science and Industry (MOSI) and County Center	Sales Tax Revenue	<u>84</u>
1998 Capital Improvement Non-Ad Valorem Revenue	Sales Tax Revenue	<u>1,355</u>
1998 Fuel Tax Refunding Revenue	County Transportation	<u>1,196</u>
4 th Cent Tourist Development Tax	Sales Tax Revenue	<u>1,171</u>
5 th Cent Tourist Development Tax	Sales Tax Revenue	<u>1,783</u>
2005 Court Facilities Improvement	Countywide Special Purpose	<u>2,546</u>
2001 Community Investment Tax	Infrastructure Surtax Project	<u>4,538</u>
2004 Community Investment Tax	Infrastructure Surtax Project	<u>6,412</u>
2007 Community Investment Tax	Infrastructure Surtax Project	<u>16,338</u>
2005 TSA Revenue bonds	Sales Tax Revenue	<u>1,072</u>
US Highway 301 Taxable Notes	County Transportation	<u>\$ 654</u>

HILLSBOROUGH COUNTY, FLORIDA
Notes to the Financial Statements

Transfers In	Transfers Out	Amounts in Thousands
Commercial Paper Program	Countywide Special Purpose	<u>\$ 1,824</u>
 Nonmajor Capital Project Funds:		
Countywide Capital Projects	Countywide Special Purpose	<u>1,626</u>
Unincorporated Capital Projects	General (BOCC) #	<u>9,334</u>
Commercial Paper Capital Project	Sales Tax Revenue	200
	Countywide Special Purpose	<u>111</u>
		<u>311</u>
	Total Nonmajor Funds	<u>69,842</u>
 Major Enterprise Funds:		
Water Enterprise	Unincorporated Area Special Purpose	<u>190</u>
Total interfund transfers in and out		<u>\$ 744,002</u>

* These amounts represent residual and/or excess fees paid by Constitutional Officers to the Board of County Commissioners during fiscal year 2011.

** These amounts represent transfers of Local Government Half-Cent Sales Tax revenues or other revenues from the Sales Tax Revenue Fund to the General Fund for general governmental purposes.

+ This amount represents transfers of Community Investment Tax revenues to the Infrastructure Surtax Projects Fund.

+ + These amounts represent statutory commissions paid to the Tax Collector for collecting taxes and to the Property Appraiser for valuing property.

These amounts represent transfers from the General Fund for purchasing capital assets in capital projects.

During the fiscal year ended September 30, 2011, significant transactions between the Hillsborough County, Florida primary government and the discretely presented component units were as follows: (a) the Law Library Fund sent \$48,000 to the Countywide Special Purpose Fund; and (b) the General Fund sent \$3,663,000 to the Planning Commission. These amounts are classified as miscellaneous revenues and general governmental expenditures, respectively, in the fund financial statements and in a similar manner in the Statement of Activities.

Note 12 - Restricted Net Assets

The County follows GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation, an amendment of GASB Statement No. 34*. This Statement clarified the meaning of restricted net assets and expanded the presentation of net assets in the Statement of Net Assets. Under this Statement, restricted net assets are either: (a) restricted externally, having constraints imposed externally by creditors, such as for debt service or through debt covenant, by grantors, or by law; or (b) restricted by enabling legislation, such as legislation authorizing capital projects, grants and other restricted purposes. The restricted net assets shown on the government-wide Statement of Net Assets are categorized below:

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Restricted Net Assets
September 30, 2011

<i>(Amounts in Thousands)</i>	Governmental Activities	Business-Type Activities	Total Primary Government	Component Units
Restricted externally for:				
Bond covenants or debt service	\$ 28,684	94,647	123,331	6,500
Other purposes	7,645	--	7,645	--
Total externally restricted	<u>36,329</u>	<u>94,647</u>	<u>130,976</u>	<u>6,500</u>
Restricted by enabling legislation:				
Capital projects	44,558	--	44,558	--
Grants and other purposes	265,576	--	265,576	--
Total restricted by enabling legislation	<u>310,134</u>	<u>--</u>	<u>310,134</u>	<u>--</u>
Total restricted net assets	<u>\$ 346,463</u>	<u>94,647</u>	<u>441,110</u>	<u>6,500</u>

The County uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts prohibiting this, such as grant agreements requiring dollar for dollar spending.

Note 13 - Governmental Fund Balances

The County follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as nonspendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. At the County, inventories and prepaid items fall in this category.

Spendable fund balances are classified based on a hierarchy of the County's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation

Committed fund balances are fund balances constrained for specific purposes imposed by the government's own governing bodies, which consist of the Board of County Commissioners and the five Constitutional Officers.

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Assigned fund balances are fund balances intended to be used for specific purposes, but are neither restricted nor committed. The County has no assigned fund balances because the County's governing bodies have not delegated their authority to other parties.

Unassigned fund balance is the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

The fund balance categories of the governmental funds are shown on the face of the Balance Sheet - Governmental Funds in the Fund Financial Statements and are summarized as follows:

Governmental Fund Balances by Category
September 30, 2011

<i>(Amounts in Thousands)</i>	Total Governmental Funds
Nonspendable	\$ 6,663
Spendable:	
Restricted	381,752
Committed	255,755
Unassigned	248,293
Total fund balances	\$ 892,463

The County uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts prohibiting this, such as grant agreements requiring dollar for dollar spending. In addition, the County uses committed prior to assigned fund balances and assigned fund balances prior to unassigned fund balances.

HILLSBOROUGH COUNTY, FLORIDA
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Note 14 - Accounting and Financial Reporting for Risk Financing and Related Insurance Issues

The County engages in self-insurance in the form of internal service funds maintained by both the BOCC and Sheriff. The BOCC self-insurance fund encompasses two major sections--*risk management* and *employee group health insurance*. The Sheriff self-insurance fund covers only *risk management*. Disclosures required by GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, are provided for these self-insurance funds.

Risk Management

The County is exposed to various risks of loss related to injuries to employees; torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters. As permitted by Florida law, the County is substantially self-insured for workers' compensation claims. The BOCC is self-insured for workers' compensation claims up to a maximum of \$350,000 per occurrence with unlimited excess coverage above the self-insurance cap. The BOCC has authorized a commercial third-party administrator to administer the County's automobile, general liability, and workers' compensation claims payments. The Sheriff is self-insured for workers' compensation claims up to a maximum of \$500,000 per occurrence with unlimited excess coverage above the self-insurance cap.

The County is also self-insured against automotive and general liability claims with limited liability per Section 768.28, Florida Statutes, of \$200,000 per person and \$300,000 per occurrence. Negligence claims in excess of the statutory limits can only be recovered through federal lawsuits or acts of the Florida Legislature. While a majority of the County's automotive and general liability exposures are self-insured, the County has commercial insurance contracts to cover the risk of claims determined by the Florida Legislature or federal courts. Commercial insurance for excess automotive and general liability claims above the limits set by Section 768.28, Florida Statutes, has a limit of \$2,000,000 per occurrence with a general aggregate limit of \$5,000,000. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

With the exception of the Sheriff, all County funds including the BOCC and Constitutional Officers participate in the risk management portion of the self-insurance fund. The Sheriff has a separate self-insurance fund for risk management and is not a participant in the BOCC workers' compensation and automotive and general liability programs except for major claims for accidents or other liabilities that arose before October 1, 1992. The Arts Council of Hillsborough County also participates in the BOCC workers' compensation program. The County, however, is the predominant participant in the self-insurance fund.

Payments to the risk management portion of the self-insurance fund are assessed based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a "reserve" (i.e. net assets or equity) for catastrophic losses. That reserve was \$90,917,000 at September 30, 2011. If reserves for workers' compensation and automotive and general liability are included, the total reserve for risk management was \$141,052,000 at September 30, 2011. See the chart of net assets at the end of this note for a description of the unrestricted net assets of the Self-Insurance Fund by category.

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The claims liability reported in the BOCC self-insurance fund at September 30, 2011, for risk management was \$19,931,000. The claims liability reported in the Sheriff Self-Insurance Fund at September 30, 2011, for risk management discounted at a rate of 2%, was \$10,866,000. The BOCC claims liability was presented undiscounted. The Sheriff's undiscounted claims liability was \$11,651,000 at September 30, 2011. These amounts are actuarially determined based on the requirements of GASB Statement No. 10, which specifies that a liability for claims should be reported if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Claims are reevaluated periodically to consider effects of inflation, recent settlement trends, incremental and other claim adjustment expenses regardless of whether allocated to specific claims. The liability is shown net of estimated salvage and subrogation recoveries on unsettled claims. During fiscal years 2010 and 2011, changes recorded to the claims liability for BOCC risk management were as follows:

<u>Fiscal Year</u>	<u>Claims Liability, Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Claims Liability, End of Fiscal Year</u>
2010	\$ 23,640,000	4,476,000	(7,295,000)	20,821,000
2011	20,821,000	7,815,000	(8,705,000)	19,931,000

During fiscal years 2010 and 2011, changes recorded to the claims liability for Sheriff risk management were as follows:

<u>Fiscal Year</u>	<u>Claims Liability, Beginning of Fiscal Year</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Claims Liability, End of Fiscal Year</u>
2010	\$ 9,726,000	1,629,000	(3,458,000)	7,897,000
2011	7,897,000	7,451,000	(4,500,000)	10,848,000

Employee Group Health Insurance

The County provides group health insurance for its employees and their eligible dependents. The County purchased insurance for this risk through September 30, 1993. On October 1, 1993, the County established an employee group health self-insurance plan to account for and finance its uninsured risks of loss. The County entered into an administrative services agreement with a commercial insurance carrier to provide administrative support for this self-insurance plan. The County is self-insured for up to \$500,000 per person annually. Stop-loss insurance was purchased to cover an unlimited lifetime amount per person above the \$500,000 per person deductible.

All County employees may participate in the employee group health insurance program except for those of the Tax Collector and Sheriff. Employees of the Children's Board, Tampa Port Authority, and Arts Council may also participate in the County's employee group health insurance program. The County, however, is the predominant participant in the plan. Payments to the employee group health insurance plan are assessed based on actuarial estimates of the amounts needed to pay current year claims and to establish a "reserve" (i.e. net assets or equity) for catastrophic losses. The employee group health insurance plan equity was \$29,017,000 at September 30, 2011.

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The claims liability reported in the fund at September 30, 2011, for the employee group health insurance plan was \$6,780,000. This amount is actuarially determined based on the requirements of GASB Statement No. 10, which specifies that a liability for claims should be reported if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Claims are reevaluated periodically to consider effects of inflation, recent settlement trends, incremental and other claim adjustment expenses regardless of whether allocated to specific claims. During fiscal years 2010 and 2011, changes recorded to the claims liability for the employee group health insurance plan were as follows:

<u>Fiscal Year</u>	<u>Claims Liability, Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Claims Liability, End of Fiscal Year</u>
2010	\$ 6,266,000	64,138,000	(64,352,000)	6,052,000
2011	6,052,000	61,046,000	(60,318,000)	6,780,000

Net Assets of the Self-Insurance Fund

The Sheriff Risk Management Fund had no net assets at September 30, 2011. The BOCC Self-Insurance Fund had \$176,012,000 in net assets at September 30, 2011 as described below:

BOCC Self-Insurance Net Assets

Invested in capital assets	\$ 1,000
Unrestricted, designated for risk management (catastrophic losses)	90,917,000
Unrestricted, designated for risk management (workers' compensation and auto/general liabilities)	50,135,000
Unrestricted, designated for employee group health insurance	29,017,000
Unrestricted, designated for other postemployment benefits (OPEB)	5,942,000
Total net assets	<u>\$ 176,012,000</u>

Net assets designated for other postemployment benefits represent the net assets for the entire Hillsborough County primary government including employees participating in the BOCC, Tax Collector and Sheriff plans.

Note 15 - Accounting for Municipal Solid Waste Landfill Costs

A. Open Landfill

GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, requires municipal solid waste landfill owners to record a current expense and the related long-term liability for certain future landfill closure and postclosure care costs. GASB Statement No. 18 is based on a U.S. Environmental Protection Agency rule, *Solid Waste Disposal Facility Criteria*, and has two components. The first component establishes closure requirements for landfills receiving

HILLSBOROUGH COUNTY, FLORIDA

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solid waste after October 9, 1991. The second component establishes thirty-year postclosure care requirements for landfills receiving solid waste after October 9, 1993. In addition, the Florida Department of Environmental Protection, through rule 62-701.630, Florida Administrative Code (FAC), establishes certain financial accountability standards related to landfill closure and postclosure care. The County, as an owner and operator of one open landfill, must accumulate financial resources to close the landfill after it stops accepting solid waste and to perform certain postclosure maintenance and monitoring functions at the landfill site for thirty years.

GASB Statement No. 18 requires the County to record a portion of these future closure and postclosure care costs as a current period operating expense and as a long-term liability based on the cumulative amount of landfill capacity consumed as of each balance sheet date. Based on an independent engineer's cost projection at September 30, 2011, County management estimated that the total future closure and postclosure care costs will be \$64,819,000. The County increased its GASB Statement No. 18 liability from the prior year by \$1,055,000 or 1.7%. The actual costs for future landfill closure and postclosure care costs may differ from projections due to changes in price levels, technology, and environmental law.

Of the total cost projection of \$64,819,000, a life-to-date liability of \$31,330,000 was recorded at September 30, 2011 as a part of other long-term debt for business-type activities. See Note 7.D. This liability for future landfill closure and postclosure care costs was determined from the consulting engineer's certification, that 33.27% or 15,410,000 cubic yards of the estimated 46,463,000 cubic yards landfill capacity had been consumed at September 30, 2011. Although only 33.2% of the overall landfill capacity was consumed, a total of 48.3% of the total closure and postclosure costs were reported as a liability because the landfill consists of two separate sections and the calculations were done separately on each section. Section One has total projected closure and postclosure care costs of \$51,383,000 of which 66.8% was consumed. Section Two has total projected closure and postclosure care costs of \$13,436,000 of which only 7.6% was consumed. The County will record the balance of the projected future closure and postclosure care costs of \$33,489,000, as adjusted by future estimated cost revisions, as the remaining landfill capacity is consumed. The County anticipates closing Section One of the landfill in 35 years (fiscal year 2046) and Section Two of the landfill in 65 years (fiscal year 2076). At September 30, 2011, the County had restricted assets of \$30,656,000 to meet future landfill closure and postclosure care obligations.

B. Closed Landfills

The County conducts monitoring and maintenance programs at a number of closed solid waste disposal sites to detect any potential incidents of environmental contamination. If any contamination is detected, the County will submit a plan to the Florida Department of Environmental Protection to remedy the problems discovered. In addition, the County annually reviews the estimates for future remediation and monitoring costs of landfills closed prior to October 9, 1991. At September 30, 2011, the liability for future remediation and monitoring costs of these closed landfill sites was \$5,201,000. The County does not believe that any additional liabilities arising from closed landfill remedial actions would materially affect the County's financial condition.

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C. Fiscal Responsibility for Future Landfill Closure Costs

As required by Subpart H of 40 Code of Federal Regulations, Part 264, as adopted by reference in rule 62-701.630 of the Florida Administrative Code (FAC), the County must annually certify that sufficient financial resources are available to pay future landfill closure and postclosure care costs. The County chose an annual financial test to comply with this requirement. This financial test requires a government to demonstrate that its tangible net worth is at least six times greater than the combined total estimated amount of closure and postclosure care costs as of the balance sheet date. At September 30, 2011, the Hillsborough County BOCC's tangible net worth met the requirements of the annual responsibility test and the County complied with all rule requirements.

D. Sinkhole at Solid Waste Landfill

A sinkhole developed at the Southeast County Landfill on December 14, 2010. Since that date, the County has coordinated with engineering consultants and the Florida Department of Environmental Protection (FDEP) to develop and implement a five-stage remediation plan. Stage 1, the initial injection of grout to stabilize the sinkhole area, was completed on April 1, 2011. Stage 2, which was the cut, fill, and relocation of waste from the sinkhole area, was completed on September 19, 2011. This provided a safe working environment for tests to determine if additional grouting is necessary. Stage 3, the geophysical and geotechnical investigation, was completed in January 2012, with the report to the FDEP to be submitted in March 2012. The current estimated completion date for the entire remediation project with report submittal to the FDEP is August 2012.

Note 16 - Commitments

A. Operating Leases

The County has entered into numerous operating leases. The County's operating lease and rent expenditures as a lessee totaled \$5,227,000 for leased facilities and equipment for the fiscal year ended September 30, 2011. This total included \$2,000 paid by the component units. A majority of these operating leases were for a one-year period. To present the commitment associated with the County's largest operating leases, lease commitments on all operating leases with annual payments during fiscal year 2011 in excess of \$240,000 per year are summarized below.

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<u>Year Ending September 30</u>	<u>Governmental Activities</u>
2012	\$ 2,263,000
2013	1,324,000
2014	1,067,000
2015	689,000
2016	1,266,000
2017-2021	1,559,000
2022-2026	344,000
2027-2031	344,000
Total payments	<u>\$ 8,856,000</u>

Commitments for future noncancellable minimum operating lease receipts were insignificant.

B. Debt-Related Guarantees and Interlocal Agreements

Tampa Sports Authority (TSA). The County and the TSA have entered into a number of interlocal agreements over a period of many years. The city of Tampa and the County have agreed to pay one-third and two-thirds, respectively, of any operation and maintenance cash shortfall as reflected in the TSA’s current annual budget, for as long as any TSA project bonds are outstanding. At September 30, 2011, the County is not obligated on the project bonds issued by the TSA, but makes non-commitment debt service contributions as described in Note 7.K., “Non-Commitment Debt Service Contributions.” See Note 7.K. for more information including project bonds issued by the TSA.

Note 17 - Contingent Liabilities

Impact Fee Offsets

Impact fees were established by the BOCC to fund infrastructure for transportation, rights-of-way, parks, schools, and fire/rescue. These fees are intended to compensate governments such as the County for a portion of the additional costs of providing infrastructure for new real estate developments in the County, rather than assessing existing taxpayers. Florida’s concurrency laws in effect through June 2009 required that developers have infrastructure in place before developing their parcels. Sometimes developers agree to donate additional infrastructure needed by the County in exchange for a credit against impact fees that may be imposed on future development. When the County accepts a donation of infrastructure from a developer, County maintenance of the assets relieves the developer of that responsibility. The County does not report the impact fee offsets as liabilities because they are viewed as reductions of future revenues, which are not yet earned. Impact fees are not due until a certificate of occupancy is issued. Infrastructure contributions are recorded by the County when received.

County Ordinance 01-31 established a program for residential builders, which allowed program participants to pay 75% of any applicable transportation impact fees in installments over a period of time not to exceed twenty years. Installments in the form of annual non-ad valorem special

HILLSBOROUGH COUNTY, FLORIDA

Notes to the Financial Statements

assessments were to be monetized by the issuance of non-County commitment financing. Proceeds from such borrowings were to be paid to the County to fund future transportation capital improvements or used to redeem impact fee offsets—in cases where participation in the time-payment program was used to satisfy a transportation impact fee. Transportation impact fee offsets are not a liability since the conditions under which offsets would have been redeemable in cash, have not been met. Only one transportation assessment unit was established and it was terminated at the end of fiscal year 2011. Since there was minimal public or developer interest in the program, there were not enough special assessments available to allow non-County non-commitment financing to be issued.

Other Contingent Liabilities

Contingent liabilities may arise from any of the following conditions. From the normal course of operations, the County is a defendant or plaintiff in various lawsuits. In the opinion of legal counsel, the resolution of these lawsuits is not likely to have a materially adverse affect on the County's financial condition. Grant funds received or receivable by the County are subject to audit by federal and state grantor agencies and independent auditors. Such audits may result in requests for repayments due to disallowed expenditures. The liability for the remediation and monitoring of closed landfills may increase. See Note 15.B. The Florida Department of Environmental Protection may occasionally cite the County's Water Enterprise Fund operations for accidental environmental infractions. Such accidental infractions and related remediation activities are considered a normal part of Water Enterprise Fund operations. The County believes that contingent liabilities arising from lawsuits, disallowed costs on grants, landfill remediation and monitoring costs, and accidental environmental infractions, if any, would be immaterial.

Note 18 - Subsequent Events: Debt Issued for Governmental Activities

After September 30, 2011, the County rolled over \$231,805,000 of maturing capital improvement commercial paper notes in governmental activities. The County has not issued any fiscal year 2012 new money capital improvement notes to date. The commercial paper notes reissued were as follows: \$52,278,000 in October 2011, \$127,249,000 in November, \$24,139,000 in December, and \$28,139,000 in January 2012.

Note 19 - Changes in Long-Term Debt and Future Debt Service Requirements

Exhibit A is a schedule of changes in long-term debt. Exhibits B through U show future debt service requirements, including sinking fund purchases, for each debt issue described in Note 7, *Long-Term Liabilities*.

EXHIBIT A
HILLSBOROUGH COUNTY, FLORIDA
Schedule of Changes in Long-Term Debt
For the fiscal year ended September 30, 2011
(amounts in thousands)

GOVERNMENTAL ACTIVITIES	Beginning			Ending	Due
Board of County Commissioners	Balance	Additions	Reductions	Balance	Within
					One Year
Bonds payable:					
1998 ELAPP Bonds	\$ 3,540	--	3,540	--	--
1998 Fuel Tax Refunding Revenue Bonds	1,665	--	1,290	375	375
2001A Community Investment Tax					
Bonds (Jail Projects)	38,415	--	1,780	36,635	1,845
Unamortized bond issue discount	(161)	--	(19)	(142)	not applic.
2001B Community Investment Tax					
Bonds (Stormwater Projects)	11,430	--	510	10,920	530
Unamortized bond issue discount	(45)	--	(5)	(40)	not applic.
2002 Parks and Recreation Refunding Bonds	13,355	--	720	12,635	750
Deferred bond refunding losses	(447)	--	(59)	(388)	not applic.
Unamortized bond issue premium	160	--	21	139	not applic.
2003 ELAPP Bonds	1,405	--	1,405	--	--
Deferred bond refunding losses	(6)	--	(6)	--	not applic.
Unamortized bond issue premium	13	--	13	--	not applic.
2004 Community Investment Tax (CIT) Bonds	71,795	--	3,180	68,615	3,295
Unamortized bond issue premium	1,063	--	120	943	not applic.
2005 Tampa Bay Arena Refunding Rev Bonds	15,460	--	665	14,795	685
Deferred bond refunding losses	(351)	--	(40)	(311)	not applic.
Unamortized bond issue premium	187	--	21	166	not applic.
2005 Court Facilities Refunding Rev Bonds	34,150	--	1,125	33,025	1,165
Deferred bond refunding losses	(1,647)	--	(138)	(1,509)	not applic.
Unamortized bond issue premium	28	--	2	26	not applic.
2006 CIP Refunding Rev Bonds	33,750	--	1,805	31,945	1,895
Deferred bond refunding losses	(681)	--	(90)	(591)	not applic.
Unamortized bond issue premium	121	--	16	105	not applic.
2006 Fourth Cent Tourist Dev. Tax Bonds	17,040	--	440	16,600	460
Unamortized bond issue premium	48	--	3	45	not applic.
2006A Fifth Cent Tourist Dev. Tax Bonds	27,125	--	--	27,125	630
Deferred bond refunding losses	(120)	--	(8)	(112)	not applic.
Unamortized bond issue premium	116	--	8	108	not applic.
2007 CIT Revenue Bonds	177,170	--	7,865	169,305	8,240
Unamortized bond issue premium	7,090	--	810	6,280	not applic.
2008 CIP Non Ad-Valorem Refunding Revenue	17,845	--	710	17,135	735
Deferred bond refunding losses	(491)	--	(49)	(442)	not applic.
Unamortized bond issue premium	30	--	3	27	not applic.
2009A ELAPP Bonds	11,305	--	--	11,305	1,185
Unamortized bond issue premium	668	--	138	530	not applic.
2009B ELAPP Bonds	48,125	--	--	48,125	--
Total bonds payable	\$ 529,150	--	25,776	503,374	21,790

(Continued)

EXHIBIT A, Continued
HILLSBOROUGH COUNTY, FLORIDA
Schedule of Changes in Long-Term Debt (Continued)
For the fiscal year ended September 30, 2011
(amounts in thousands)

GOVERNMENTAL ACTIVITIES, Continued	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	\$ 109,802	261,330	234,753	136,379	131,249
Compensated absences payable	31,131	20,028	23,990	27,169	23,836
Net OPEB obligation	7,154	1,767	--	8,921	--
Insurance claims payable	26,873	68,861	69,023	26,711	15,485
Other long-term debt	1,144	1,721	702	2,163	1,014
Total Board of County Commissioners	<u>705,254</u>	<u>353,707</u>	<u>354,244</u>	<u>704,717</u>	<u>193,374</u>
Clerk of Circuit Court					
Compensated absences payable	<u>3,587</u>	<u>2,049</u>	<u>2,372</u>	<u>3,264</u>	<u>2,372</u>
Property Appraiser					
Compensated absences payable	<u>1,264</u>	<u>486</u>	<u>590</u>	<u>1,160</u>	<u>590</u>
Sheriff					
Compensated absences payable	34,012	27,979	31,527	30,464	30,464
Insurance claims payable	7,897	7,451	4,500	10,848	4,500
	<u>41,909</u>	<u>35,430</u>	<u>36,027</u>	<u>41,312</u>	<u>34,964</u>
Supervisor of Elections					
Compensated absences payable	<u>263</u>	<u>184</u>	<u>233</u>	<u>214</u>	<u>214</u>
Tax Collector					
Compensated absences payable	1,753	1,197	1,361	1,589	1,361
Total long-term debt, governmental	<u>\$ 754,030</u>	<u>393,053</u>	<u>394,827</u>	<u>752,256</u>	<u>232,875</u>
BUSINESS-TYPE ACTIVITIES					
Board of County Commissioners					
Bonds payable:					
2001 Refunding Utility Revenue Bonds	\$ 64,255	--	17,105	47,150	18,040
Deferred bond refunding losses	(1,915)	--	(719)	(1,196)	not applic.
Unamortized bond issue premiums	688	--	259	429	not applic.
2006 A & B Solid Waste Revenue Bonds	148,625	--	--	148,625	945
Unamortized bond issue premium	2,549	--	166	2,383	not applic.
2010 A, B, & C Utility Revenue Bonds	--	150,000	--	150,000	--
Unamortized bond issue premium	--	898	169	729	not applic.
Unamortized bond issue discount	--	(659)	(36)	(623)	not applic.
Total bonds payable	<u>214,202</u>	<u>150,239</u>	<u>16,944</u>	<u>347,497</u>	<u>18,985</u>
Compensated absences payable	4,675	2,919	3,435	4,159	3,278
Other long-term debt	34,945	2,260	436	36,769	485
Total long-term debt, business-type	<u>\$ 253,822</u>	<u>155,418</u>	<u>20,815</u>	<u>388,425</u>	<u>22,748</u>

Note: This schedule presents the long-term debt of the Hillsborough County primary government. Business-type activities represent activities reported in the Enterprise Funds adjusted for the elimination of certain Internal Service Service Fund transactions. Governmental activities represent all other activity, i.e. all funds other than Enterprise Funds as adjusted to convert the activity from the modified accrual basis of accounting and financial resources measurement focus to the accrual basis of accounting and economic resources measurement focus.

EXHIBIT B
HILLSBOROUGH COUNTY, FLORIDA
General Obligation Refunding Bonds
(Unincorporated Area Parks and Recreation Program)
Series 2002
Issued August 28, 2002
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 750	579	1,329
2013	780	552	1,332
2014	810	523	1,333
2015	840	490	1,330
2016	880	457	1,337
2017	915	421	1,336
2018	955	382	1,337
2019	995	341	1,336
2020	1,045	293	1,338
2021	1,095	239	1,334
2022	1,155	185	1,340
2023	1,215	127	1,342
2024	585	63	648
2025	615	32	647
	<u>\$ 12,635</u>	<u>4,684</u>	<u>17,319</u>

EXHIBIT C
HILLSBOROUGH COUNTY, FLORIDA
General Obligation Bonds
(Environmentally Sensitive Lands Acquisition and Protection Program)
Series 2009A
Issued December 29, 2009
Debt Service Schedule
(amounts in thousands)

Fiscal Year	Principal	Interest	Total Requirement
2012	\$ 1,185	395	1,580
2013	1,305	371	1,676
2014	1,335	345	1,680
2015	1,400	278	1,678
2016	1,435	243	1,678
2017	1,490	186	1,676
2018	1,550	126	1,676
2019	1,605	72	1,677
	<u>\$ 11,305</u>	<u>2,016</u>	<u>13,321</u>

EXHIBIT D
HILLSBOROUGH COUNTY, FLORIDA
Taxable General Obligation/Build America Bonds
Environmentally Sensitive Lands Acquisition and Protection Program
Series 2009B
Issued December 29, 2009
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ -	2,868	2,868
2013	-	2,868	2,868
2014	-	2,868	2,868
2015	-	2,868	2,868
2016	-	2,868	2,868
2017	-	2,868	2,868
2018	-	2,868	2,868
2019	-	2,868	2,868
2020	1,680	2,868	4,548
2021	1,730	2,786	4,516
2022	1,790	2,699	4,489
2023	1,845	2,608	4,453
2024	1,910	2,515	4,425
2025	1,970	2,419	4,389
2026	2,035	2,319	4,354
2027	2,115	2,197	4,312
2028	2,195	2,070	4,265
2029	2,280	1,938	4,218
2030	2,370	1,802	4,172
2031	2,470	1,654	4,124
2032	2,570	1,499	4,069
2033	2,670	1,339	4,009
2034	2,780	1,172	3,952
2035	2,895	998	3,893
2036	3,015	814	3,829
2037	3,140	623	3,763
2038	3,265	423	3,688
2039	3,400	216	3,616
	<u>\$ 48,125</u>	<u>57,903</u>	<u>106,028</u>

EXHIBIT E
HILLSBOROUGH COUNTY, FLORIDA
Fuel Tax Refunding Revenue Bonds
Series 1998
Issued January 27, 1998
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	<u>\$ 375</u>	<u>11</u>	<u>386</u>

EXHIBIT F
HILLSBOROUGH COUNTY, FLORIDA
Community Investment Tax Revenue Bonds
(Jail Projects)
Series 2001A
Issued October 30, 2001
Debt Service Schedule
(amounts in thousands)

Fiscal Year	Principal	Interest	Total Requirement
2012	\$ 1,845	1,662	3,507
2013	1,930	1,587	3,517
2014	2,000	1,507	3,507
2015	2,090	1,421	3,511
2016	2,180	1,328	3,508
2017	2,285	1,231	3,516
2018	2,385	1,125	3,510
2019	2,495	1,012	3,507
2020	2,620	892	3,512
2021	2,745	766	3,511
2022	2,880	635	3,515
2023	3,010	497	3,507
2024	3,165	351	3,516
2025	3,310	199	3,509
2026	1,695	40	1,735
	\$ 36,635	14,253	50,888

EXHIBIT G
HILLSBOROUGH COUNTY, FLORIDA
Community Investment Tax Revenue Bonds
(Stormwater Projects)
Series 2001B
Issued October 30, 2001
Debt Service Schedule
(amounts in thousands)

Fiscal Year	Principal	Interest	Total Requirement
2012	\$ 530	488	1,018
2013	550	467	1,017
2014	575	443	1,018
2015	595	418	1,013
2016	620	393	1,013
2017	650	365	1,015
2018	680	334	1,014
2019	710	302	1,012
2020	745	268	1,013
2021	780	232	1,012
2022	815	194	1,009
2023	855	154	1,009
2024	895	113	1,008
2025	940	69	1,009
2026	980	23	1,003
	<u>\$ 10,920</u>	<u>4,263</u>	<u>15,183</u>

EXHIBIT H
HILLSBOROUGH COUNTY, FLORIDA
Community Investment Tax Revenue Bonds
Series 2004
Issued August 12, 2004
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 3,295	3,115	6,410
2013	3,425	3,008	6,433
2014	3,560	2,889	6,449
2015	3,705	2,760	6,465
2016	3,870	2,614	6,484
2017	4,050	2,457	6,507
2018	4,235	2,283	6,518
2019	4,425	2,068	6,493
2020	4,645	1,845	6,490
2021	4,880	1,609	6,489
2022	5,125	1,362	6,487
2023	5,385	1,103	6,488
2024	5,670	830	6,500
2025	5,970	543	6,513
2026	6,375	159	6,534
	<u>\$ 68,615</u>	<u>28,645</u>	<u>97,260</u>

EXHIBIT I
HILLSBOROUGH COUNTY, FLORIDA
Tampa Bay Arena Refunding Revenue Bonds
Series 2005
issued June 8,2005
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 685	625	1,310
2013	705	603	1,308
2014	730	579	1,309
2015	755	553	1,308
2016	780	526	1,306
2017	810	496	1,306
2018	835	464	1,299
2019	870	430	1,300
2020	905	395	1,300
2021	940	353	1,293
2022	995	305	1,300
2023	1,045	253	1,298
2024	1,095	200	1,295
2025	1,155	144	1,299
2026	1,210	85	1,295
2027	1,280	27	1,307
	<u>\$ 14,795</u>	<u>6,038</u>	<u>20,833</u>

EXHIBIT J
HILLSBOROUGH COUNTY, FLORIDA
Court Facility Refunding Revenue Bonds
Series 2005
Issued August 23, 2005
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 1,165	1,365	2,530
2013	1,215	1,316	2,531
2014	1,270	1,263	2,533
2015	1,325	1,208	2,533
2016	1,380	1,151	2,531
2017	1,440	1,094	2,534
2018	1,495	1,036	2,531
2019	1,560	974	2,534
2020	1,620	911	2,531
2021	1,690	844	2,534
2022	1,760	773	2,533
2023	1,835	699	2,534
2024	1,910	621	2,531
2025	1,995	538	2,533
2026	2,080	452	2,532
2027	2,170	360	2,530
2028	2,270	263	2,533
2029	2,370	161	2,531
2030	2,475	54	2,529
	<u>\$ 33,025</u>	<u>15,083</u>	<u>48,108</u>

EXHIBIT K
HILLSBOROUGH COUNTY, FLORIDA
Capital Improvement Program Refunding Revenue Bonds
Series 2006
Issued May 3, 2006
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 1,895	1,353	3,248
2013	1,970	1,278	3,248
2014	2,045	1,199	3,244
2015	2,150	1,097	3,247
2016	2,250	994	3,244
2017	2,340	904	3,244
2018	2,430	811	3,241
2019	2,530	714	3,244
2020	2,635	609	3,244
2021	2,745	497	3,242
2022	2,860	381	3,241
2023	2,985	259	3,244
2024	3,110	132	3,242
	<u>\$ 31,945</u>	<u>10,228</u>	<u>42,173</u>

EXHIBIT L
HILLSBOROUGH COUNTY, FLORIDA
Fourth Cent Tourist Development Tax
Refunding and Improvement Revenue Bonds
Series 2006
Issued December 6, 2006
Debt Service Schedule
(amounts in thousands)

Fiscal Year	Principal	Interest	Total Requirement
2012	\$ 460	695	1,155
2013	475	676	1,151
2014	520	645	1,165
2015	550	629	1,179
2016	570	602	1,172
2017	595	574	1,169
2018	620	546	1,166
2019	635	518	1,153
2020	660	491	1,151
2021	685	464	1,149
2022	715	436	1,151
2023	745	407	1,152
2024	775	376	1,151
2025	805	344	1,149
2026	835	310	1,145
2027	855	275	1,130
2028	570	246	816
2029	595	221	816
2030	620	196	816
2031	645	169	814
2032	675	141	816
2033	700	112	812
2034	735	82	817
2035	765	50	815
2036	795	17	812
	<u>\$ 16,600</u>	<u>9,222</u>	<u>25,822</u>

EXHIBIT M
HILLSBOROUGH COUNTY, FLORIDA
Fifth Cent Tourist Development Tax
Refunding and Improvement Revenue Bonds
Series 2006A
Issued December 6, 2006
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 630	1,150	1,780
2013	655	1,122	1,777
2014	685	1,091	1,776
2015	720	1,059	1,779
2016	750	1,027	1,777
2017	785	992	1,777
2018	820	956	1,776
2019	855	920	1,775
2020	890	886	1,776
2021	925	849	1,774
2022	960	811	1,771
2023	1,000	772	1,772
2024	1,040	731	1,771
2025	1,085	687	1,772
2026	1,130	641	1,771
2027	1,175	594	1,769
2028	1,220	543	1,763
2029	1,270	488	1,758
2030	1,325	431	1,756
2031	1,380	373	1,753
2032	1,440	310	1,750
2033	1,500	247	1,747
2034	1,560	179	1,739
2035	1,630	110	1,740
2036	1,695	37	1,732
	<u>\$ 27,125</u>	<u>17,006</u>	<u>44,131</u>

EXHIBIT N
HILLSBOROUGH COUNTY, FLORIDA
Community Investment Tax Revenue Bonds
Series 2007
Issued October 31, 2007
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 8,240	8,030	16,270
2013	8,540	7,695	16,235
2014	8,860	7,302	16,162
2015	9,290	6,849	16,139
2016	9,740	6,373	16,113
2017	10,200	5,874	16,074
2018	10,690	5,352	16,042
2019	11,240	4,804	16,044
2020	11,810	4,228	16,038
2021	12,395	3,622	16,017
2022	13,020	2,987	16,007
2023	13,665	2,371	16,036
2024	14,240	1,725	15,965
2025	14,935	995	15,930
2026	12,440	311	12,751
	<u>\$ 169,305</u>	<u>68,518</u>	<u>237,823</u>

EXHIBIT O
HILLSBOROUGH COUNTY, FLORIDA
Capital Improvement Non-Ad Valorem Refunding Revenue Bonds
(Warehouse and Sheriff's Facilities Project)
Series 2008
Issued May 7, 2008
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 735	703	1,438
2013	760	679	1,439
2014	785	653	1,438
2015	810	625	1,435
2016	845	597	1,442
2017	875	566	1,441
2018	905	533	1,438
2019	945	496	1,441
2020	980	459	1,439
2021	1,020	419	1,439
2022	1,060	377	1,437
2023	1,105	332	1,437
2024	1,155	284	1,439
2025	1,205	233	1,438
2026	1,260	179	1,439
2027	1,315	122	1,437
2028	1,375	63	1,438
	<u>\$ 17,135</u>	<u>7,320</u>	<u>24,455</u>

EXHIBIT P
HILLSBOROUGH COUNTY, FLORIDA
Junior Lien Refunding Utility Revenue Bonds
Series 2001
Issued May 17, 2001
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 18,040	2,583	20,623
2013	9,035	1,592	10,627
2014	9,575	1,095	10,670
2015	10,500	570	11,070
	<u>\$ 47,150</u>	<u>5,840</u>	<u>52,990</u>

EXHIBIT Q
HILLSBOROUGH COUNTY, FLORIDA
Solid Waste Resource Recovery Enterprise Fund
Solid Waste Resource Recovery Bonds
Series 2006A
Issued November 14, 2006
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ 945	5,194	6,139
2013	-	5,156	5,156
2014	3,025	5,156	8,181
2015	-	5,005	5,005
2016	1,900	5,005	6,905
2017	4,800	4,910	9,710
2018	5,035	4,670	9,705
2019	5,290	4,417	9,707
2020	5,555	4,153	9,708
2021	5,830	3,875	9,705
2022	6,125	3,584	9,709
2023	6,430	3,277	9,707
2024	6,750	2,956	9,706
2025	7,090	2,618	9,708
2026	7,445	2,264	9,709
2027	-	1,892	1,892
2028	-	1,892	1,892
2029	-	1,892	1,892
2030	2,175	1,892	4,067
2031	9,320	1,794	11,114
2032	9,740	1,375	11,115
2033	10,175	936	11,111
2034	10,635	479	11,114
	<u>\$ 108,265</u>	<u>74,392</u>	<u>182,657</u>

EXHIBIT R
HILLSBOROUGH COUNTY, FLORIDA
Solid Waste Resource Recovery Enterprise Fund
Solid Waste Resource Recovery Bonds
Series 2006B
Issued November 14, 2006
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ -	1,841	1,841
2013	2,070	1,841	3,911
2014	-	1,758	1,758
2015	4,355	1,758	6,113
2016	2,670	1,540	4,210
2017	-	1,407	1,407
2018	-	1,407	1,407
2019	-	1,407	1,407
2020	-	1,407	1,407
2021	-	1,407	1,407
2022	-	1,407	1,407
2023	-	1,407	1,407
2024	-	1,407	1,407
2025	-	1,407	1,407
2026	-	1,407	1,407
2027	7,815	1,407	9,222
2028	8,170	1,055	9,225
2029	8,535	688	9,223
2030	6,745	303	7,048
	<u>\$ 40,360</u>	<u>26,261</u>	<u>66,621</u>

EXHIBIT S
HILLSBOROUGH COUNTY, FLORIDA
Utility Revenue Bonds
Series 2010A
(Tax Exempt)
Issued November 16, 2010
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2012	\$ -	534	534
2013	2,355	534	2,889
2014	2,425	464	2,889
2015	2,500	391	2,891
2016	2,575	316	2,891
2017	2,635	258	2,893
2018	2,740	153	2,893
2019	2,805	84	2,889
	<u>\$ 18,035</u>	<u>2,734</u>	<u>20,769</u>

EXHIBIT T
HILLSBOROUGH COUNTY, FLORIDA
Utility Revenue Bonds
Series 2010B
(Federally Taxable-Build America Bonds Direct Payment)
Issued November 16, 2010
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Less 35% Subsidy</u>	<u>Total Requirement</u>
2012	\$ -	5,637	1,973	3,664
2013	-	5,637	1,973	3,664
2014	-	5,637	1,973	3,664
2015	-	5,637	1,973	3,664
2016	-	5,637	1,973	3,664
2017	-	5,637	1,973	3,664
2018	-	5,637	1,973	3,664
2019	-	5,637	1,973	3,664
2020	4,675	5,637	1,973	8,339
2021	4,790	5,457	1,910	8,337
2022	4,920	5,263	1,842	8,341
2023	5,050	5,056	1,770	8,336
2024	5,195	4,837	1,693	8,339
2025	5,350	4,598	1,609	8,339
2026	5,515	4,341	1,519	8,337
2027	5,695	4,065	1,423	8,337
2028	5,885	3,775	1,321	8,339
2029	6,085	3,469	1,214	8,340
2030	6,295	3,146	1,101	8,340
2031	6,515	2,806	982	8,339
2032	6,750	2,448	857	8,341
2033	6,990	2,077	727	8,340
2034	7,240	1,692	592	8,340
2035	7,495	1,294	453	8,336
2036	7,770	878	307	8,341
2037	8,050	445	156	8,339
	<u>\$ 110,265</u>	<u>106,380</u>	<u>37,233</u>	<u>179,412</u>

EXHIBIT U
HILLSBOROUGH COUNTY, FLORIDA
Utility Revenue Bonds
Series 2010C
(Federally Taxable-Recovery Zone Economic-
Development Bonds Direct Payment)
Issued November 16, 2010
Debt Service Schedule
(amounts in thousands)

Fiscal Year	Principal	Interest	Less 45% Subsidy	Total Requirement
2012	\$ -	1,269	571	698
2013	-	1,269	571	698
2014	-	1,269	571	698
2015	-	1,269	571	698
2016	-	1,269	571	698
2017	-	1,269	571	698
2018	-	1,269	571	698
2019	-	1,269	571	698
2020	-	1,269	571	698
2021	-	1,269	571	698
2022	-	1,269	571	698
2023	-	1,269	571	698
2024	-	1,269	571	698
2025	-	1,269	571	698
2026	-	1,269	571	698
2027	-	1,269	571	698
2028	-	1,269	571	698
2029	-	1,269	571	698
2030	-	1,269	571	698
2031	-	1,269	571	698
2032	-	1,269	571	698
2033	-	1,269	571	698
2034	-	1,269	571	698
2035	-	1,269	571	698
2036	-	1,269	571	698
2037	-	1,269	571	698
2038	7,005	1,269	571	7,703
2039	7,230	860	387	7,703
2040	7,465	449	203	7,711
	<u>\$ 21,700</u>	<u>35,572</u>	<u>16,007</u>	<u>41,265</u>

HILLSBOROUGH COUNTY, FLORIDA
Infrastructure Condition and Maintenance Data
For the Fiscal Year Ended September 30, 2011
(Required Supplementary Information)

Hillsborough County maintains a comprehensive network of transportation-related infrastructure assets. At September 30, 2011 these infrastructure assets included:

- 7,006 traffic lane-miles
- 3,003 miles of curbs
- 3,498 miles of road shoulders
- 4,052 miles of markings
- 16,037 pavement legends
- 212 miles of dividers
- 30 miles of guard railing
- 188 railroad crossings
- 1,759 pedestrian crossings
- 2,780 speed humps
- 16,928 intersections
- 2,452 miles of sidewalks
- 14 miles of sidewalk handrails
- 21,739 sidewalk ramps for the disabled
- 113,000 signs
- 706 pedestrian poles
- 254 bridges
- 491 box culverts
- 6.29 million linear feet of culverts
- 26,312 curb inlets
- 7,146 ditch bottom inlets
- 1,657 grate top inlets
- 6,981 stormwater manholes
- 2,536 control structures
- 340 junction boxes
- 79 sea walls
- 33 stormwater lift stations
- 86,819 end treatments including head walls

To maximize the life of its infrastructure assets with the least overall cost, the County developed the Hillsborough County Asset Management System to record the quantity, location, and condition of each infrastructure asset managed by the Public Works Department using a highly accurate Geographic Information System map of the County. The County developed comprehensive asset condition data and entered the data into a centralized database system housed on a countywide computer system. With its various software modules, the system is used to plan multi-decade preventive maintenance and to prioritize replacement schedules based on customized asset-deterioration models, which enable the County to cost-effectively extend the useful lives of infrastructure assets.

During fiscal year 2001, the County implemented Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, with *retroactive* reporting of all major general government infrastructure assets. To reflect the County’s commitment to preserve and maintain infrastructure assets, the County selected the *modified approach* for the accounting of those assets. Under the modified approach, the County recorded infrastructure assets at estimated original cost, but did not record accumulated depreciation against these assets. Instead of recording depreciation, the County is committed to incur the maintenance expenses necessary to (a) preserve infrastructure at a condition of *fair* or higher on a scale from *failed*, *poor*, *fair*, and *good* to *excellent* and (b) preserve its paved roadway lane miles at an overall average of 55 or more on the American Society for Testing and Materials (ASTM) pavement condition index. This index has a scale of 0 to 100, with 100 as the highest level. A *failed* infrastructure asset is one whose condition is deemed unsafe and should be repaired or replaced immediately. An *excellent* infrastructure asset is one that is newly constructed and functioning as intended. Improvements that lengthen the lives of infrastructure assets are not recorded unless they increase capacity or service potential, in which case they are recorded as additions to infrastructure at original cost. Therefore, resurfacing done to existing streets is not capitalized, but is treated as a maintenance expenditure under the modified approach.

The County conducts periodic physical condition assessments and theoretical deterioration modeling covering all assets once every three years to determine whether infrastructure assets are being maintained at the levels required. The condition of the County’s infrastructure including its paved roadway subset is provided in the chart below.

Hillsborough County, Florida Infrastructure Condition Assessment Results			
	September 30, 2011	September 30, 2010	September 30, 2009
Infrastructure	at or above fair	at or above fair	at or above fair
Paved roadway subset	75.1	78.9	78.4

Prior to 2008, the County established a commitment to maintain and preserve its paved roadway lane miles at an overall average of 6 to 7 based on an Overall Condition Index of 0 to 10. On September 17, 2008, the Hillsborough County BOCC adopted the standard to preserve its paved roadway lane miles at an overall average ASTM International Standard Practice for Pavement Condition Index Surveys, D-6433-03 condition index of 55 or more. The condition index of 55 on the new 100-point scale is considered to be equivalent to 6 to 7 on the previous scale, so the change in condition index is not expected to change estimated maintenance/preservation costs. The County spends the amount necessary to maintain its infrastructure assets at or above its condition levels of fair and 55. As a measure of County’s maintenance efforts, the following chart shows estimated and actual infrastructure maintenance expenditures. These infrastructure maintenance costs consist of: all personnel and operating costs within the physical environment function used for flood control by the Public Works Department; all personnel and operating costs within the transportation function used for road and street facilities by the Public Works Department; as well as road resurfacing and roadway landscaping costs.

Hillsborough County, Florida Estimated Versus Actual Infrastructure Maintenance and Preservation Costs (amounts in millions)					
	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007
Estimate	\$ 77.1	\$ 85.7	\$ 84.8	\$ 86.7	\$ 96.5
Actual	\$ 69.4	\$ 81.2	\$ 83.9	\$ 78.3	\$ 94.4

By using the modified approach, the County’s accounting practices for infrastructure assets are in harmony with the County’s plans for maintaining its infrastructure at the least overall cost over individual asset life cycles.

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Funding Progress for
Postemployment Benefits Other Than Pensions (OPEB)
(Required Supplementary Information)

Amounts in thousands

	9/30/09	9/30/10	9/30/11
Actuarial valuation date	9/30/09	9/30/10	9/30/11
Actuarial value of plan assets [a]	\$ --	--	--
Actuarial accrued liability (AAL) – entry age method [b]	60,978	63,944	62,197
Unfunded actuarial accrued liability (UAAL) [b-a]	60,978	63,944	62,197
Actuarial value of plan assets/AAL (funded ratio) [a/b]	0 %	0 %	0 %
Annual covered payroll (active plan members) [c]	\$ 541,162	\$ 520,719	\$ 501,910
UAAL as a percentage of covered payroll [(b-a)/c]	11.3 %	12.3 %	12.4 %

The County provides the following health-related benefits to retirees and certain other employees: (a) The County is required by Florida Statute 112.0801 to allow retirees and certain other former employees to buy healthcare coverage at the same “group insurance rates” that current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an “implicit subsidy” for retirees. (b) The County offers a monthly stipend of \$5 for each year of service up to a maximum benefit of \$150 per month. The stipend is payable to regular retired employees from ages 62 to 65 and to special risk retired employees from ages 55 to 65. The stipend is to be used to offset the cost of health insurance. Although the implicit subsidy is required by state law when healthcare is offered as an employee benefit, the stipend may be cancelled at any time.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The entry age actuarial cost method was used in the September 30, 2011 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return and an annual healthcare cost trend rate of 9.5% initially, reduced by 1% per year, to ultimate rate of 5.5% for fiscal year 2014. The approximate average age of employees is 47, with 13 years of service completed and 12 years of additional service estimated. The actuarial value of the County’s assets was determined using the fair value of cash and investments at September 30, 2011. The County’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period used by the County at September 30, 2011, was 30 years.

Although \$14.863 million were set aside for OPEB in an internal service fund, which exceeded the net OPEB obligation for September 30, 2011, by \$5.943 million, the amount considered to be “funded” was zero since an irrevocable trust fund was not established.

If the amounts of cash, investments, and receivables set aside in the Self-Insurance Internal Service Fund were considered “funded,” the actuarial value of plan assets at September 30, 2011 would have been \$14.863 million, which would have led to an unfunded actuarial accrued liability of \$47.334 million, a funded ratio of 23.9%, and an unfunded actuarial accrued liability as a percentage of covered payroll of 9.4%. Although the net OPEB liability was not funded at September 30, 2011, if the resources set aside had been funded in an irrevocable trust fund, it would have shown that the County had more than offset its net OPEB obligation and was making progress in offsetting its unfunded actuarial accrued liability.

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

GENERAL FUND BY CATEGORY

The seven categories shown below together represent the General Fund, the primary operating fund of the County.

General Fund–Countywide – To account for the revenues and expenditures of the Countywide portion of the General Fund—which are activities that benefit all County residents. Countywide activities include Administration, Business Support Services, Animal Services, Consumer Protection, County Attorney, Economic Development, Emergency Management, Family and Aging Services, Parks, Recreation and Conservation, Public Works, the Environmental Protection Commission, and certain payments to the court system, Constitutional Officers, and nonprofit agencies.

General Fund–Unincorporated Area – To account for the revenues and expenditures of the Unincorporated Area portion of the General Fund—which are activities that benefit County residents who do not live in the three municipalities (Tampa, Plant City or Temple Terrace). Unincorporated Area activities include Affordable Housing, Code Enforcement, Fire Rescue, Planning and Growth Management, Parks and Recreation, Public Works, and certain payments to Constitutional Officers.

General Fund–Sheriff – To account for the revenues and expenditures necessary to carry out the duties and obligations of the Sheriff as specified in Section 30.15, Florida Statutes. The funds for the Sheriff's operation are received from the BOCC pursuant to Section 30.49, Florida Statutes.

General Fund–Tax Collector – To account for revenues and expenditures of the Tax Collector pursuant to Section 197, Florida Statutes.

General Fund–Property Appraiser – To account for revenues and expenditures of the Property Appraiser in the performance of Constitutional responsibilities. These responsibilities include determining the taxable value of all real and tangible property within the County, maintaining associated financial and property records, and providing the Tax Collector with the certified value of real and tangible property and tax millages levied by the respective taxing authorities.

General Fund–Supervisor of Elections – To account for revenues and expenditures of the Supervisor of Elections in the performance of Constitutional responsibilities pursuant to Chapters 100, 101, and 102, Florida Statutes. The funds for the Supervisor of Elections' operation are received from the BOCC pursuant to Section 129.202, Florida Statutes.

General Fund–Clerk of Circuit Court – To account for revenues and expenditures of the Clerk of Circuit Court whose responsibilities include: County recorder for official records of Hillsborough County; accountant for the BOCC, custodian of all County funds, County auditor, and keeping BOCC records and meeting minutes as ex-officio Clerk to the Board of County Commissioners; as well as court-related activities that are not accounted for in the “Clerk of Circuit Court - Court Operations and Public Records Fund.”

HILLSBOROUGH COUNTY, FLORIDA
General Fund by Category
Combining Balance Sheet
September 30, 2011
(amounts in thousands)

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 24,865	25,056	47,555	28,538
Investments	76,104	76,737	80	44
Accounts receivable, net	11	4,057	6	18
Interest receivable	271	272	--	--
Delinquent ad valorem taxes receivable	1,082	476	--	--
Due from other funds	45,990	13,568	482	75
Due from other governmental units	81	2,082	401	45
Inventories	675	970	--	--
Other assets	--	--	--	--
Total assets	<u>149,079</u>	<u>123,218</u>	<u>48,524</u>	<u>28,720</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	4,716	1,535	2,860	106
Accrued liabilities	1,286	1,840	10,278	561
Due to other funds	1,091	98	33,012	26,233
Due to other governmental units	1,070	--	2,374	1,399
Deferred revenue	7,311	3,404	--	421
Deposits held	8	--	--	--
Total liabilities	<u>15,482</u>	<u>6,877</u>	<u>48,524</u>	<u>28,720</u>
FUND BALANCES				
Nonspendable:				
Inventories	675	970	--	--
Unassigned	132,922	115,371	--	--
Total fund balances	<u>133,597</u>	<u>116,341</u>	<u>--</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 149,079</u>	<u>123,218</u>	<u>48,524</u>	<u>28,720</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
501	--	4,149	130,664
22	--	633	153,620
--	--	--	4,092
--	--	--	543
--	--	--	1,558
--	454	49	60,618
--	--	307	2,916
--	--	--	1,645
--	--	2	2
<u>523</u>	<u>454</u>	<u>5,140</u>	<u>355,658</u>

--	384	993	10,594
319	70	920	15,274
170	--	2,456	63,060
34	--	771	5,648
--	--	--	11,136
--	--	--	8
<u>523</u>	<u>454</u>	<u>5,140</u>	<u>105,720</u>

--	--	--	1,645
--	--	--	248,293
--	--	--	249,938
<u>523</u>	<u>454</u>	<u>5,140</u>	<u>355,658</u>

HILLSBOROUGH COUNTY, FLORIDA
General Fund by Category
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
September 30, 2011
(amounts in thousands)

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
Revenues:				
Taxes--ad valorem property taxes	\$ 356,095	166,988	--	--
Taxes--other	1,577	25,873	--	--
Licenses, permits, special assessments	568	48	--	--
Intergovernmental--state shared revenues	5,714	14,223	--	--
Intergovernmental--grants	77	--	1,666	--
Charges for services	57,672	19,130	3,066	14,616
Fines and forfeitures	37	3,346	--	--
Interest	2,331	1,450	201	44
Miscellaneous	6,012	933	373	231
Total revenues	<u>430,083</u>	<u>231,991</u>	<u>5,306</u>	<u>14,891</u>
Expenditures:				
Current:				
General government	63,544	14,184	14,192	23,718
Public safety	6,743	116,467	317,765	--
Physical environment	11,820	8,167	--	--
Transportation	162	--	--	--
Economic environment	13,272	1,056	--	--
Human services	41,973	--	--	--
Culture and recreation	12,171	26,394	--	--
Capital outlay	851	87	13,208	186
Total expenditures	<u>150,536</u>	<u>166,355</u>	<u>345,165</u>	<u>23,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>279,547</u>	<u>65,636</u>	<u>(339,859)</u>	<u>(9,013)</u>
Other financing sources (uses):				
Transfers in	77,854	81,568	372,010	21,057
Transfers out	(341,381)	(133,129)	(32,789)	(12,044)
Sales of capital assets	1,137	--	638	--
Total other financing sources (uses)	<u>(262,390)</u>	<u>(51,561)</u>	<u>339,859</u>	<u>9,013</u>
Net change in fund balances	17,157	14,075	--	--
Fund balances, beginning of year	116,462	101,915	--	--
Increase (decrease) in nonspendable fund balances	(22)	351	--	--
Fund balances, end of year	<u>\$ 133,597</u>	<u>116,341</u>	<u>--</u>	<u>--</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
--	--	--	523,083
--	--	--	27,450
--	--	--	616
--	--	--	19,937
--	--	2,451	4,194
2,153	--	4,676	101,313
--	--	--	3,383
4	--	147	4,177
22	--	--	7,571
<u>2,179</u>	<u>--</u>	<u>7,274</u>	<u>691,724</u>
12,545	7,268	23,419	158,870
--	--	--	440,975
--	--	--	19,987
--	--	--	162
--	--	--	14,328
--	--	--	41,973
--	--	--	38,565
113	449	1,610	16,504
<u>12,658</u>	<u>7,717</u>	<u>25,029</u>	<u>731,364</u>
<u>(10,479)</u>	<u>(7,717)</u>	<u>(17,755)</u>	<u>(39,640)</u>
10,649	9,366	19,096	591,600
(170)	(1,649)	(1,341)	(522,503)
--	--	--	1,775
<u>10,479</u>	<u>7,717</u>	<u>17,755</u>	<u>70,872</u>
--	--	--	31,232
--	--	--	218,377
--	--	--	329
<u>--</u>	<u>--</u>	<u>--</u>	<u>249,938</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Countywide
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 373,802	373,802	356,095	(17,707)
Taxes--other	1,596	1,596	1,577	(19)
Licenses, permits, special assessments	545	545	568	23
Intergovernmental--state shared revenues	5,445	5,445	5,714	269
Intergovernmental--grants	75	93	77	(16)
Charges for services	59,050	59,189	57,672	(1,517)
Fines and forfeitures	82	82	37	(45)
Interest	4,658	4,658	2,331	(2,327)
Miscellaneous	4,289	4,289	6,012	1,723
Total revenues	<u>449,542</u>	<u>449,699</u>	<u>430,083</u>	<u>(19,616)</u>
Expenditures:				
Current:				
General government	67,576	67,635	63,544	4,091
Public safety	7,249	7,279	6,743	536
Physical environment	12,683	12,683	11,820	863
Transportation	176	176	162	14
Economic environment	14,137	15,543	13,272	2,271
Human services	45,633	45,604	41,973	3,631
Culture and recreation	13,792	13,792	12,171	1,621
Capital outlay	906	915	851	64
Total expenditures	<u>162,152</u>	<u>163,627</u>	<u>150,536</u>	<u>13,091</u>
Excess (deficiency) of revenues over (under) expenditures	<u>287,390</u>	<u>286,072</u>	<u>279,547</u>	<u>(6,525)</u>
Other financing sources (uses):				
Transfers in	61,825	64,244	77,854	13,610
Transfers out	(347,314)	(347,437)	(341,381)	6,056
Sales of capital assets			1,137	1,137
Budgetary reserves	(91,886)	(92,864)	--	92,864
Budget allowance	(22,600)	(22,600)	--	22,600
Total other financing sources (uses)	<u>(399,975)</u>	<u>(398,657)</u>	<u>(262,390)</u>	<u>136,267</u>
Net change in fund balances	(112,585)	(112,585)	17,157	129,742
Fund balances, beginning of year	112,585	112,585	116,462	3,877
Decrease in nonspendable fund balances	--	--	(22)	(22)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>133,597</u>	<u>133,597</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Unincorporated Area
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 174,577	174,577	166,988	(7,589)
Taxes--other	24,376	24,376	25,873	1,497
Licenses, permits, special assessments	44	45	48	3
Intergovernmental--state shared revenues	13,315	13,315	14,223	908
Charges for services	20,241	20,241	19,130	(1,111)
Fines and forfeitures	3,738	3,738	3,346	(392)
Interest	3,105	3,105	1,450	(1,655)
Miscellaneous	557	557	933	376
Total revenues	<u>239,953</u>	<u>239,954</u>	<u>231,991</u>	<u>(7,963)</u>
Expenditures:				
Current:				
General government	15,550	15,516	14,184	1,332
Public safety	122,583	122,690	116,467	6,223
Physical environment	8,638	8,637	8,167	470
Economic environment	1,216	1,399	1,056	343
Human services	--	11	--	11
Culture and recreation	30,146	30,193	26,394	3,799
Capital outlay	108	108	87	21
Total expenditures	<u>178,241</u>	<u>178,554</u>	<u>166,355</u>	<u>12,199</u>
Excess (deficiency) of revenues over (under) expenditures	<u>61,712</u>	<u>61,400</u>	<u>65,636</u>	<u>4,236</u>
Other financing sources (uses):				
Transfers in	75,049	76,936	81,568	4,632
Transfers out	(133,555)	(133,555)	(133,129)	426
Budgetary reserves	(85,539)	(87,114)	--	87,114
Budget allowance	(12,141)	(12,141)	--	12,141
Total other financing sources (uses)	<u>(156,186)</u>	<u>(155,874)</u>	<u>(51,561)</u>	<u>104,313</u>
Net change in fund balances	(94,474)	(94,474)	14,075	108,549
Fund balances, beginning of year	94,474	94,474	101,915	7,441
Increase in nonspendable fund balances	--	--	351	351
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>116,341</u>	<u>116,341</u>

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Sheriff (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ --	--	1,569	1,569
Interest	--	--	201	201
Miscellaneous	--	--	1,010	1,010
Total revenues	<u>--</u>	<u>--</u>	<u>2,780</u>	<u>2,780</u>
Expenditures:				
Current:				
General government	14,434	14,984	14,192	792
Public safety	347,510	340,410	315,332	25,078
Capital outlay	7,366	13,916	9,777	4,139
Total expenditures	<u>369,310</u>	<u>369,310</u>	<u>339,301</u>	<u>30,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(369,310)</u>	<u>(369,310)</u>	<u>(336,521)</u>	<u>32,789</u>
Other financing sources (uses):				
Transfers in	369,310	369,310	369,310	--
Transfers out	--	--	(32,789)	(32,789)
Total other financing sources (uses)	<u>369,310</u>	<u>369,310</u>	<u>336,521</u>	<u>(32,789)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>
To convert to GAAP basis:				
Add intergovernmental grants			1,666	
Add contract-related charges for services			1,496	
Decrease miscellaneous revenue			(638)	
Add proceeds from the sale of capital assets			638	
Increase public safety and general government expenditures			(2,431)	
Decrease capital outlay			(3,431)	
Add transfers in for Sheriff's vehicles			2,700	
Fund balances, end of year--GAAP basis			<u>\$ --</u>	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Tax Collector (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 13,851	13,851	14,616	765
Interest	30	30	44	14
Miscellaneous	196	196	231	35
Total revenues	14,077	14,077	14,891	814
Expenditures:				
Current:				
General government	23,207	23,375	22,318	1,057
Capital outlay	--	204	186	18
Total expenditures	23,207	23,579	22,504	1,075
Excess (deficiency) of revenues over (under) expenditures	(9,130)	(9,502)	(7,613)	1,889
Other financing sources (uses):				
Transfers in	22,184	22,184	21,057	(1,127)
Transfers out	(11,727)	(11,393)	(12,044)	(651)
Distribution of excess fees	(1,327)	(1,289)	(1,400)	(111)
Total other financing sources (uses)	9,130	9,502	7,613	(1,889)
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year--budgetary basis	\$ --	--	--	--
To convert to GAAP basis:				
Reduce distribution of excess fees			1,400	
Increase general government expenditures			(1,400)	
Fund balances, end of year--GAAP basis			\$ --	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Property Appraiser (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 969	969	1,145	176
Interest	--	--	4	4
Miscellaneous	--	--	22	22
Total revenues	969	969	1,171	202
Expenditures:				
Current:				
General government	11,618	11,505	11,503	2
Capital outlay	--	113	113	--
Total expenditures	11,618	11,618	11,616	2
Excess (deficiency) of revenues over (under) expenditures	(10,649)	(10,649)	(10,445)	204
Other financing sources (uses):				
Transfers in	10,649	10,649	10,649	--
Transfers out	--	--	(170)	(170)
Distribution of excess fees	--	--	(34)	(34)
Total other financing sources (uses)	10,649	10,649	10,445	(204)
	--			
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year--budgetary basis	\$ --	--	--	--
Add end of year fund balances from non-annually appropriated projects				
To convert to GAAP basis:				
Reduce distribution of excess fees			34	
Increase general government expenditures			(34)	
Revenues from certain governments not budgeted			1,008	
Expenditures from certain governments not budgeted			(1,008)	
Fund balances, end of year--GAAP basis			\$ --	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Supervisor of Elections
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ 9,073	7,268	7,268	--
Capital outlay	293	449	449	--
Total expenditures	9,366	7,717	7,717	--
Excess (deficiency) of revenues over (under) expenditures	(9,366)	(7,717)	(7,717)	--
Other financing sources (uses):				
Transfers in	9,366	9,366	9,366	--
Transfers out	--	(1,649)	(1,649)	--
Total other financing sources (uses)	9,366	7,717	7,717	--
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	\$ --	--	--	--

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Clerk of Circuit Court
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental--grants	\$ 1,488	2,636	2,451	(185)
Charges for services	5,883	5,308	4,676	(632)
Interest	207	802	147	(655)
Total revenues	7,578	8,746	7,274	(1,472)
Expenditures:				
Current:				
General government	26,118	25,533	23,419	2,114
Capital outlay	433	2,004	1,610	394
Total expenditures	26,551	27,537	25,029	2,508
Excess (deficiency) of revenues over (under) expenditures	(18,973)	(18,791)	(17,755)	1,036
Other financing sources (uses):				
Transfers in	19,096	19,096	19,096	--
Transfers out	(123)	(305)	(1,341)	(1,036)
Total other financing sources (uses)	18,973	18,791	17,755	(1,036)
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balance, end of year	\$ --	--	--	--

HILLSBOROUGH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds by Fund Type
September 30, 2011
(amounts in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 41,663	6,717	31,997	80,377
Investments	78,488	20,578	97,996	197,062
Accounts receivable, net	551	6	--	557
Interest receivable	278	74	348	700
Delinquent ad valorem taxes receivable	104	16	--	120
Due from other funds	1,479	130	--	1,609
Due from other governmental units	20	--	--	20
Inventories	232	--	--	232
Total assets	<u>122,815</u>	<u>27,521</u>	<u>130,341</u>	<u>280,677</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	1,869	--	1,089	2,958
Accrued liabilities	914	--	--	914
Due to other funds	3,537	--	--	3,537
Due to other governmental units	648	--	--	648
Deferred revenue	791	97	--	888
Total liabilities	<u>7,759</u>	<u>97</u>	<u>1,089</u>	<u>8,945</u>
FUND BALANCES				
Nonspendable:				
Inventories	232	--	--	232
Restricted for:				
Bond covenants or debt service	--	27,424	--	27,424
Grant programs and projects	459	--	--	459
Federal and state law	73,482	--	--	73,482
Impact fees	14,057	--	--	14,057
Other purposes	1,678	--	--	1,678
Committed to:				
Capital projects	--	--	97,841	97,841
Major maintenance & repair	8,219	--	--	8,219
Ordinance/other purposes	16,929	--	31,411	48,340
Total fund balances	<u>115,056</u>	<u>27,424</u>	<u>129,252</u>	<u>271,732</u>
Total liabilities and fund balance	<u>\$ 122,815</u>	<u>27,521</u>	<u>130,341</u>	<u>280,677</u>

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds by Fund Type
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Taxes--ad valorem property taxes	\$ 33,246	4,752	--	37,998
Taxes--other	633	--	--	633
Licenses, permits, special assessments	16,023	--	--	16,023
Intergovernmental--state shared revenues	29,884	--	--	29,884
Intergovernmental--grants	7,117	--	1,004	8,121
Charges for services	15,174	538	--	15,712
Fines and forfeitures	2,620	--	--	2,620
Interest	906	239	325	1,470
Miscellaneous	1,452	245	441	2,138
Total revenues	<u>107,055</u>	<u>5,774</u>	<u>1,770</u>	<u>114,599</u>
Expenditures:				
Current:				
General government	33,256	2	265	33,523
Public safety	26,372	--	49	26,421
Physical environment	2,174	--	236	2,410
Economic environment	--	--	2,428	2,428
Human services	--	--	144	144
Culture and recreation	32,824	--	103	32,927
Capital outlay	10,679	--	19,301	29,980
Debt service:				
Principal	--	26,458	8,000	34,458
Interest and fiscal charges	--	24,571	168	24,739
Total expenditures	<u>105,305</u>	<u>51,031</u>	<u>30,694</u>	<u>187,030</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,750</u>	<u>(45,257)</u>	<u>(28,924)</u>	<u>(72,431)</u>
Other financing sources (uses):				
Transfers in	12,248	46,323	11,271	69,842
Transfers out	(7,750)	(153)	(13,881)	(21,784)
Face amount of long-term debt issued	--	--	8,000	8,000
Sales of capital assets	34	--	--	34
Total other financing sources (uses)	<u>4,532</u>	<u>46,170</u>	<u>5,390</u>	<u>56,092</u>
Net change in fund balances	6,282	913	(23,534)	(16,339)
Fund balances, beginning of year	108,882	26,511	152,786	288,179
Decrease in nonspendable fund balances	(108)	--	--	(108)
Fund balances, end of year	<u>\$ 115,056</u>	<u>27,424</u>	<u>129,252</u>	<u>271,732</u>

NONMAJOR SPECIAL REVENUE FUNDS

BOARD OF COUNTY COMMISSIONERS:

Unincorporated Area Special Purpose Revenue Fund – To account for special purpose revenues used to provide services for residents of the unincorporated areas of the County.

Library Fund – To account for ad valorem taxes and state grant funds designated to operate and maintain the countywide Tampa-Hillsborough County Public Library System.

Hillsborough County Civil Service Board Fund – To account for the revenues and expenditures of the Hillsborough County Civil Service Board, which administers a uniform classified merit employment system. The Civil Service Board's responsibilities include: developing personnel rules, records, and reports related to employees and positions; handling recruitment functions; coordinating an employee performance management system; and conducting other programs to ensure compliance with the Civil Service Act and other statutory requirements.

SHERIFF:

Child Protection Investigations Fund – To account for revenues and expenditures for child protection investigations.

Special Use Fund – To account for specific revenue sources designated for law enforcement within the unincorporated areas of the County.

Jail Inmate Canteen Fund - To account for the revenues and expenditures related to sales to inmates of merchandise, such as toiletries, cigarettes, and snacks, as well as inmate phone calls, to fund inmate programs.

Communications 911 Fund - To account for the revenues and expenditures related to the Sheriff's 911 operations.

Drug Enforcement Task Force Fund – To account for the revenues and expenditures related to the Sheriff's Drug Enforcement Task Force and associated funding from the Florida Department of Law Enforcement.

SUPERVISOR OF ELECTIONS:

Grants Fund – To account for federal, state, or other grants received by the Supervisor of Elections for programs including voter education, voter equipment, and poll worker recruitment and training.

CLERK OF CIRCUIT COURT:

Court Operations and Public Records Fund – To account for the Clerk of Circuit Court's court operations as an officer of the court including clerical and administrative functions of the courts, keeping records, maintaining dockets, providing courtroom clerks for the judiciary, and collecting and disbursing fines, forfeitures and other court costs, and keeping custody of court funds. The Clerk of Circuit Court also conducts sales of property by order of the court, as well as running the depository for collecting and disbursing court-ordered child support and alimony payments.

To account for the following: Public Records Modernization Trust Fund [for equipment, maintenance, personnel training, and technical assistance for modernizing the public records pursuant to Florida Statute 28.24(12)(d)]; Public Records Court Technology Trust Fund [to operate and support an integrated computer system for judicial agencies and to support the operations of the state court system pursuant to Florida Statute 28.24(12)(e)(1)]; Foreclosure Public Education Fund [to educate the public about their rights under foreclosure proceedings pursuant to Florida Statute 45.035(2)(a)], and Public Records Court Operations Trust Fund [for Clerk court-related operational needs and program enhancements pursuant to Florida Statute 28.37(2)].

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Balance Sheet
September 30, 2011
(amounts in thousands)

	BOARD OF COUNTY COMMISSIONERS		
	Unincorporated Area Special Purpose	Library	Civil Service Board
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 12,539	13,067	13
Investments	38,403	40,022	38
Accounts receivable, net	--	194	--
Interest receivable	136	142	--
Delinquent ad valorem taxes receivable	4	100	--
Due from other funds	160	860	--
Due from other governmental units	--	--	--
Inventories	--	213	--
Total assets	51,242	54,598	51
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	537	932	5
Accrued liabilities	107	308	46
Due to other funds	1	4	--
Due to other governmental units	--	--	--
Deferred revenue	109	682	--
Total liabilities	754	1,926	51
FUND BALANCES			
Nonspendable:			
Inventories	--	213	--
Restricted for:			
Grant programs and projects	--	--	--
Federal and state law	11,283	52,459	--
Impact fees	14,057	--	--
Other purposes	--	--	--
Committed to:			
Major maintenance & repair	8,219	--	--
Ordinance/other purposes	16,929	--	--
Total fund balances	50,488	52,672	--
Total liabilities and fund balance	\$ 51,242	54,598	51

SHERIFF				
Child Protection Investigations	Special Use	Jail Inmate Canteen	Communications 911	Drug Enforcement Task Force
1,838	3,801	833	88	474
--	--	25	--	--
--	2	355	--	--
--	--	--	--	--
--	--	--	--	--
--	7	13	--	--
--	--	19	--	--
<u>1,838</u>	<u>3,810</u>	<u>1,245</u>	<u>88</u>	<u>474</u>
40	273	--	1	--
--	--	--	--	--
--	3,532	--	--	--
621	5	22	--	--
--	--	--	--	--
<u>661</u>	<u>3,810</u>	<u>22</u>	<u>1</u>	<u>--</u>
--	--	19	--	--
--	--	--	--	--
1,177	--	--	87	--
--	--	--	--	--
--	--	1,204	--	474
--	--	--	--	--
--	--	--	--	--
<u>1,177</u>	<u>--</u>	<u>1,223</u>	<u>87</u>	<u>474</u>
<u>1,838</u>	<u>3,810</u>	<u>1,245</u>	<u>88</u>	<u>474</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Balance Sheet (Continued)
September 30, 2011
(amounts in thousands)

	<u>SUPERVISOR</u>	<u>CLERK</u>	
	<u>Supervisor</u>	<u>Court</u>	
	<u>of Elections</u>	<u>Operations &</u>	
	<u>Grants</u>	<u>Public Records</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ --	9,010	41,663
Investments	--	--	78,488
Accounts receivable, net	--	--	551
Interest receivable	--	--	278
Delinquent ad valorem taxes receivable	--	--	104
Due from other funds	459	--	1,479
Due from other governmental units	--	--	20
Inventories	--	--	232
Total assets	<u>459</u>	<u>9,010</u>	<u>122,815</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	--	81	1,869
Accrued liabilities	--	453	914
Due to other funds	--	--	3,537
Due to other governmental units	--	--	648
Deferred revenue	--	--	791
Total liabilities	<u>--</u>	<u>534</u>	<u>7,759</u>
FUND BALANCES			
Nonspendable:			
Inventories	--	--	232
Restricted for:			
Grant programs and projects	459	--	459
Federal and state law	--	8,476	73,482
Impact fees	--	--	14,057
Other purposes	--	--	1,678
Committed to:			
Major maintenance & repair	--	--	8,219
Ordinance/other purposes	--	--	16,929
Total fund balances	<u>459</u>	<u>8,476</u>	<u>115,056</u>
Total liabilities and fund balance	<u>\$ 459</u>	<u>9,010</u>	<u>122,815</u>

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended September 30, 2011
(amounts in thousands)

	BOARD OF COUNTY COMMISSIONERS		
	Unincorporated Area Special Purpose	Library	Civil Service Board
Revenues:			
Taxes--ad valorem property taxes	\$ --	33,246	--
Taxes--other	633	--	--
Licenses, permits, special assessments	16,023	--	--
Intergovernmental--state shared revenues	1,055	--	--
Intergovernmental--grants	--	1,022	--
Charges for services	1,580	224	183
Fines and forfeitures	404	511	--
Interest	340	535	--
Miscellaneous	288	295	--
Total revenues	20,323	35,833	183
Expenditures:			
Current:			
General government	784	--	2,508
Public safety	8,223	--	--
Physical environment	2,174	--	--
Culture and recreation	1,403	31,421	--
Capital outlay	2,434	5,416	2
Total expenditures	15,018	36,837	2,510
Excess (deficiency) of revenues over (under) expenditures	5,305	(1,004)	(2,327)
Other financing sources (uses):			
Transfers in	2,687	253	2,327
Transfers out	(2,650)	(1,045)	--
Sales of capital assets	--	--	--
Total other financing sources (uses)	37	(792)	2,327
Net change in fund balances	5,342	(1,796)	--
Fund balances, beginning of year	45,146	54,576	--
Increase (decrease) in nonspendable fund balances	--	(108)	--
Fund balances, end of year	\$ 50,488	52,672	--

SHERIFF				
Child Protection Investigations	Special Use	Jail Inmate Canteen	Communication 911	Drug Enforcement Task Force
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
4,885	--	--	736	474
7,806	67	3,528	--	--
--	382	--	--	--
7	--	6	--	--
19	49	801	--	--
<u>12,717</u>	<u>498</u>	<u>4,335</u>	<u>736</u>	<u>474</u>
--	--	--	--	--
11,645	1,873	3,941	690	--
--	--	--	--	--
--	--	--	--	--
69	1,559	--	--	--
<u>11,714</u>	<u>3,432</u>	<u>3,941</u>	<u>690</u>	<u>--</u>
1,003	(2,934)	394	46	474
--	6,955	--	--	--
--	(4,055)	--	--	--
--	34	--	--	--
--	<u>2,934</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,003	--	394	46	474
174	--	829	41	--
--	--	--	--	--
<u>1,177</u>	<u>--</u>	<u>1,223</u>	<u>87</u>	<u>474</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>SUPERVISOR</u>	<u>CLERK</u>	
	<u>Supervisor of</u>	<u>Court</u>	
	<u>Elections</u>	<u>Operations &</u>	
	<u>Grants</u>	<u>Public Records</u>	<u>Total</u>
Revenues:			
Taxes--ad valorem property taxes	\$ --	--	33,246
Taxes--other	--	--	633
Licenses, permits, special assessments	--	--	16,023
Intergovernmental--state shared revenues	--	28,829	29,884
Intergovernmental--grants	--	--	7,117
Charges for services	--	1,786	15,174
Fines and forfeitures	--	1,323	2,620
Interest	4	14	906
Miscellaneous	--	--	1,452
Total revenues	4	31,952	107,055
Expenditures:			
Current:			
General government	106	29,858	33,256
Public safety	--	--	26,372
Physical environment	--	--	2,174
Culture and recreation	--	--	32,824
Capital outlay	--	1,199	10,679
Total expenditures	106	31,057	105,305
Excess (deficiency) of revenues over (under) expenditures	(102)	895	1,750
Other financing sources (uses):			
Transfers in	26	--	12,248
Transfers out	--	--	(7,750)
Sales of capital assets	--	--	34
Total other financing sources (uses)	26	--	4,532
Net change in fund balances	(76)	895	6,282
Fund balances, beginning of year	535	7,581	108,882
Increase (decrease) in nonspendable fund balances	--	--	(108)
Fund balances, end of year	\$ 459	8,476	115,056

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Unincorporated Area Special Purpose Fund (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--other	\$ 322	322	633	311
Licenses, permits, special assessments	8,309	8,309	9,289	980
Intergovernmental--state shared revenues	1,000	1,000	1,055	55
Charges for services	1,637	1,637	1,393	(244)
Fines and forfeitures	518	518	404	(114)
Interest	166	166	84	(82)
Miscellaneous	69	69	104	35
Total revenues	<u>12,021</u>	<u>12,021</u>	<u>12,962</u>	<u>941</u>
Expenditures:				
Current:				
General government	124	770	681	89
Public safety	8,956	8,318	8,016	302
Physical environment	2,837	2,837	2,105	732
Culture and recreation	322	322	86	236
Capital outlay	26	140	140	--
Total expenditures	<u>12,265</u>	<u>12,387</u>	<u>11,028</u>	<u>1,359</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(244)</u>	<u>(366)</u>	<u>1,934</u>	<u>2,300</u>
Other financing sources (uses):				
Transfers in	1,461	1,476	1,476	--
Transfers out	(190)	(190)	(190)	--
Budgetary reserves	(7,752)	(7,645)	--	7,645
Total other financing sources (uses)	<u>(6,481)</u>	<u>(6,359)</u>	<u>1,286</u>	<u>7,645</u>
Net change in fund balances	(6,725)	(6,725)	3,220	9,945
Fund balances, beginning of year	6,725	6,725	8,808	2,083
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>12,028</u>	<u>12,028</u>
Add end of year fund balances from non-annually appropriated projects			<u>38,460</u>	
Fund balances, end of year--GAAP basis			<u>\$ 50,488</u>	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Library Fund (Budgetary Basis)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 34,893	34,893	33,246	(1,647)
Charges for services	279	279	224	(55)
Fines and forfeitures	524	524	511	(13)
Interest	1,250	1,250	533	(717)
Miscellaneous	32	32	178	146
Total revenues	<u>36,978</u>	<u>36,978</u>	<u>34,692</u>	<u>(2,286)</u>
Expenditures:				
Current:				
Culture and recreation	33,994	33,994	30,697	3,297
Capital outlay	3,001	3,001	2,899	102
Total expenditures	<u>36,995</u>	<u>36,995</u>	<u>33,596</u>	<u>3,399</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17)</u>	<u>(17)</u>	<u>1,096</u>	<u>1,113</u>
Other financing sources (uses):				
Transfers in	407	407	253	(154)
Transfers out	(10,596)	(10,596)	(10,497)	99
Budgetary reserves	(31,829)	(31,829)	--	31,829
Budget allowance	(1,865)	(1,865)	--	1,865
Total other financing sources (uses)	<u>(43,883)</u>	<u>(43,883)</u>	<u>(10,244)</u>	<u>33,639</u>
Net change in fund balances	(43,900)	(43,900)	(9,148)	34,752
Fund balances, beginning of year	43,900	43,900	43,585	(315)
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>34,437</u>	<u>34,437</u>
Add end of year fund balances from non-annually appropriated projects			<u>18,235</u>	
Fund balances, end of year--GAAP basis			<u>\$ 52,672</u>	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Hillsborough County Civil Service Board Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 258	258	183	(75)
Total revenues	<u>258</u>	<u>258</u>	<u>183</u>	<u>(75)</u>
Expenditures:				
Current:				
General government	3,480	3,480	2,508	972
Capital outlay	20	20	2	18
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>2,510</u>	<u>990</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,242)</u>	<u>(3,242)</u>	<u>(2,327)</u>	<u>915</u>
Other financing sources:				
Transfers in	3,242	3,242	2,327	(915)
Total other financing sources	<u>3,242</u>	<u>3,242</u>	<u>2,327</u>	<u>(915)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Sheriff Special Use Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ --	--	67	67
Fines and forfeitures	--	--	382	382
Miscellaneous	--	--	49	49
Total revenues	<u>--</u>	<u>--</u>	<u>498</u>	<u>498</u>
Expenditures:				
Current:				
Public safety	3,518	3,518	1,873	1,645
Capital outlay	<u>3,437</u>	<u>3,437</u>	<u>1,559</u>	<u>1,878</u>
Total expenditures	<u>6,955</u>	<u>6,955</u>	<u>3,432</u>	<u>3,523</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,955)</u>	<u>(6,955)</u>	<u>(2,934)</u>	<u>4,021</u>
Other financing sources (uses):				
Transfers in	6,955	6,955	6,955	--
Transfers out	--	--	(4,055)	(4,055)
Sales of capital assets	--	--	34	34
Total other financing sources (uses)	<u>6,955</u>	<u>6,955</u>	<u>2,934</u>	<u>(4,021)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Clerk Court Operations and Public Records Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental--state shared revenues	\$ 29,294	29,132	28,829	(303)
Charges for services	2,063	2,063	1,786	(277)
Fines and forfeitures	1,459	1,459	1,323	(136)
Interest	26	26	14	(12)
Total revenues	<u>32,842</u>	<u>32,680</u>	<u>31,952</u>	<u>(728)</u>
Expenditures:				
Current:				
General government	32,071	30,085	29,858	227
Capital outlay	5,766	7,331	1,199	6,132
Total expenditures	<u>37,837</u>	<u>37,416</u>	<u>31,057</u>	<u>6,359</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,995)</u>	<u>(4,736)</u>	<u>895</u>	<u>5,631</u>
Other financing sources (uses):				
Budgetary reserves	4,995	5,426	--	(5,426)
Distribution of excess fees	--	(690)	--	690
Total other financing sources (uses)	<u>4,995</u>	<u>4,736</u>	<u>--</u>	<u>(4,736)</u>
Net change in fund balances	--	--	895	895
Fund balances, beginning of year	--	--	7,581	7,581
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>8,476</u>	<u>8,476</u>

NONMAJOR DEBT SERVICE FUNDS

BOARD OF COUNTY COMMISSIONERS:

Environmentally Sensitive Lands Acquisition and Protection Program (ELAPP) Fund – To account for the annual debt service requirements of the General Obligation Bonds, Series 2009A and 2009B. Interest and principal payments are due through final maturities in 2019 and 2039, respectively. Payment of debt service is secured by a pledge on all taxable property in the County's unincorporated area. The Series 1998 and 2003 Bonds were also accounted for in this fund in prior years.

2002 Parks and Recreation Fund – To account for the annual debt service requirements of the Unincorporated Area Parks and Recreation Program General Obligation Refunding Bonds, Series 2002. Interest and principal payments are due through final maturity in July 2025. Payment of debt service is secured by ad valorem taxes levied on the assessed value of taxable real property in the County's unincorporated area.

2006 Capital Improvement Program Refunding Revenue Bond Fund – To account for the annual debt service requirements on the Capital Improvement Program Refunding Revenue Bonds, Series 2006, which were legally defeased in February 2010.

2006 Non-Ad Valorem (MOSI & County Center Project) Refunding Revenue Bond Fund – To account for the annual debt service requirements on the Non-Ad Valorem Refunding Revenue Bonds, Series 2006, which were legally defeased in February 2010. Interest and principal payments are due through final maturity in July 2022. Payment of debt service is secured by a pledge on legally available non-ad valorem revenues. This bond was also used to account for the annual debt service requirements of the Museum of Science and Industry (MOSI) and County Center Fund, Series 1996 before they were refunded during fiscal year 2006.

1998 & 2008 Capital Improvement Non-Ad Valorem Refunding Revenue Bonds Fund – To account for the debt service requirements of the Capital Improvement Non-Ad Valorem Revenue Bonds, Series 1998 which were defeased. To account for the sinking fund requirements of Capital Improvement Non-Ad Valorem Refunding Revenue Bonds, Series 2008. Interest and principal payments are due through final maturity in July 2028. Payment of this debt is secured by a pledge on legally available non-ad valorem revenues, which include Guaranteed Entitlement Revenues, Mobile Home License Fees, Alcoholic Beverage License Taxes, Local Business Taxes, and Local Government Half-Cent Sales Tax revenues.

1998 Fuel Tax Refunding Revenue Fund – To account for the annual debt service requirements of the Fuel Tax Refunding Revenue Bonds, Series 1998. Interest and principal payments are due through final maturity in December 2011. Payment of debt service is secured equally and ratably by a pledge of the County Fuel Tax and Local Option Fuel Tax revenues.

2005 Court Facilities Improvement Fund – To account for the annual debt service requirements of the Court Facilities Revenue Bonds, Series 2005. Interest and principal payments are due through final maturity in November 2029. Payment of debt service is secured by a pledge of court surcharge and Community Investment Tax revenues (until the earlier of December 1, 2026 or the date such tax is released pursuant to section 33 of the Bond Resolution). This fund was also used to account for the annual debt service requirements of the Court Facilities Revenue Bonds, Series 1999 before they were refunded during fiscal year 2005.

NONMAJOR DEBT SERVICE FUNDS (Continued)

2001 Community Investment Tax Revenue Fund – To account for the annual debt service requirements on the Community Investment Tax Revenue Bonds (Jail Project), Series 2001A, and the Community Investment Tax Revenue Bonds (Stormwater Project), Series 2001B. Interest and principal payments are due through final maturity in November 2025. Payment of debt service is secured by an irrevocable lien upon the County's Community Investment Tax revenues and all related investment earnings.

2004 Community Investment Tax Revenue Fund – To account for the annual debt service requirements on the Community Investment Tax Revenue Bonds, Series 2004. Interest and principal payments are due through final maturity in November 2025. Payment of debt is secured by the County's Community Investment Tax revenues and all related investment earnings.

2005 Tampa Sports Authority Refunding Revenue Bonds Fund – To account for the annual debt service requirements on the Tampa Bay Arena Refunding Revenue Bonds, Series 2005. Interest and principal payments are due through final maturity in October 2026. Payment of debt service is secured by a pledge on legally available non-ad valorem revenues. Non-ad valorem revenues include Guaranteed Entitlement Revenues, Mobile Home License Fees, Alcoholic Beverage License Taxes, Local Business Taxes, and Local Government Half-Cent Sales Tax revenues.

Commercial Paper Program (M2Gen) – To account for the sinking fund requirements of commercial paper issued for the H. Lee Moffitt Cancer Center & Research Institute / Merck (M2Gen) project. Although the commercial paper notes are expected to be rolled over as needed, there is also a plan to “amortize” this liability over the 30 year life of the project.

2006 Fourth Cent Tourist Development Tax Refunding and Improvement Revenue Bonds Fund – To account for the annual debt service requirements on the Fourth Cent Tourist Development Tax Refunding and Improvement Revenue Bonds, Series 2006. Interest and principal payments are due through final maturity in October 2035. Payment of debt service is secured by a pledge limited to Fourth Cent Tourist Development Tax revenues.

2006 A Fifth Cent Tourist Development Tax Refunding Revenue Bonds Fund – To account for the annual debt service requirements on the Fifth Cent Tourist Development Tax Refunding Revenue Bonds, Series 2006A. Interest and principal payments are due through final maturity in October 2035. Payment of debt service is secured by a pledge limited to Fifth Cent Tourist Development Tax revenues.

2007 Community Investment Tax Revenue Bonds Fund – To account for the annual debt service requirements on the Community Tax Revenue Bonds, Series 2007. Interest and principal payments are due through final maturity in November 2025. Payment of debt is secured by the County's Community Investment Tax revenues and all related investment earnings.

2008 A & B Hillsborough County, Florida Taxable Transportation Revenue Notes (US Highway 301) – To account for the sinking fund requirements of Taxable Transportation Revenue Notes issued to finance and to fund the expansion and improvement of US Highway 301. Interest and principal payments are due through final maturity in April 2013. Payment of debt service is secured by letters of credit, Tier I and Tier II Developer's contributions, and impact fee reserves.

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Balance Sheet
September 30, 2011
(amounts in thousands)

	<u>ELAPP</u>	<u>2002 Parks and Recreation</u>	<u>2006 Capital Improvement Program</u>	<u>2008 Capital Improvement Program</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 21	31	962	104
Investments	64	96	2,947	321
Accounts receivable, net	--	--	--	6
Interest receivable	--	1	11	1
Delinquent ad valorem taxes receivable	12	4	--	--
Due from other funds	101	29	--	--
Total assets	<u>198</u>	<u>161</u>	<u>3,920</u>	<u>432</u>
LIABILITIES				
Current liabilities:				
Deferred revenue	77	20	--	--
Total liabilities	<u>77</u>	<u>20</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Restricted for:				
Bond covenants or debt service	121	141	3,920	432
Total fund balances	<u>121</u>	<u>141</u>	<u>3,920</u>	<u>432</u>
Total liabilities and fund balance	<u>\$ 198</u>	<u>161</u>	<u>3,920</u>	<u>432</u>

1998 Fuel Tax Refunding	2005 Court Facilities	2001 CIT	2004 CIT	2005 TSA Refunding	Commercial Paper (M2Gen)
68	408	531	662	313	236
210	1,248	1,625	2,028	960	722
--	--	--	--	--	--
1	5	5	7	4	2
--	--	--	--	--	--
--	--	--	--	--	--
<u>279</u>	<u>1,661</u>	<u>2,161</u>	<u>2,697</u>	<u>1,277</u>	<u>960</u>
--	--	--	--	--	--
--	--	--	--	--	--
<u>279</u>	<u>1,661</u>	<u>2,161</u>	<u>2,697</u>	<u>1,277</u>	<u>960</u>
<u>279</u>	<u>1,661</u>	<u>2,161</u>	<u>2,697</u>	<u>1,277</u>	<u>960</u>
<u>279</u>	<u>1,661</u>	<u>2,161</u>	<u>2,697</u>	<u>1,277</u>	<u>960</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Balance Sheet (Continued)
September 30, 2011
(amounts in thousands)

	4th Cent Tourist Development Tax	5th Cent Tourist Development Tax	2007 CIT	US Hwy. 301 Taxable Notes	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 341	298	2,712	30	6,717
Investments	1,045	913	8,307	92	20,578
Accounts receivable, net	--	--	--	--	6
Interest receivable	4	3	30	--	74
Delinquent ad valorem taxes receivable	--	--	--	--	16
Due from other funds	--	--	--	--	130
Total assets	<u>1,390</u>	<u>1,214</u>	<u>11,049</u>	<u>122</u>	<u>27,521</u>
LIABILITIES					
Current liabilities:					
Deferred revenue	--	--	--	--	97
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>97</u>
FUND BALANCES					
Restricted for:					
Bond covenants or debt service	<u>1,390</u>	<u>1,214</u>	<u>11,049</u>	<u>122</u>	<u>27,424</u>
Total fund balances	<u>1,390</u>	<u>1,214</u>	<u>11,049</u>	<u>122</u>	<u>27,424</u>
Total liabilities and fund balance	<u>\$ 1,390</u>	<u>1,214</u>	<u>11,049</u>	<u>122</u>	<u>27,521</u>

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>ELAPP</u>	<u>2002 Parks and Recreation</u>	<u>2006 Capital Improvement Program</u>	<u>2006 MOSI and County Center</u>
Revenues:				
Taxes--ad valorem property taxes	\$ 3,763	989	--	--
Charges for services	--	--	135	--
Interest	48	7	40	--
Miscellaneous	76	--	100	--
Total revenues	<u>3,887</u>	<u>996</u>	<u>275</u>	<u>--</u>
Expenditures:				
Current:				
General government	--	--	--	1
Debt service:				
Principal	4,945	720	1,805	--
Interest and fiscal charges	3,479	604	1,453	83
Total expenditures	<u>8,424</u>	<u>1,324</u>	<u>3,258</u>	<u>84</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,537)</u>	<u>(328)</u>	<u>(2,983)</u>	<u>(84)</u>
Other financing sources (uses):				
Transfers in	3,982	331	3,037	84
Transfers out	(115)	(38)	--	--
Total other financing sources (uses)	<u>3,867</u>	<u>293</u>	<u>3,037</u>	<u>84</u>
Net change in fund balances	(670)	(35)	54	--
Fund balances, beginning of year	791	176	3,866	--
Fund balances, end of year	<u>\$ 121</u>	<u>141</u>	<u>3,920</u>	<u>--</u>

1998 & 2008 Capital Improvement Program	1998 Fuel Tax Refunding	2005 Court Facilities	2001 CIT	2004 CIT	2005 TSA Refunding
--	--	--	--	--	--
--	--	--	--	--	403
6	3	10	14	19	6
69	--	--	--	--	--
<u>75</u>	<u>3</u>	<u>10</u>	<u>14</u>	<u>19</u>	<u>409</u>
--	--	--	--	--	--
710	1,290	1,125	2,290	3,180	665
726	82	1,407	2,242	3,215	646
<u>1,436</u>	<u>1,372</u>	<u>2,532</u>	<u>4,532</u>	<u>6,395</u>	<u>1,311</u>
<u>(1,361)</u>	<u>(1,369)</u>	<u>(2,522)</u>	<u>(4,518)</u>	<u>(6,376)</u>	<u>(902)</u>
1,355	1,196	2,546	4,538	6,412	1,072
--	--	--	--	--	--
<u>1,355</u>	<u>1,196</u>	<u>2,546</u>	<u>4,538</u>	<u>6,412</u>	<u>1,072</u>
(6)	(173)	24	20	36	170
438	452	1,637	2,141	2,661	1,107
<u>432</u>	<u>279</u>	<u>1,661</u>	<u>2,161</u>	<u>2,697</u>	<u>1,277</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Commercial Paper (M2Gen)	4th Cent Tourist Development Tax	5th Cent Tourist Development Tax
Revenues:			
Taxes--ad valorem property taxes	\$ --	--	--
Charges for services	--	--	--
Interest	8	7	4
Miscellaneous	--	--	--
Total revenues	8	7	4
Expenditures:			
Current:			
General government	--	1	--
Debt service:			
Principal	1,001	440	--
Interest and fiscal charges	58	713	1,165
Total expenditures	1,059	1,154	1,165
Excess (deficiency) of revenues over (under) expenditures	(1,051)	(1,147)	(1,161)
Other financing sources (uses):			
Transfers in	1,824	1,171	1,783
Transfers out	--	--	--
Total other financing sources (uses)	1,824	1,171	1,783
Net change in fund balances	773	24	622
Fund balances, beginning of year	187	1,366	592
Fund balances, end of year	\$ 960	1,390	1,214

2007 CIT	US Hwy. 301 Taxable Notes	Total
--	--	4,752
--	--	538
67	--	239
--	--	245
<u>67</u>	<u>--</u>	<u>5,774</u>
--	--	2
7,865	422	26,458
<u>8,392</u>	<u>306</u>	<u>24,571</u>
<u>16,257</u>	<u>728</u>	<u>51,031</u>
<u>(16,190)</u>	<u>(728)</u>	<u>(45,257)</u>
16,338	654	46,323
--	--	(153)
<u>16,338</u>	<u>654</u>	<u>46,170</u>
148	(74)	913
10,901	196	26,511
<u>11,049</u>	<u>122</u>	<u>27,424</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Environmentally Sensitive Lands Acquisition and Protection Program Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 3,933	3,933	3,763	(170)
Interest	49	49	48	(1)
Miscellaneous	--	--	76	76
Total revenues	<u>3,982</u>	<u>3,982</u>	<u>3,887</u>	<u>(95)</u>
Expenditures:				
Current:				
Debt service:				
Principal	4,945	4,945	4,945	--
Interest and fiscal charges	3,479	3,479	3,479	--
Total expenditures	<u>8,424</u>	<u>8,424</u>	<u>8,424</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,442)</u>	<u>(4,442)</u>	<u>(4,537)</u>	<u>(95)</u>
Other financing sources (uses):				
Transfers in	4,133	4,133	3,982	(151)
Transfers out	(139)	(139)	(115)	24
Budgetary reserves	(69)	(69)	--	69
Budget allowance	(223)	(198)	--	198
Total other financing sources (uses)	<u>3,702</u>	<u>3,727</u>	<u>3,867</u>	<u>140</u>
Net change in fund balances	(740)	(715)	(670)	45
Fund balances, beginning of year	740	715	791	76
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>121</u>	<u>121</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Parks and Recreation Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes--ad valorem property taxes	\$ 1,032	1,032	989	(43)
Interest	5	5	7	2
Total revenues	<u>1,037</u>	<u>1,037</u>	<u>996</u>	<u>(41)</u>
Expenditures:				
Current:				
Debt service:				
Principal	720	720	720	--
Interest and fiscal charges	604	604	604	--
Total expenditures	<u>1,324</u>	<u>1,324</u>	<u>1,324</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(287)</u>	<u>(287)</u>	<u>(328)</u>	<u>(41)</u>
Other financing sources (uses):				
Transfers in	328	328	331	3
Transfers out	(46)	(46)	(38)	8
Budgetary reserves	(111)	(111)	--	111
Budget allowance	(58)	(52)	--	52
Total other financing sources (uses)	<u>113</u>	<u>119</u>	<u>293</u>	<u>174</u>
Net change in fund balances	(174)	(168)	(35)	133
Fund balances, beginning of year	174	168	176	8
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>141</u>	<u>141</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2006 Capital Improvement Program (CIP) Refunding Revenue Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 100	100	135	35
Interest	31	31	40	9
Miscellaneous	100	100	100	--
Total revenues	<u>231</u>	<u>231</u>	<u>275</u>	<u>44</u>
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	1,805	1,805	1,805	--
Interest and fiscal charges	1,475	1,475	1,453	22
Total expenditures	<u>3,285</u>	<u>3,285</u>	<u>3,258</u>	<u>27</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,054)</u>	<u>(3,054)</u>	<u>(2,983)</u>	<u>71</u>
Other financing sources (uses):				
Transfers in	3,037	3,037	3,037	--
Budgetary reserves	(3,790)	(3,790)	--	3,790
Budget allowance	(7)	(7)	--	7
Distribution of excess fees			--	--
Total other financing sources (uses)	<u>(760)</u>	<u>(760)</u>	<u>3,037</u>	<u>3,797</u>
Net change in fund balances	(3,814)	(3,814)	54	3,868
Fund balances, beginning of year	3,814	3,814	3,866	52
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>3,920</u>	<u>3,920</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2006 Museum of Science and Industry (MOSI) and County Center Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government	\$ 5	5	1	4
Debt service:				
Interest and fiscal charges	<u>402</u>	<u>402</u>	<u>83</u>	<u>319</u>
Total expenditures	<u>407</u>	<u>407</u>	<u>84</u>	<u>323</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(407)</u>	<u>(407)</u>	<u>(84)</u>	<u>323</u>
Other financing sources (uses):				
Transfers in	<u>407</u>	<u>407</u>	<u>84</u>	<u>(323)</u>
Total other financing sources (uses)	<u>407</u>	<u>407</u>	<u>84</u>	<u>(323)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
1998 and 2008 Warehouse and Sheriff's Capital Improvement Non-Ad Valorem Revenue Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 5	5	6	1
Miscellaneous	69	69	69	--
Total revenues	<u>74</u>	<u>74</u>	<u>75</u>	<u>1</u>
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	710	710	710	--
Interest and fiscal charges	726	726	726	--
Total expenditures	<u>1,441</u>	<u>1,441</u>	<u>1,436</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,367)</u>	<u>(1,367)</u>	<u>(1,361)</u>	<u>6</u>
Other financing sources (uses):				
Transfers in	1,355	1,355	1,355	--
Budgetary reserves	(355)	(355)	--	355
Total other financing sources (uses)	<u>1,000</u>	<u>1,000</u>	<u>1,355</u>	<u>355</u>
Net change in fund balances	(367)	(367)	(6)	361
Fund balances, beginning of year	367	367	438	71
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>432</u>	<u>432</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
1998 Fuel Tax Refunding Revenue Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 3	3	3	--
Total revenues	<u>3</u>	<u>3</u>	<u>3</u>	<u>--</u>
Expenditures:				
Current:				
General government	10	10	--	10
Debt service:				
Principal	1,290	1,290	1,290	--
Interest and fiscal charges	<u>81</u>	<u>81</u>	<u>82</u>	<u>(1)</u>
Total expenditures	<u>1,381</u>	<u>1,381</u>	<u>1,372</u>	<u>9</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,378)</u>	<u>(1,378)</u>	<u>(1,369)</u>	<u>9</u>
Other financing sources (uses):				
Transfers in	1,196	1,196	1,196	--
Budgetary reserves	<u>(258)</u>	<u>(258)</u>	<u>--</u>	<u>258</u>
Total other financing sources (uses)	<u>938</u>	<u>938</u>	<u>1,196</u>	<u>258</u>
Net change in fund balances	(440)	(440)	(173)	267
Fund balances, beginning of year	440	440	452	12
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>279</u>	<u>279</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2005 Court Facilities Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 8	8	10	2
Total revenues	<u>8</u>	<u>8</u>	<u>10</u>	<u>2</u>
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	1,125	1,125	1,125	--
Interest and fiscal charges	1,407	1,407	1,407	--
Total expenditures	<u>2,537</u>	<u>2,537</u>	<u>2,532</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,529)</u>	<u>(2,529)</u>	<u>(2,522)</u>	<u>7</u>
Other financing sources (uses):				
Transfers in	2,545	2,545	2,546	1
Budgetary reserves	(1,646)	(1,646)	--	1,646
Total other financing sources (uses)	<u>899</u>	<u>899</u>	<u>2,546</u>	<u>1,647</u>
Net change in fund balances	(1,630)	(1,630)	24	1,654
Fund balances, beginning of year	1,630	1,630	1,637	7
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,661</u>	<u>1,661</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2001 Community Investment Tax Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 11	11	14	3
Total revenues	<u>11</u>	<u>11</u>	<u>14</u>	<u>3</u>
Expenditures:				
Current:				
Debt service:				
Principal	2,290	2,290	2,290	--
Interest and fiscal charges	2,242	2,242	2,242	--
Total expenditures	<u>4,532</u>	<u>4,532</u>	<u>4,532</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,521)</u>	<u>(4,521)</u>	<u>(4,518)</u>	<u>3</u>
Other financing sources (uses):				
Transfers in	4,538	4,538	4,538	--
Budgetary reserves	(2,148)	(2,148)	--	2,148
Total other financing sources (uses)	<u>2,390</u>	<u>2,390</u>	<u>4,538</u>	<u>2,148</u>
Net change in fund balances	(2,131)	(2,131)	20	2,151
Fund balances, beginning of year	2,131	2,131	2,141	10
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>2,161</u>	<u>2,161</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2004 Community Investment Tax Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 14	14	19	5
Total revenues	<u>14</u>	<u>14</u>	<u>19</u>	<u>5</u>
Expenditures:				
Current:				
Debt service:				
Principal	3,180	3,180	3,180	--
Interest and fiscal charges	3,215	3,215	3,215	--
Total expenditures	<u>6,395</u>	<u>6,395</u>	<u>6,395</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,381)</u>	<u>(6,381)</u>	<u>(6,376)</u>	<u>5</u>
Other financing sources (uses):				
Transfers in	6,412	6,412	6,412	--
Budgetary reserves	(2,679)	(2,679)	--	2,679
Total other financing sources (uses)	<u>3,733</u>	<u>3,733</u>	<u>6,412</u>	<u>2,679</u>
Net change in fund balances	(2,648)	(2,648)	36	2,684
Fund balances, beginning of year	2,648	2,648	2,661	13
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>2,697</u>	<u>2,697</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2005 Tampa Sports Arena Refunding Non-Ad Valorem Revenue Debt Service Bonds
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 225	225	403	178
Interest	14	14	6	(8)
Total revenues	239	239	409	170
Expenditures:				
Current:				
Debt service:				
Principal	665	665	665	--
Interest and fiscal charges	646	646	646	--
Total expenditures	1,311	1,311	1,311	--
Excess (deficiency) of revenues over (under) expenditures	(1,072)	(1,072)	(902)	170
Other financing sources (uses):				
Transfers in	1,072	1,072	1,072	--
Budgetary reserves	(1,003)	(1,003)	--	1,003
Budget allowance	(12)	(12)	--	12
Total other financing sources (uses)	57	57	1,072	1,015
Net change in fund balances	(1,015)	(1,015)	170	1,185
Fund balances, beginning of year	1,015	1,015	1,107	92
Fund balances, end of year	\$ --	--	1,277	1,277

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Capital Improvement Commercial Paper Program (M2Gen) Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 1	1	8	7
Total revenues	<u>1</u>	<u>1</u>	<u>8</u>	<u>7</u>
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	1,001	1,001	1,001	--
Interest and fiscal charges	<u>722</u>	<u>722</u>	<u>58</u>	<u>664</u>
Total expenditures	<u>1,728</u>	<u>1,728</u>	<u>1,059</u>	<u>669</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,727)</u>	<u>(1,727)</u>	<u>(1,051)</u>	<u>676</u>
Other financing sources (uses):				
Transfers in	1,824	1,824	1,824	--
Budgetary reserves	<u>(207)</u>	<u>(207)</u>	<u>--</u>	<u>207</u>
Total other financing sources (uses)	<u>1,617</u>	<u>1,617</u>	<u>1,824</u>	<u>207</u>
Net change in fund balances	(110)	(110)	773	883
Fund balances, beginning of year	110	110	187	77
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>960</u>	<u>960</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
4th Cent Tourist Development Tax Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 5	5	7	2
Total revenues	<u>5</u>	<u>5</u>	<u>7</u>	<u>2</u>
Expenditures:				
Current:				
General government	5	5	1	4
Economic environment	562	562	--	562
Debt service:				
Principal	440	440	440	--
Interest and fiscal charges	713	713	713	--
Total expenditures	<u>1,720</u>	<u>1,720</u>	<u>1,154</u>	<u>566</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,715)</u>	<u>(1,715)</u>	<u>(1,147)</u>	<u>568</u>
Other financing sources (uses):				
Transfers in	1,171	1,171	1,171	--
Budgetary reserves	(812)	(812)	--	812
Total other financing sources (uses)	<u>359</u>	<u>359</u>	<u>1,171</u>	<u>812</u>
Net change in fund balances	(1,356)	(1,356)	24	1,380
Fund balances, beginning of year	1,356	1,356	1,366	10
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,390</u>	<u>1,390</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
5th Cent Tourist Development Tax Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 5	5	4	(1)
Total revenues	<u>5</u>	<u>5</u>	<u>4</u>	<u>(1)</u>
Expenditures:				
Current:				
Debt service:				
Interest and fiscal charges	1,164	1,164	1,165	(1)
Total expenditures	<u>1,164</u>	<u>1,164</u>	<u>1,165</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,159)</u>	<u>(1,159)</u>	<u>(1,161)</u>	<u>(2)</u>
Other financing sources (uses):				
Transfers in	1,782	1,782	1,783	1
Budgetary reserves	(1,212)	(1,212)	--	1,212
Total other financing sources (uses)	<u>570</u>	<u>570</u>	<u>1,783</u>	<u>1,213</u>
Net change in fund balances	(589)	(589)	622	1,211
Fund balances, beginning of year	589	589	592	3
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,214</u>	<u>1,214</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2007 Community Investment Tax Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 52	52	67	15
Total revenues	52	52	67	15
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	7,865	7,865	7,865	--
Interest and fiscal charges	8,392	8,392	8,392	--
Total expenditures	16,262	16,262	16,257	5
Excess (deficiency) of revenues over (under) expenditures	(16,210)	(16,210)	(16,190)	20
Other financing sources (uses):				
Transfers in	16,338	16,338	16,338	--
Budgetary reserves	(10,968)	(10,968)	--	10,968
Budget allowance	(2)	(2)	--	2
Total other financing sources (uses)	5,368	5,368	16,338	10,970
Net change in fund balances	(10,842)	(10,842)	148	10,990
Fund balances, beginning of year	10,842	10,842	10,901	59
Fund balances, end of year	\$ --	--	11,049	11,049

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
US Highway 301 Expansion Taxable Note Debt Service Fund
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Debt service:				
Principal	\$ --	422	422	--
Interest and fiscal charges	313	313	306	7
Total expenditures	<u>313</u>	<u>735</u>	<u>728</u>	<u>7</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(313)</u>	<u>(735)</u>	<u>(728)</u>	<u>7</u>
Other financing sources (uses):				
Transfers in	232	654	654	--
Budgetary reserves	<u>(114)</u>	<u>(114)</u>	<u>--</u>	<u>114</u>
Total other financing sources (uses)	<u>118</u>	<u>540</u>	<u>654</u>	<u>114</u>
Net change in fund balances	(195)	(195)	(74)	121
Fund balances, beginning of year	195	195	196	1
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>122</u>	<u>122</u>

NONMAJOR CAPITAL PROJECTS FUNDS

BOARD OF COUNTY COMMISSIONERS:

Environmentally Sensitive Lands Acquisition Fund – To account for capital projects for the acquisition and restoration of environmentally sensitive land.

Court Facilities Improvement (Non-Bond) Fund – To account for court system contributions to acquire, construct, equip, and renovate the County’s court system facilities.

Capital Improvement Program Non-CIT Commercial Paper Fund – To account for the proceeds and debt service of the 2000 Capital Improvement Program Commercial Paper Notes, Series A, Series B (Alternative Minimum Tax), and Series C (Taxable) that are related to non-CIT backed general governmental purposes. These proceeds are used for purposes such as Moffitt/Merck’s M2Gen project, and arena improvements. Interest and principal payments are due at the time each note matures.

Environmental Protection Commission (EPC) Sabal Park Facility Acquisition and Rehabilitation Project Fund – To account for the costs of acquiring and rehabilitating a new facility for the Environmental Protection Commission of Hillsborough County.

Countywide Capital Projects Fund – To account for capital projects, that are not included in any other capital project fund, that benefit residents throughout the County.

Unincorporated Area Capital Projects Fund – To account for capital projects, that are not included in any other capital project fund, that benefit residents of the unincorporated area of the County.

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Capital Projects Fund
Combining Balance Sheet
September 30, 2011
(amounts in thousands)

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non-CIT</u>	<u>Countywide</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 7,719	789	591	15,401
Investments	23,641	2,415	1,810	47,170
Interest receivable	84	8	6	168
Total assets	<u>31,444</u>	<u>3,212</u>	<u>2,407</u>	<u>62,739</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	33	--	--	365
Total liabilities	<u>33</u>	<u>--</u>	<u>--</u>	<u>365</u>
FUND BALANCES				
Committed to:				
Capital projects	--	3,212	2,407	62,374
Ordinance/other purposes	31,411	--	--	--
Total fund balances	<u>31,411</u>	<u>3,212</u>	<u>2,407</u>	<u>62,374</u>
Total liabilities and fund balance	<u>\$ 31,444</u>	<u>3,212</u>	<u>2,407</u>	<u>62,739</u>

<u>Unincorporated Area</u>	<u>Total</u>
7,497	31,997
22,960	97,996
<u>82</u>	<u>348</u>
<u>30,539</u>	<u>130,341</u>
<u>691</u>	<u>1,089</u>
<u>691</u>	<u>1,089</u>
29,848	97,841
--	31,411
<u>29,848</u>	<u>129,252</u>
<u>30,539</u>	<u>130,341</u>

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Capital Projects Fund
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non-CIT</u>	<u>EPC Facility Acquisition</u>
Revenues:				
Intergovernmental--grants	\$ 1,004	--	--	--
Interest	278	27	20	--
Miscellaneous	441	--	--	--
Total revenues	<u>1,723</u>	<u>27</u>	<u>20</u>	<u>--</u>
Expenditures:				
Current:				
General government	--	--	2	--
Public safety	--	--	--	--
Physical environment	173	--	--	--
Economic environment	--	--	405	--
Human services	--	--	--	--
Culture and recreation	--	--	--	--
Capital outlay	11,071	--	--	--
Debt service:				
Principal	--	--	8,000	--
Interest and fiscal charges	--	--	168	--
Total expenditures	<u>11,244</u>	<u>--</u>	<u>8,575</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,521)</u>	<u>27</u>	<u>(8,555)</u>	<u>--</u>
Other financing sources (uses):				
Transfers in	--	--	311	--
Transfers out	(3,239)	--	--	(159)
Face amount of long-term debt issued	--	--	8,000	--
Total other financing sources (uses)	<u>(3,239)</u>	<u>--</u>	<u>8,311</u>	<u>(159)</u>
Net change in fund balances	(12,760)	27	(244)	(159)
Fund balances, beginning of year	44,171	3,185	2,651	159
Fund balances, end of year	<u>\$ 31,411</u>	<u>3,212</u>	<u>2,407</u>	<u>--</u>

<u>Countywide</u>	<u>Unincorporated</u>	<u>Total</u>
--	--	1,004
--	--	325
--	--	441
<u>--</u>	<u>--</u>	<u>1,770</u>
263	--	265
--	49	49
63	--	236
1,999	24	2,428
144	--	144
103	--	103
2,303	5,927	19,301
--	--	8,000
--	--	168
<u>4,875</u>	<u>6,000</u>	<u>30,694</u>
<u>(4,875)</u>	<u>(6,000)</u>	<u>(28,924)</u>
1,626	9,334	11,271
(1,616)	(8,867)	(13,881)
--	--	8,000
<u>10</u>	<u>467</u>	<u>5,390</u>
(4,865)	(5,533)	(23,534)
67,239	35,381	152,786
<u>62,374</u>	<u>29,848</u>	<u>129,252</u>

INTERNAL SERVICE FUNDS

BOARD OF COUNTY COMMISSIONERS:

Self-Insurance Fund – To account for the revenues and expenses of the County's risk management and employee group health insurance programs. Risk management includes workers' compensation, automotive and general liability, and catastrophic disaster recovery programs. Employee group health insurance is a self-insurance program funded by employee payroll deductions and employer contributions.

Fleet Management Fund – To account for the revenues and expenses of handling vehicle and equipment repairs and maintenance, short-term vehicle rentals and fuel sales to departments, and other fleet management services.

SHERIFF:

Workers' Compensation and General Liability Self-Insurance Fund – To account for the revenues and expenses of the Sheriff's workers' compensation and general liability self-insured risk management programs. It is funded by employer contributions. This fund is also used to account for the Sheriff's flexible spending program for participating employees.

HILLSBOROUGH COUNTY, FLORIDA
Internal Service Funds
Combining Statement of Net Assets
September 30, 2011
(amounts in thousands)

	BOCC		Sheriff	Total
	Self- Insurance	Fleet Management	Risk Management	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 51,614	11,253	10,722	73,589
Investments	158,077	34,466	--	192,543
Accounts receivable, net	495	10	134	639
Interest receivable	561	122	--	683
Due from other funds	--	--	9	9
Inventories	--	327	--	327
Prepaid charges	3,689	--	--	3,689
Total unrestricted current assets	<u>214,436</u>	<u>46,178</u>	<u>10,865</u>	<u>271,479</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Equipment	1	19,277	45	19,323
Construction in progress	--	12	--	12
Total capital assets, net	<u>1</u>	<u>19,289</u>	<u>45</u>	<u>19,335</u>
Total noncurrent assets	<u>1</u>	<u>19,289</u>	<u>45</u>	<u>19,335</u>
Total assets	<u>214,437</u>	<u>65,467</u>	<u>10,910</u>	<u>290,814</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	2,437	2,352	51	4,840
Accrued liabilities	22	64	--	86
Due to other funds	--	--	9	9
Due to other governmental units	248	--	2	250
Insurance claims payable, current	15,485	--	4,500	19,985
Compensated absences, current	86	169	--	255
Total unrestricted current liabilities	<u>18,278</u>	<u>2,585</u>	<u>4,562</u>	<u>25,425</u>
Noncurrent liabilities:				
Insurance claims payable	11,226	--	6,348	17,574
Net OPEB obligation	8,921	--	--	8,921
Total noncurrent liabilities	<u>20,147</u>	<u>--</u>	<u>6,348</u>	<u>26,495</u>
Total liabilities	<u>38,425</u>	<u>2,585</u>	<u>10,910</u>	<u>51,920</u>
NET ASSETS				
Invested in capital assets	1	19,289	--	19,290
Unrestricted	176,011	43,593	--	219,604
Total net assets	<u>176,012</u>	<u>62,882</u>	<u>--</u>	<u>238,894</u>
Total liabilities and net assets	<u>\$ 214,437</u>	<u>65,467</u>	<u>10,910</u>	<u>290,814</u>

HILLSBOROUGH COUNTY, FLORIDA
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Total</u>
	<u>Self- Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
Operating revenues:				
Charges for services	\$ 87,184	29,376	8,437	124,997
Total operating revenues	<u>87,184</u>	<u>29,376</u>	<u>8,437</u>	<u>124,997</u>
Operating expenses:				
Personnel services	1,368	4,088	--	5,456
Contractual services	3,278	1,599	--	4,877
Repairs and maintenance	2	194	--	196
Utilities	4	163	--	167
Rentals and leases	--	16	--	16
Supplies	101	--	--	101
Depreciation and amortization	5	8,144	--	8,149
Costs of services provided	65,434	10,118	8,509	84,061
Other operating expenses	8,293	240	--	8,533
Annual OPEB expense	1,767	--	--	1,767
Total operating expenses	<u>80,252</u>	<u>24,562</u>	<u>8,509</u>	<u>113,323</u>
Operating income (loss)	<u>6,932</u>	<u>4,814</u>	<u>(72)</u>	<u>11,674</u>
Nonoperating revenues (expenses):				
State shared revenue	292	--	--	292
Interest revenue	1,696	338	5	2,039
Gain on disposal of capital assets	--	1,220	--	1,220
Other revenues	6	21	67	94
Total nonoperating revenues	<u>1,994</u>	<u>1,579</u>	<u>72</u>	<u>3,645</u>
Income before contributions	8,926	6,393	--	15,319
Capital contributions	--	334	--	334
Transfers out	--	(4,881)	--	(4,881)
Change in net assets	<u>8,926</u>	<u>1,846</u>	<u>--</u>	<u>10,772</u>
Net assets, beginning of year	167,086	61,036	--	228,122
Net assets, end of year	<u>\$ 176,012</u>	<u>62,882</u>	<u>--</u>	<u>238,894</u>

HILLSBOROUGH COUNTY, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended September 30, 2011
(amounts in thousands)

	BOCC		SHERIFF	Totals
	Self- Insurance	Fleet Management	Risk Management	
Cash flows from operating activities:				
Receipts from customers	\$ 87,309	29,375	8,426	125,110
Payments to suppliers	(78,929)	(12,301)	(1,210)	(92,440)
Payments to employees	(1,434)	(4,304)	(121)	(5,859)
Cash paid for claims	--	--	(4,481)	(4,481)
Cash from (to) other sources	6	21	377	404
Net cash provided by operating activities	<u>6,952</u>	<u>12,791</u>	<u>2,991</u>	<u>22,734</u>
Cash flows from noncapital financing activities:				
State shared revenues	292	--	--	292
Transfers out to other funds	--	(4,881)	--	(4,881)
Net cash provided by (used for) noncapital financing	<u>292</u>	<u>(4,881)</u>	<u>--</u>	<u>(4,589)</u>
Cash flows from capital and related financing				
Acquisition and construction of capital assets	--	(7,510)	(47)	(7,557)
Proceeds from sale of capital assets	--	1,258	--	1,258
Net cash used for capital and related financing activities	<u>--</u>	<u>(6,252)</u>	<u>(47)</u>	<u>(6,299)</u>
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	366,467	79,901	--	446,368
Purchase of investment securities	(407,880)	(88,916)	--	(496,796)
Interest and dividends received	1,557	301	5	1,863
Net cash provided by (used for) investing activities	<u>(39,856)</u>	<u>(8,714)</u>	<u>5</u>	<u>(48,565)</u>
Net change in cash and cash equivalents	(32,612)	(7,056)	2,949	(36,719)
Cash and cash equivalents, beginning of year	<u>84,226</u>	<u>18,309</u>	<u>7,773</u>	<u>110,308</u>
Cash and cash equivalents, end of year	<u>\$ 51,614</u>	<u>11,253</u>	<u>10,722</u>	<u>73,589</u>

	BOCC		SHERIFF	
	Self- Insurance	Fleet Management	Risk Management	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 6,932	4,814	(72)	11,674
Adjustments to reconcile operating income to net cash provided by (used for) operating activities				
Depreciation and amortization expense	5	8,144	2	8,151
Miscellaneous non-operating revenues	6	21	67	94
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	125	(1)	(10)	114
(Increase) decrease in due from other governments	--	--	2	2
(Increase) decrease in inventories	--	(93)	--	(93)
(Increase) decrease in due from other funds	--	--	(9)	(9)
Increase (decrease) in accounts and contracts payable	(1,655)	122	37	(1,496)
Increase (decrease) in accrued and other liabilities	(50)	(132)	--	(182)
Increase (decrease) in due to other funds	--	--	9	9
Increase (decrease) in compensated absences	(16)	(84)	--	(100)
Increase (decrease) in insurance claims payable	(162)	--	2,965	2,803
Increase (decrease) in net OPEB obligation	1,767	--	--	1,767
Total adjustments	<u>20</u>	<u>7,977</u>	<u>3,063</u>	<u>11,060</u>
Net cash provided by operating activities	<u>\$ 6,952</u>	<u>12,791</u>	<u>2,991</u>	<u>22,734</u>
Noncash investing, capital, and financing activities:				
Contributed capital assets	\$ --	333	--	333
Change in fair value of investments	(73)	(9)	--	(82)

AGENCY FUNDS

BOARD OF COUNTY COMMISSIONERS:

General Agency Fund – To account for various funds placed in escrow. These amounts are being held by the County as agent for various individuals and entities. Items recorded in this fund include employee payroll deductions, the employer's payroll deduction match, and stale-dated checks.

SHERIFF:

General Agency Fund – To account for cash bonds and other funds held by the Sheriff as a trustee and for such non-budgeted receipts as civil process fees, held by the Sheriff until remitted to the BOCC.

TAX COLLECTOR:

Motor Vehicle Fund – To account for the collection of motor vehicle registration receipts, and the subsequent remittance of those receipts to the state of Florida.

Tax and License Fund – To account for the collection and distribution of local property taxes and funds generated from the sale of miscellaneous licenses for the state of Florida.

CLERK OF CIRCUIT COURT:

General Agency Fund – To account for the collection and disbursement of trust accounts including tax accounts, escheated bond accounts, fines and forfeitures accounts, and other trust accounts.

Registry of the Court Fund – To account for the collection and disbursement of funds required to be deposited into and disbursed from the Registry Account by court orders.

Support Collections Fund – To account for the collection and disbursement of court ordered child support and/or alimony.

Jury and Witness Fund – To account for the collection and disbursement of funds advanced to the Clerk of Circuit Court by the state of Florida for the purpose of compensating jurors and certain witnesses. In addition, it is used to account for the collection and disbursement of County funds for the payment of witnesses summoned on behalf of the state of Florida in circuit and county courts.

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Fiduciary Assets and Liabilities -- Agency Funds
September 30, 2011
(amounts in thousands)

	<u>BOCC</u>	<u>SHERIFF</u>	<u>TAX COLLECTOR</u>	
	<u>General Agency</u>	<u>General Agency</u>	<u>Motor Vehicle</u>	<u>Tax and License</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,282	2,951	2,204	17,253
Investments	13,113	--	1	--
Accounts receivable, net	--	15	84	--
Interest receivable	46	--	--	1
Due from other governmental units	--	1	--	--
Total assets	<u>17,441</u>	<u>2,967</u>	<u>2,289</u>	<u>17,254</u>
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	940	--	15	2,301
Accrued liabilities	9,532	--	--	--
Due to other governmental units	--	--	2,145	14,953
Deposits held	6,969	2,967	129	--
Total liabilities	<u>\$ 17,441</u>	<u>2,967</u>	<u>2,289</u>	<u>17,254</u>

CLERK OF CIRCUIT COURT

<u>General Agency</u>	<u>Registry of the Court</u>	<u>Support Collections</u>	<u>Jury and Witness</u>	<u>Totals</u>
11,277	17,364	91	123	55,545
--	--	--	--	13,114
66	--	3	--	168
--	--	--	--	47
--	--	--	--	1
<u>11,343</u>	<u>17,364</u>	<u>94</u>	<u>123</u>	<u>68,875</u>
--	339	--	--	3,595
--	--	--	--	9,532
6,900	--	--	108	24,106
4,443	17,025	94	15	31,642
<u>11,343</u>	<u>17,364</u>	<u>94</u>	<u>123</u>	<u>68,875</u>

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2011
(amounts in thousands)

	Balance October 1, 2010	Increases	Decreases	Balance September 30, 2011
BOCC General Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 5,399	51,824	52,941	4,282
Investments	7,482	158,704	153,073	13,113
Interest receivable	22	556	532	46
Total assets	<u>12,903</u>	<u>211,084</u>	<u>206,546</u>	<u>17,441</u>
Liabilities:				
Accounts and contracts payable	71	15,599	14,730	940
Accrued liabilities	7,530	191,518	189,516	9,532
Deposits held	<u>5,302</u>	<u>19,907</u>	<u>18,240</u>	<u>6,969</u>
Total liabilities	<u>12,903</u>	<u>227,024</u>	<u>222,486</u>	<u>17,441</u>
Sheriff General Agency:				
Assets:				
Cash and cash equivalents	3,111	33,935	34,095	2,951
Accounts receivable, net	5	27	17	15
Due from other governmental units	19	242	260	1
Total assets	<u>3,135</u>	<u>34,204</u>	<u>34,372</u>	<u>2,967</u>
Liabilities:				
Accounts and contracts payable	6	3,962	3,968	--
Due to other governmental units	--	18,069	18,069	--
Deposits held	<u>3,129</u>	<u>13,475</u>	<u>13,637</u>	<u>2,967</u>
Total liabilities	<u>\$ 3,135</u>	<u>35,506</u>	<u>35,674</u>	<u>2,967</u>

	Balance October 1, 2010	Increases	Decreases	Balance September 30, 2011
Tax Collector Motor Vehicle:				
Assets:				
Cash and cash equivalents	\$ 2,120	137,485	137,401	2,204
Investments	1	--	--	1
Accounts receivable, net	66	325	307	84
Total assets	<u>2,187</u>	<u>137,810</u>	<u>137,708</u>	<u>2,289</u>
Liabilities:				
Accounts and contracts payable	17	6,110	6,112	15
Due to other governmental units	2,036	129,141	129,032	2,145
Deposits held	134	2,197	2,202	129
Total liabilities	<u>2,187</u>	<u>137,448</u>	<u>137,346</u>	<u>2,289</u>
Tax Collector Tax and License:				
Assets:				
Cash and cash equivalents	10,227	2,578,737	2,571,711	17,253
Accounts receivable, net	10	1,429	1,438	1
Due from other governmental units	--	16	16	--
Total assets	<u>10,237</u>	<u>2,580,182</u>	<u>2,573,165</u>	<u>17,254</u>
Liabilities:				
Accounts and contracts payable	1,463	91,749	90,911	2,301
Due to other governmental units	8,774	2,043,257	2,037,078	14,953
Total liabilities	<u>\$ 10,237</u>	<u>2,135,006</u>	<u>2,127,989</u>	<u>17,254</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Balance October 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2011</u>
Clerk General Agency:				
Assets:				
Cash and cash equivalents	\$ 12,724	152,242	153,689	11,277
Accounts receivable, net	70	8,457	8,461	66
Total assets	<u>12,794</u>	<u>160,699</u>	<u>162,150</u>	<u>11,343</u>
Liabilities:				
Accounts and contracts payable	4	4,716	4,720	--
Due to other governmental units	8,570	131,417	133,087	6,900
Deposits held	4,220	12,347	12,124	4,443
Total liabilities	<u>12,794</u>	<u>148,480</u>	<u>149,931</u>	<u>11,343</u>
Clerk Registry of the Court:				
Assets:				
Cash and cash equivalents	13,817	79,395	75,848	17,364
Total assets	<u>13,817</u>	<u>79,395</u>	<u>75,848</u>	<u>17,364</u>
Liabilities:				
Accounts and contracts payable	634	71,604	71,900	338
Deposits held	13,183	79,084	75,241	17,026
Total liabilities	<u>\$ 13,817</u>	<u>150,688</u>	<u>147,141</u>	<u>17,364</u>

	<u>Balance October 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2011</u>
Clerk Support Collections:				
Assets:				
Cash and cash equivalents	\$ 84	12,156	12,149	91
Accounts receivable, net	2	452	451	3
Total assets	<u>86</u>	<u>12,608</u>	<u>12,600</u>	<u>94</u>
Liabilities:				
Accounts and contracts payable	--	911	911	--
Deposits held	86	10,795	10,787	94
Total liabilities	<u>86</u>	<u>11,706</u>	<u>11,698</u>	<u>94</u>
Clerk Jury and Witness:				
Assets:				
Cash and cash equivalents	156	508	541	123
Total assets	<u>156</u>	<u>508</u>	<u>541</u>	<u>123</u>
Liabilities:				
Accounts and contracts payable	--	27	27	--
Due to other governmental units	140	481	513	108
Deposits	16	13	14	15
Total liabilities	<u>\$ 156</u>	<u>521</u>	<u>554</u>	<u>123</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the fiscal year ended September 30, 2011
(amounts in thousands)

	<u>Balance October 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2011</u>
Total All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 47,638	3,046,282	3,038,375	55,545
Investments	7,483	158,704	153,073	13,114
Accounts receivable, net	153	10,690	10,674	169
Interest receivable	22	556	532	46
Due from other governmental units	19	258	276	1
Total assets	<u>55,315</u>	<u>3,216,490</u>	<u>3,202,930</u>	<u>68,875</u>
Liabilities:				
Accounts and contracts payable	2,195	194,678	193,279	3,594
Accrued liabilities	7,530	191,518	189,516	9,532
Due to other governmental units	19,520	2,322,365	2,317,779	24,106
Deposits held	26,070	137,818	132,245	31,643
Total liabilities	<u>\$ 55,315</u>	<u>2,846,379</u>	<u>2,832,819</u>	<u>68,875</u>

Statistical Section

Ybor City Museum State Park

Opened in 1980, the Ybor City Museum State Park introduces visitors to the unique heritage of Ybor City, Tampa's National Historic Landmark District. Founded by cigar factory owners in 1886, Ybor City quickly grew to the most productive cigar-making town in the world.



Visitors to the Ybor City Museum State Park enjoy a live cigar-making demonstration during their visit.



Children perform a dance in the Ybor City Museum State Garden.



A group of volunteers rolling the Guinness World Record "World Longest Cigar" in 2009 Cigar Festival.

University of South Florida Contemporary Art Museum

The University of South Florida Contemporary Art Museum (USFCAM) organizes and presents significant and investigative exhibitions of contemporary art from Florida, the United States and around the world, including Africa, Europe, and Latin America. Changing exhibitions are designed to introduce students, faculty and the community to current cultural trends.



USFCAM commissioned video art by Janaina Tschäpe, featuring mermaid from Weeki Wachee Springs, displayed on giant screen over Tokyo street when exhibition *Blood Sea* travelled from Tampa to Japan.



USFCAM Associate Director Alexa Favata gives a tour of an exhibition by Brazilian artist Janaina Tschäpe.

HILLSBOROUGH COUNTY, FLORIDA Overview of Statistical Section Contents

Financial Trends Information

These schedules show trend information to help the reader understand how the County's financial condition and performance changed over time.

Revenue Capacity Information

These schedules provide information to help the reader assess the County's most significant local revenue source, property taxes.

Debt Capacity Information

These schedules present information to help the reader assess the County's current debt load and its ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County operates.

Operating Information

These schedules provide service and infrastructure data related to County services and activities in order to help the reader better understand the information presented in the financial statements.

Miscellaneous Information

These items provide supplemental data and statistics of interest to readers of the financial statements.

HILLSBOROUGH COUNTY, FLORIDA
Net Assets by Category
Last Ten Fiscal Years
(accrual basis of accounting, amounts in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 6,260,660	6,156,071	5,998,004	5,980,845	5,882,780	5,717,299	5,526,044	5,312,264	5,192,117	5,024,865
Restricted	346,463	391,546	602,376	693,380	526,257	482,338	424,072	375,450	273,047	311,867
Unrestricted	709,332	689,055	561,108	424,029	487,610	378,476	290,271	228,883	262,291	308,014
Total governmental activities net assets	<u>7,316,455</u>	<u>7,236,672</u>	<u>7,161,488</u>	<u>7,098,254</u>	<u>6,896,647</u>	<u>6,578,113</u>	<u>6,240,387</u>	<u>5,916,597</u>	<u>5,727,455</u>	<u>5,644,746</u>
Business-type activities										
Invested in capital assets, net of related debt	845,037	886,677	917,333	820,188	617,091	547,359	502,022	500,106	479,280	384,581
Restricted	94,647	69,850	50,841	72,064	154,917	172,824	75,258	175,412	175,774	183,138
Unrestricted	356,075	322,976	302,044	331,199	383,294	345,520	383,835	215,113	163,819	173,199
Total business-type activities net assets	<u>1,295,759</u>	<u>1,279,503</u>	<u>1,270,218</u>	<u>1,223,451</u>	<u>1,155,302</u>	<u>1,065,703</u>	<u>961,115</u>	<u>890,631</u>	<u>818,873</u>	<u>740,918</u>
Primary government										
Invested in capital assets, net of related debt	7,105,697	7,042,748	6,915,337	6,801,033	6,499,871	6,264,658	6,028,066	5,812,370	5,671,397	5,409,446
Restricted	441,110	461,396	653,217	765,444	681,174	655,162	499,330	550,862	448,821	495,005
Unrestricted	1,065,407	1,012,031	863,152	755,228	870,904	723,996	674,106	443,996	426,110	481,213
Total primary government net assets	<u>\$ 8,612,214</u>	<u>8,516,175</u>	<u>8,431,706</u>	<u>8,321,705</u>	<u>8,051,949</u>	<u>7,643,816</u>	<u>7,201,502</u>	<u>6,807,228</u>	<u>6,546,328</u>	<u>6,385,664</u>

HILLSBOROUGH COUNTY, FLORIDA
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting, amounts in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Expenses										
Governmental activities:										
General government	\$ 274,082	287,687	339,355	346,789	364,827	337,932	309,072	290,608	254,990	244,204
Public safety	510,743	518,781	508,057	507,077	487,314	462,143	434,901	388,481	338,448	312,664
Physical environment	29,862	35,814	35,513	37,198	42,287	49,009	39,781	43,935	37,211	34,979
Transportation	73,344	74,223	106,577	146,348	99,930	75,975	73,268	72,510	69,881	62,624
Economic environment	71,282	79,857	84,919	78,566	88,005	66,001	57,360	49,950	52,940	46,150
Human services	226,941	244,703	252,993	240,989	214,925	205,302	216,167	205,919	194,963	194,328
Culture and recreation	80,580	90,026	110,591	115,802	109,891	97,209	94,356	84,852	77,601	72,490
Interest on long-term debt	25,638	25,899	29,898	25,394	29,040	23,888	23,216	21,792	37,330	23,570
Total governmental activities expenses	1,292,472	1,356,990	1,467,903	1,498,163	1,436,219	1,317,459	1,248,121	1,158,047	1,063,364	991,009
Business-type activities										
Water Enterprise	196,836	190,042	206,430	209,244	196,818	181,808	175,707	161,880	148,688	135,610
Solid Waste Enterprise	104,865	99,140	93,590	79,455	85,854	77,643	74,308	71,539	72,019	66,948
Total business-type activities expenses	301,701	289,182	300,020	288,699	282,672	259,451	250,015	233,419	220,707	202,558
Total primary government expenses	1,594,173	1,646,172	1,767,923	1,786,862	1,718,891	1,576,910	1,498,136	1,391,466	1,284,071	1,193,567
Program revenues										
Governmental activities:										
Charges for services:										
General government	30,763	50,504	79,840	90,857	92,164	101,734	88,254	69,946	58,389	53,909
Public safety	90,249	58,057	59,148	57,280	54,238	52,690	50,849	39,754	35,223	28,511
Physical environment	4,511	7,693	5,522	5,687	5,941	5,838	5,862	6,157	10,279	10,250
Transportation	11,264	11,899	13,168	12,555	12,355	11,222	12,130	9,137	9,007	8,725
Economic environment	2,470	5,032	4,872	4,876	5,210	8,149	6,320	4,795	7,103	4,503
Human services	21,216	25,486	24,594	21,196	26,475	28,943	26,909	32,055	30,370	30,429
Culture and recreation	8,534	14,164	11,905	11,258	11,311	11,574	12,965	11,199	10,843	10,382
Operating grants and contributions	110,996	111,736	98,644	90,045	87,802	83,538	87,282	80,712	80,187	80,420
Capital grants and contributions	44,705	32,445	31,976	72,083	90,130	102,142	172,935	116,636	15,012	162,894
Total governmental activities program revenues	\$ 324,708	317,016	329,669	365,837	385,626	405,830	463,506	370,391	256,413	390,023

(continued)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Business-type activities										
Charges for services:										
Water Enterprise	\$ 196,512	177,315	175,692	180,715	188,386	188,120	173,094	163,016	149,488	141,712
Solid Waste Enterprise	98,613	97,793	94,840	91,966	84,138	81,651	77,562	73,595	69,570	66,219
Operating grants and contributions	--	--	--	--	--	--	--	119	164	74
Capital grants and contributions	9,770	7,847	56,007	55,063	58,713	58,141	46,509	71,163	56,721	56,996
Restricted interest	10,542	12,828	17,724	26,168	39,302	29,791	16,126	12,131	14,941	27,685
Total business-type activities										
program revenues	315,437	295,783	344,263	353,912	370,539	357,703	313,291	320,024	290,884	292,686
Total primary government										
program revenues	640,145	612,799	673,932	719,749	756,165	763,533	776,797	690,415	547,297	682,709
Net (expenses) revenues										
Governmental activities	(967,764)	(1,039,974)	(1,138,234)	(1,132,326)	(1,050,593)	(911,629)	(784,615)	(787,656)	(806,951)	(600,986)
Business-type activities	13,736	6,601	44,243	65,213	87,867	98,252	63,276	86,605	70,177	90,128
Total primary government net expense	\$ (954,028)	(1,033,373)	(1,093,991)	(1,067,113)	(962,726)	(813,377)	(721,339)	(701,051)	(736,774)	(510,858)
General revenues & other changes in net assets										
Governmental activities										
Taxes										
Ad valorem property taxes	\$ 561,081	631,103	724,210	771,688	783,043	674,094	591,069	531,946	485,299	459,821
Fuel taxes	31,081	31,566	31,395	31,546	32,537	32,541	32,351	30,672	29,772	28,730
Discretionary sales surtaxes	183,326	176,232	177,663	195,484	208,752	214,409	200,171	172,380	166,619	157,332
Other taxes	47,159	44,558	47,089	51,044	49,042	44,477	43,050	34,976	26,215	28,672
Intergovernmental--state shared revenues	161,095	156,514	143,207	146,748	148,285	157,081	148,596	140,010	129,334	128,499
Investment earnings	11,317	24,796	31,622	49,596	70,540	49,569	22,046	12,522	18,651	35,855
Gain (loss) on disposal of capital assets	3,029	3,141	1,222	--	1,111	1,298	863	--	--	(2,050)
Miscellaneous	49,649	55,778	45,373	87,827	75,817	75,936	72,862	54,397	57,625	42,390
Transfers	(190)	(467)	--	--	--	(50)	(2,603)	(105)	(141)	(11)
Special item - cash defeasance	--	(8,063)	--	--	--	--	--	--	--	--
Total governmental activities	1,047,547	1,115,158	1,201,781	1,333,933	1,369,127	1,249,355	1,108,405	976,798	913,374	879,238
Business-type activities										
Gain (loss) on disposal of capital assets	1,013	649	218	551	889	1,428	--	--	125	623
Miscellaneous	1,317	1,568	2,512	2,385	1,733	2,200	6,243	9,501	7,512	3,529
Transfers	190	467	--	--	--	50	2,603	105	141	11
Total business-type activities	2,520	2,684	2,730	2,936	2,622	3,678	8,846	9,606	7,778	4,163
Total primary government	1,050,067	1,117,842	1,204,511	1,336,869	1,371,749	1,253,033	1,117,251	986,404	921,152	883,401
Change in net assets										
Governmental activities	79,783	75,184	63,547	201,607	318,534	337,726	323,790	189,142	106,423	278,252
Business-type activities	16,256	9,285	46,973	68,149	90,489	101,930	72,122	96,211	77,955	94,291
Total primary government	\$ 96,039	84,469	110,520	269,756	409,023	439,656	395,912	285,353	184,378	372,543

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Changes in Net Assets (Continued)
Last Ten Fiscal Years
(accrual basis of accounting, amounts in thousands)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Reconciliation of change in net assets of total primary government										
Net assets, beginning of year, as previously reported	\$ 8,516,175	8,431,706	8,321,705	8,051,949	7,643,816	7,201,502	6,807,228	6,546,328	6,385,664	5,840,856
Adjustments to net assets, beginning of year:										
Effect of eliminating liability for non-commitment debt related to the Tampa Sports Authority	-	-	-	-	-	-	-	-	-	172,265
Effect of restating land for contributions of environmentally sensitive lands	-	-	-	-	-	-	-	-	(23,714)	-
Restatement for (over) under recorded contributions in prior years	-	-	-	-	-	2,658	-	(24,453)	-	-
Restatement for disposal of capital assets in prior year	-	-	-	-	-	-	(1,638)	-	-	-
Restatement for implementation of GASB Statement 48	-	-	-	-	(890)	-	-	-	-	-
Restatement for implementation of GASB Statement 49	-	-	(519)	-	-	-	-	-	-	-
Net assets, beginning of year, as restated	8,516,175	8,431,706	8,321,186	8,051,949	7,642,926	7,204,160	6,805,590	6,521,875	6,361,950	6,013,121
Change in net assets during the fiscal year	96,039	84,469	110,520	269,756	409,023	439,656	395,912	285,353	184,378	372,543
Net assets, end of year	\$ 8,612,214	8,516,175	8,431,706	8,321,705	8,051,949	7,643,816	7,201,502	6,807,228	6,546,328	6,385,664

HILLSBOROUGH COUNTY, FLORIDA
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting, amounts in thousands)

Pre-GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund								
Reserved	\$ 3,763	4,175	6,709	9,136	9,332	9,359	7,970	7,906
Unreserved	203,713	225,446	223,698	168,194	121,516	118,858	98,445	106,414
Total general fund	<u>207,476</u>	<u>229,621</u>	<u>230,407</u>	<u>177,330</u>	<u>130,848</u>	<u>128,217</u>	<u>106,415</u>	<u>114,320</u>
Other governmental funds								
Reserved	154,312	159,274	112,200	142,874	97,076	98,592	90,915	119,791
Unreserved reported in:								
Special revenue funds	279,178	542,192	261,713	359,797	353,363	276,108	272,675	247,800
Capital projects funds	342,846	142,788	283,507	83,193	69,782	52,155	30,650	21,158
Total other governmental funds	<u>\$ 776,336</u>	<u>844,254</u>	<u>657,420</u>	<u>585,864</u>	<u>520,221</u>	<u>426,855</u>	<u>394,240</u>	<u>388,749</u>

Post-GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"

	<u>2011</u>	<u>2010</u>
General Fund		
Nonspendable	\$ 1,645	1,316
Unassigned	248,293	217,061
Total general fund	<u>249,938</u>	<u>218,377</u>
Other governmental funds		
Nonspendable	5,018	5,808
Restricted	381,752	392,420
Committed	255,755	308,417
Total other governmental funds	<u>\$ 642,525</u>	<u>706,645</u>

HILLSBOROUGH COUNTY, FLORIDA
General Government State Shared Revenues by Source
Last Ten Fiscal Years

(modified accrual basis of accounting, amounts in thousands)

Fiscal Year	Local Government Half-Cent Sales Tax	State Revenue Sharing Proceeds	Constitutional Fuel Tax	County Fuel Tax	Other State Shared Revenues	Total
2002	\$ 74,394	22,769	10,089	4,440	15,560	127,252
2003	76,436	23,463	10,459	4,598	12,957	127,913
2004	82,259	25,750	11,052	4,848	15,964	139,873
2005	88,529	26,946	11,652	5,004	16,081	148,212
2006	94,754	29,047	11,292	5,039	16,643	156,775
2007	90,714	28,388	11,463	5,005	12,456	148,026
2008	83,997	26,581	10,992	4,794	21,098	147,462
2009	75,275	23,818	10,863	4,705	28,411	143,072
2010	73,553	23,678	10,752	4,693	43,130	155,806
2011	76,523	24,461	10,772	4,703	44,098	160,557

This chart shows state shared revenue by source as presented in the fund financial statements. State shared revenues are a part of intergovernmental revenues. Other components of intergovernmental revenues are federal, state, and local government grants. "Other state shared revenues" are revenues collected by the state and shared with the County such as those associated pari-mutuel distributions replacement, alcoholic beverage licenses, mobile home licenses, and insurance agent County licenses.

HILLSBOROUGH COUNTY, FLORIDA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

<i>(amounts in thousands)</i>	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Taxes--ad valorem property	\$ 561,081	631,103	724,210	771,688	783,043	674,094	591,069	531,946	485,299	459,821
Taxes--fuel	30,933	31,511	31,384	31,535	32,626	32,666	32,122	30,660	29,683	28,442
Taxes--discretionary sales surtaxes	183,060	176,148	178,057	196,732	209,795	214,184	198,650	171,158	165,245	154,119
Taxes--other	47,187	44,338	47,405	49,043	49,140	44,325	42,922	34,900	26,055	28,556
Licenses and permits	35,537	34,515	27,203	15,925	15,015	19,708	22,545	18,561	17,196	12,810
Intergovernmental--state shared revenues	160,557	155,806	143,072	147,462	148,026	156,775	148,212	139,873	127,913	127,252
Intergovernmental--grants	135,252	139,281	108,750	104,469	108,375	104,467	103,883	91,209	90,041	88,237
Charges for services	128,095	132,100	150,295	159,700	164,822	170,756	157,664	137,036	129,160	118,955
Fines and forfeitures	7,179	8,614	15,873	15,747	16,331	19,029	12,858	6,523	4,688	5,148
Special assessments	0	0	7,715	13,291	12,837	12,470	12,030	11,569	10,851	10,291
Interest	8,576	20,045	25,891	43,427	61,016	43,338	18,938	10,009	15,249	30,133
Miscellaneous	23,986	31,273	31,530	63,878	51,406	58,981	54,807	34,434	44,772	37,646
Total revenues	1,321,443	1,404,734	1,491,385	1,612,897	1,652,432	1,550,793	1,395,700	1,217,878	1,146,152	1,101,410
Expenditures										
Current:										
General government	258,817	268,637	323,251	334,184	319,683	314,747	292,152	273,260	249,372	230,872
Public safety	484,637	488,070	479,636	476,544	459,650	430,164	404,541	349,973	316,590	284,256
Physical environment	28,208	34,057	33,486	34,873	39,947	44,484	36,770	35,032	28,291	26,764
Transportation	58,908	42,406	67,570	122,266	75,731	64,070	62,579	61,279	59,207	52,647
Economic environment	67,335	75,261	80,624	74,068	83,326	63,344	54,723	48,847	52,030	45,168
Human services	214,373	230,600	240,201	227,237	203,458	197,023	206,230	201,324	191,818	189,879
Culture and recreation	72,387	80,823	98,931	105,260	98,741	89,032	85,954	78,998	69,266	62,070
Capital outlay	150,462	173,325	176,878	240,092	239,635	171,857	142,973	128,709	164,692	168,384
Debt service:										
Principal	259,788	228,001	212,223	113,720	107,301	66,195	77,415	186,493	86,775	88,853
Interest/fiscal charges	26,529	30,255	31,191	27,093	21,870	20,010	21,119	20,956	31,758	20,735
Total expenditures	1,621,444	1,651,435	1,743,991	1,755,337	1,649,342	1,460,926	1,384,456	1,384,871	1,249,799	1,169,628
Other financing sources (uses):										
Transfers in	743,812	813,419	1,004,568	1,086,476	968,021	925,927	934,258	815,622	727,631	665,564
Transfers out	(739,121)	(778,585)	(1,004,568)	(1,116,705)	(981,093)	(932,514)	(922,309)	(815,727)	(735,238)	(675,899)
Face amount of long-term debt issued	261,330	253,760	162,679	329,005	133,170	131,730	118,290	219,492	224,819	164,078
Payment to refunded bond escrow agent	--	(103,106)	--	--	--	(105,325)	(45,590)	--	(116,500)	(18,720)
Premiums on long-term debt issued	--	772	--	9,776	248	2,203	361	1,912	--	--
Discounts on long-term debt issued	--	(3)	--	--	--	--	--	--	--	--
Face amount of refunding bonds issued	--	--	--	19,195	--	--	--	--	--	--
Sales of capital assets	1,809	904	--	--	--	--	--	--	--	--
Total other financing sources	267,830	187,161	162,679	327,747	120,346	22,021	85,010	221,299	100,712	135,023
Net change in fund balances	\$ (32,171)	(59,540)	(89,927)	185,307	123,436	111,888	96,254	54,306	(2,935)	66,805
Debt service as a percentage of noncapital expenditures*	19.5%	17.5%	15.5%	9.3%	9.2%	6.7%	7.9%	16.5%	10.9%	10.9%

* This ratio tends to be higher in years with higher principal payments.

HILLSBOROUGH COUNTY, FLORIDA
Taxable Assessed Value and Actual Value of Property
Last Ten Fiscal Years
(dollar amounts in millions)

Fiscal Year	Estimated Actual Value (a)			Exemptions (b)			Assessed Value (c)			Total Taxable Assessed Value	Total Direct Tax Rate (f)
	Real Property	Tangible Personal Property (d)	Centrally Assessed Property (e)	Real Property	Tangible Personal Property (d)	Centrally Assessed Property (e)	Real Property	Tangible Personal Property (d)	Centrally Assessed Property (e)		
2002	\$ 52,952	7,438	80	13,094	1,171	-	39,858	6,267	80	46,205	13.066
2003	57,521	7,479	112	13,761	1,146	-	43,760	6,333	112	50,205	13.047
2004	63,183	8,011	112	14,398	1,281	-	48,785	6,730	112	55,627	13.017
2005	73,192	8,643	70	15,972	1,549	-	57,220	7,094	70	64,384	12.900
2006	88,280	8,774	76	17,445	1,455	-	70,835	7,319	76	78,230	12.303
2007	97,915	8,988	77	17,866	1,432	-	80,049	7,556	77	87,682	10.815
2008	100,896	9,120	75	24,489	1,905	2	76,407	7,215	73	83,695	10.763
2009	88,961	9,195	75	23,168	1,899	2	65,793	7,296	73	73,162	10.761
2010	79,075	9,227	70	21,393	2,106	2	57,682	7,121	68	64,871	10.760
2011	75,837	8,925	93	20,676	2,077	2	55,161	6,848	91	62,100	10.758

- (a) Section 192.001, Florida Statutes, defines assessed value of property as "an annual determination of the just or fair market value of an item or property." Therefore, gross assessed value is defined to be Estimated Actual Value.
- (b) Exemptions allowed include those for governmental as well as qualified, religious, or other non-profit properties. In addition, there are also additional exemptions if a property owner is a widow, widower, disabled, or 65 or older. A new expanded homestead exemption and the existing 3% and new 10% homestead cap differentials are not included in this chart. Note that the new homestead exemption does not apply to property taxes for the School Board.
- (c) Assessed value is the estimated actual value less exemptions.
- (d) Tangible personal property represents business property such as furniture, computers, machinery and equipment, as well as mobile homes that are not permanently affixed to land. With the passing of Amendment 1 on January 29, 2008 an exemption of \$25,000 for tangible property is included in the chart above.
- (e) Centrally assessed property is primarily railroad that is assessed by the state of Florida rather than by the Property Appraiser since the property is located in more than one county.
- (f) Total Direct Tax Rate shows Hillsborough County tax rates applicable to residents of the unincorporated areas of the county. See "Property Tax Millage Rates for Direct and Overlapping Governmental Entities" for more information.

Source: Hillsborough County Property Appraiser

HILLSBOROUGH COUNTY, FLORIDA
Property Tax Millage Rates for Direct and Overlapping Governments
Last Ten Fiscal Years
(millage rates rounded to nearest thousandth)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Countywide (BOCC):										
BOCC General Revenue	5.739	5.741	5.742	5.744	5.745	6.520	6.926	7.176	7.188	7.198
BOCC Library Service	0.558	0.558	0.558	0.558	0.608	0.692	0.692	0.642	0.642	0.642
Environmentally sensitive lands (voted)	0.060	0.060	0.060	0.060	0.060	0.067	0.084	0.097	0.105	0.114
Total millage	6.357	6.359	6.360	6.362	6.413	7.279	7.702	7.915	7.935	7.954
Maximum millage per statute (a)	10.060	10.060	10.060	10.060	10.060	10.067	10.084	10.097	10.105	10.114
Unincorporated Area (BOCC):										
BOCC Municipal Service Taxing Unit	4.375	4.375	4.375	4.375	4.376	4.995	5.162	5.062	5.062	5.062
Parks and Recreation (voted)	0.026	0.026	0.026	0.026	0.026	0.029	0.036	0.040	0.050	0.050
Total millage	4.401	4.401	4.401	4.401	4.402	5.024	5.198	5.102	5.112	5.112
Maximum millage per statute (a)	10.026	10.026	10.026	10.026	10.026	10.029	10.036	10.040	10.050	10.050
Countywide (Other):										
Tampa Port Authority	0.190	0.190	0.193	0.195	0.198	0.220	0.260	0.260	0.290	0.290
Southwest Florida Water Management District	0.393	0.377	0.387	0.387	0.387	0.422	0.422	0.422	0.422	0.422
School Board	7.913	7.592	7.692	7.777	7.523	7.823	7.937	8.361	8.480	8.595
Children's Board	0.500	0.500	0.500	0.500	0.463	0.500	0.500	0.500	0.500	0.500
Unincorporated Area (Other)										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.216	0.216	0.216	0.216	0.216	0.240	0.240	0.240	0.240	0.240
Hillsborough River Basin	0.230	0.230	0.242	0.255	0.255	0.285	0.285	0.285	0.285	0.285
NW Hillsborough Basin	--	--	--	0.242	0.242	0.268	0.268	0.268	0.268	0.268
Transit Authority	0.500	0.468	0.468	0.468	0.450	0.500	0.500	0.500	0.500	0.500
Municipalities:										
Tampa	5.733	5.733	5.733	5.733	5.733	6.408	6.539	6.539	6.539	6.539
Temple Terrace	2.248	5.950	5.283	4.569	4.569	4.700	4.910	4.910	4.910	4.910
Plant City	4.716	4.716	4.716	4.165	4.165	4.910	4.700	4.700	4.700	4.700
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	20.254	20.103	20.217	20.306	20.052	22.008	22.759	23.300	23.479	23.613

(a) Section 200.071, Florida Statutes, states that the maximum ad valorem tax millage for either the countywide or unincorporated area (municipal services taxing unit) of the BOCC is set at 10 mills plus any voted levies.

(b) Dependent on its location, property within Tampa may either be in the Alafia, the Hillsborough River, or the NW Hillsborough Watershed Basin. Plant City property may be in either the Alafia or the Hillsborough River Basin. During fiscal year 2009, the NW Hillsborough Basin was merged into the Hillsborough River Basin.

HILLSBOROUGH COUNTY, FLORIDA
Principal Taxpayers
Latest Fiscal Year Compared to the Fiscal Year Nine Years Earlier

Taxpayer	Type of Business	2010			2001		
		Taxes Levied in thousands	Rank	Percentage of Total Taxes Levied	Taxes Levied in thousands	Rank	Percentage of Total Taxes Levied
Tampa Electric Company	Electric utility	\$ 34,683	1	2.2%	\$ 30,301	1	2.7%
Verizon Communications Inc.	Telecommunications	17,657	2	1.1	27,873	2	2.5
Hillsborough County Aviation Authority	Airport	9,855	3	0.6	3,818	6	0.3
Mosaic Company	Mining/fertilizer minerals	6,459	4	0.4	7,634	3	0.7
Camden Operating LP	Real estate	5,539	5	0.4	3,471	7	0.3
Liberty Property	Property management	4,607	6	0.3	-	-	-
Post Apartment Homes LP	Real estate	4,288	7	0.3	5,178	5	0.5
Wal-Mart	Retail stores	4,275	8	0.3	2,739	8	0.2
Highwoods/Florida Holding LP	Real estate management	4,156	9	0.3	-	-	-
Brighthouse Networks	Communications	3,771	10	0.3	-	-	-
Tampa Sports Authority	Entertainment events	-	-	-	5,929	4	0.5
Busch Entertainment Corporation	Entertainment	-	-	-	2,721	9	0.3
		<u>\$ 95,290</u>		<u>6.2%</u>	<u>\$ 89,664</u>		<u>8.0%</u>

This chart shows the total taxes levied against the ten largest ad valorem property taxpayers in the most recent year as well as nine years earlier. Property located within the geographic boundaries of Hillsborough County is subject to tax levies by Hillsborough County as well as several other taxing authorities. The Hillsborough County Tax Collector collects taxes for all of these taxing authorities. Taxing authorities such as the City of Tampa and the School Board are not a part of the Hillsborough County financial reporting entity. Their tax levies, however, are included in the chart above in order to show the total taxes due from each of the ten largest taxpayers. The total taxes levied by all of these taxing authorities against property located within the geographic boundaries of Hillsborough County was \$1,548,565,479 for 2010 and \$1,119,431,000 for 2001.

Since 2011 property tax rolls were not opened for collections until November 1, 2011, final data for the 2011 property tax levy is not available. Taxes levied during a fiscal year are collected in the following fiscal year. Therefore, the amounts shown as levied in fiscal year 2010 were actually received in fiscal year 2011.

Source: Hillsborough County Tax Collector

HILLSBOROUGH COUNTY, FLORIDA
Property Tax Levied and Collected
Last Ten Fiscal Years (a)
(in thousands of dollars)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Taxes Collected	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 482,663	474,844	98.4	2,797	477,641	99.0
2003	508,616	500,980	98.5	644	501,624	98.6
2004	553,131	547,054	98.9	1,227	548,281	99.1
2005	614,133	608,746	99.1	2,232	610,978	99.5
2006	701,730	696,591	99.3	802	697,393	99.4
2007	814,609	808,864	99.3	618	809,482	99.4
2008	801,724	795,084	99.2	1,321	796,405	99.3
2009	757,541	745,239	98.4	1,483	746,722	98.6
2010	660,228	648,894	98.3	1,529	650,423	98.5
2011	588,376	576,072	97.9	3,048	579,120	98.4
	(b)	(c)		(d)		

- (a) Since 2011 property tax rolls were not opened for collections until November 1, 2011, final data for the 2011 property tax levy is not available. Taxes levied during a fiscal year are collected in the following fiscal year. Therefore, the amounts shown as levied in fiscal year 2010 were actually received in fiscal year 2011.
- (b) The tax levy is the entire property tax due to Hillsborough County before any tax reductions are determined by the Value Adjustment Board and before any tax amounts are determined to be uncollectible due to insolvencies. The tax levy represents only the taxes due to the Hillsborough County financial reporting entity and therefore, excludes taxes due to the School Board, the City of Tampa, and certain other governmental entities.
- (c) There is a four percent early payment discount available to taxpayers who pay their property taxes in November, with the discount declining one percentage point each month thereafter. To accurately compare taxes collected to the taxes levied, discounts taken were added into the amounts collected, making them directly comparable.
- (d) Includes all delinquent tax collections received during the year regardless of the year in which the taxes were originally levied.

Source: Hillsborough County Tax Collector

HILLSBOROUGH COUNTY, FLORIDA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts in thousands, except per capita)

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	Ratio of Personal Income to Debt	Debt per Capita
	General Obligation Bonds	Limited Ad Valorem Bonds	Revenue Bonds	Notes Payable	Other Long-term Debt	Revenue Bonds	Notes Payable			
2002	\$ 17,879	38,175	354,291	38,875	29,095	346,653	2,518	827,486	36.0	805
2003	17,233	34,746	342,371	70,856	28,675	262,319	2,542	758,742	41.1	719
2004	16,689	30,998	420,330	31,685	28,070	224,332	2,585	754,689	42.3	697
2005	16,134	27,085	412,443	41,905	27,435	198,904	2,640	726,546	48.0	651
2006	15,556	23,002	401,695	27,075	26,775	172,267	2,700	669,070	55.9	568
2007	14,967	18,750	433,608	52,589	-	302,067	1,343	823,324	51.8	683
2008	14,356	14,314	611,795	122,537	-	282,035	-	1,045,037	42.1	853
2009	13,728	9,714	581,479	107,473	-	231,978	-	944,372	47.2	765
2010	73,166	4,952	451,032	109,802	-	214,202	-	853,154	53.3	685
2011	72,346	-	431,028	136,379	-	347,497	-	987,250	**	803
	(a)				(b)	(a)	(c)		(d)	

- (a) Bonds are shown net of related deferred losses on bond refundings and net of related unamortized bond issue premiums or discounts.
- (b) "Other Long-term debt" under "governmental activities" for fiscal years 2002 through 2006 represent other long-term debt related to the County's commitments for debt service payments under interlocal agreements with the Tampa Sports Authority. During fiscal year 2007, the County also issued its \$27,125,000 Fifth Cent Tourist Development Tax Refunding Revenue Bonds, Series 2006A, in order to refund \$26,775,000 of the Tampa Sports Authority's 1998 County Interlocal Payments Refunding Revenue Bonds. As a result, in governmental activities the total revenue bonds shown on this chart increased while other long-term debt decreased by a similar amount.
- The "other long-term debt" column of this chart excludes non-debt liabilities such as arbitrage, accreted interest, open landfill closure and postclosure costs, closed landfill remediation/monitoring, interest rate swap options, and pollution remediation liabilities.
- (c) During fiscal year 2007, the County issued \$157,350,000 in Solid Waste Resource Recovery Revenue Bonds, Series 2006A, which were used to refund the 2004 Solid Waste Refunding Revenue Bonds and to pay for construction. As a result there was an increase in revenue bonds in business-type activities.
- (d) "Personal income" is earned income, dividends, interest, and rent, as well as transfer receipts received such as Social Security payments. Due to a time lag in receiving personal income figures, ratios were calculated using personal income figures for the prior fiscal year. See "Demographic and Economic Statistics" for actual personal income figures used above. Source: U.S. Department of Commerce Bureau of Economic Analysis.
- ** Personal income data was not available.

HILLSBOROUGH COUNTY, FLORIDA
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

(amounts in thousands, except per capita)

Fiscal Year	General Obligation Bonds	Limited Ad Valorem Bonds	Less: Amount Available in Debt Service Funds	Total Net General Bonded Debt	Ratio of Debt to Assessed Property Values	General Bonded Debt per Capita
2002	\$ 17,879	38,175	(1,837)	54,217	0.12	54
2003	17,233	34,746	(1,362)	50,617	0.10	49
2004	16,689	30,998	(1,191)	46,496	0.08	44
2005	16,134	27,085	(1,155)	42,064	0.07	39
2006	15,556	23,002	(1,324)	37,234	0.05	33
2007	14,967	18,750	(1,358)	32,359	0.04	27
2008	14,356	14,314	(1,425)	27,245	0.03	23
2009	13,728	9,714	(1,025)	22,417	0.03	18
2010	73,166	4,952	(967)	77,151	0.12	62
2011	72,346 (a)	--	(262)	72,084	0.12	59

(a) Bonds are shown net of related unamortized losses on bond refundings and bond issue premiums and discounts.

HILLSBOROUGH COUNTY, FLORIDA
Direct and Overlapping Governmental Activities Debt
September 30, 2011

(amounts in thousands)

Governmental Unit	Outstanding Debt	Percentage Applicable	Direct and Overlapping Debt
Direct debt of Hillsborough County:			
General obligation bonds	\$ 72,346	100%	72,346
Total direct and overlapping debt			<u>72,346</u>

The Hillsborough County School Board, Tampa Port Authority, Children's Board, and Southwest Florida Water Management District do not have any general obligation bonds, therefore their bonds are not presented in this chart.

Sources: Hillsborough County School Board, Tampa Port Authority, and Southwest Florida Water Management District

HILLSBOROUGH COUNTY, FLORIDA
Debt Service Coverage of Governmental Revenue Bonds
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year	Principal	Interest	Total Debt Service	Available Pledged Revenue	Debt Service Coverage
2002	\$ 11,115	16,586	27,701	203,262	7.34
2003	7,115	28,661	35,776	209,884	5.87
2004	13,535	17,390	30,925	213,693	6.91
2005	21,095	18,380	39,475	240,409	6.09
2006	12,940	16,942	29,882	301,980	10.11
2007	20,460	19,051	39,511	309,048	7.82
2008	22,095	24,392	46,487	282,504	6.08
2009	29,230	28,070	57,300	268,480	4.69
2010	20,560	20,879	41,439	252,294	6.09
2011	19,295	20,102	39,397	254,360	6.46
			(a)	(b)	

- (a) Total debt service represents debt service on all governmental revenue bonds outstanding at the end of the fiscal year. See Note 7 for more information on governmental revenue bonds.
- (b) Available pledged revenues are not limited to those revenues specifically pledged for governmental revenue bonds, but represent all pledged revenues that may support these governmental revenue bonds. Available pledged revenues include the Local Government Half-Cent Sales Tax, Community Investment Tax (a discretionary sales surtax), Guaranteed Entitlement Revenues, Mobile Home License Fees, Alcoholic Beverage License Taxes, Local Business Taxes, Fuel Tax, Local Option Fuel Tax, and certain court surcharge revenues. It excludes ad valorem and other taxes and intergovernmental revenues.

HILLSBOROUGH COUNTY, FLORIDA
Debt Service Coverage of Business-type Revenue Bonds
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Debt Service Coverage
				Principal	Interest	Total	
2002	\$ 240,009	135,049	104,960	28,985	19,242	48,227	2.18
2003	242,375	146,767	95,608	28,581	18,115	46,696	2.05
2004	255,361	158,882	96,479	31,355	12,222	43,577	2.21
2005	276,147	178,265	97,882	34,163	11,773	45,936	2.13
2006	304,998	188,891	116,107	32,410	10,604	43,014	2.70
2007	316,526	206,036	110,490	23,038	15,032	38,070	2.90
2008	303,096	211,631	91,465	22,100	15,004	37,104	2.47
2009	291,940	219,493	72,447	20,085	12,811	32,896	2.20
2010	292,657	210,027	82,630	18,185	11,316	29,501	2.80
2011	310,581	218,832	91,749	17,105	17,066	34,171	2.68
	(a)	(b)			(c)		(d)

- (a) Operating revenues plus other income excluding any extraordinary gains.
- (b) Total expenses excluding depreciation, bond interest, amortization, and extraordinary losses.
- (c) Bond interest requirements before capitalization of interest expense to construction-in-progress, interest paid to defease serial bonds, amortization of deferred refunding losses, amortization of bond market issue premiums or discounts, and capitalized interest deduction.
- (d) Net revenue available for debt service divided by total debt service requirements. Since capacity fees and meter installation fees are recorded as capital contributions, these amounts are excluded from the figure presented above for net revenue available for debt service. For rate covenant test purposes, capacity fees and meter installation fees are eligible to be treated as net revenue available for debt service.

HILLSBOROUGH COUNTY, FLORIDA
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income <i>(in thousands)</i>	Personal Income Per Capita	Median Age	Public High School Graduation Rates	Total Public School Enrollment	Unemployment Rate
2001	1,021,720 (a)	\$ 29,828,798	\$ 29,055	35	74.4	179,362	4.2
2002	1,049,740 (a)	31,150,902	29,602	36	77.5	184,483	5.3
2003	1,078,600 (a)	31,932,807	29,748	35	75.8	191,186	5.1
2004	1,109,680 (a)	34,848,801	31,671	36	79.3	197,500	4.3
2005	1,139,510 (a)	37,379,401	33,034	36	79.5	193,669	3.7
2006	1,172,970 (a)	42,675,000	36,845	36	77.3	193,480	3.3
2007	1,204,750 (a)	44,020,000	37,627	36	79.1	193,180	4.0
2008	1,224,520 (a)	44,583,000	37,778	36	80.0	191,965	6.3
2009	1,234,010 (a)	45,511,155	38,075	36	84.6	192,260	10.7
2010	1,229,226 (b)	**	**	36	86.0	193,244	11.8
		(c)	(c)	(a)	(d)	(d)	(a)

Source: (a) Hillsborough County City-County Planning Commission
(b) US Census Bureau 2010
(c) U.S. Department of Commerce Bureau of Economic Analysis
(d) Tampa Bay Partnership
(e) Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.
** Personal income data for fiscal year 2010 was not yet available.

HILLSBOROUGH COUNTY, FLORIDA
Principal Employers
Latest Fiscal Year Compared to the Fiscal Year Nine Years Earlier

<u>Employer</u>	<u>Type of Operation</u>	<u>2011</u>			<u>2002</u>		
		<u>Employees</u>	<u>%</u>	<u>Rank (a)</u>	<u>Employees</u>	<u>%</u>	<u>Rank (a)</u>
Hillsborough County School Board	Public education	29,603	5.6	1	25,487	5.0	1
MacDill Air Force Base	Military base	15,485	2.9	2	5,645	1.1	6
Hillsborough County Government	Government	9,328	1.8	3	9,922	1.9	4
Tampa International Airport	International airport	8,060	1.5	4	7,760	1.5	5
Verizon Communications Inc.	Telecommunications and data processing	9,065	1.7	5	14,000	2.7	2
University of South Florida	Education services	8,353	1.6	6	11,607	2.3	3
Tampa General Hospital	Medical facilities	6,900	1.3	7	3,166	0.6	13
Publix Food Centers	Supermarkets	5,823	1.1	8	4,342	0.8	9
St. Joseph Hospital	Medical facilities	4,400	0.8	9	5,242	1.0	7
City of Tampa	Government	4,274	0.8	10	4,500	0.9	8
James A. Haley - VA Hospital	Medical facilities	4,100	0.8	11	2,800	0.5	14
H. Lee Moffit Cancer Center	Medical facilities	4,094	0.8	12	-	-	-
Busch Entertainment Corporation	Tourist attraction	3,926	0.7	13	2,437	0.5	16
Bank of America	Banks	3,314 (b)	0.6	14	3,754	0.7	11
University Community Hospital	Medical facilities	3,108	0.6	15	-	-	-
U.S. Postal Service	Postal services	3,060	0.6	16	3,947	0.8	10
SweetBay Supermarkets	Supermarket	2,834	0.5	17	2,652	0.5	15
USF Health Science Center	Medical facilities	2,232 (b)	0.4	18	-	-	-
Tampa Electric Company	Electric utility	2,481	0.5	19	3,463	0.7	12
Total		<u>130,440</u>	<u>24.6</u>		<u>110,724</u>	<u>21.5</u>	

(a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2011 was not available so the 2010 figure of 530,189 was used instead. Total Hillsborough County employment for 2002 was 514,371.

(b) The number of employees for fiscal year 2011 figure was not available, so 90% of the fiscal year 2010 figure was used as an estimate in its place.

Source: Hillsborough County City-County Planning Commission
Florida Agency for Workforce Innovation, Labor Statistics
City of Tampa
Tampa Bay Partnership

HILLSBOROUGH COUNTY, FLORIDA
Full-Time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	Full-Time Equivalent Employees At Fiscal Year-End									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government	1,973	2,079	2,265	2,544	2,434	2,469	2,493	2,601	2,562	2,515
Public safety	4,316	4,458	4,449	4,504	4,454	4,543	4,264	3,933	3,811	3,827
Physical environment	270	267	312	346	410	398	402	390	367	340
Transportation	331	355	392	410	476	456	484	467	473	514
Economic environment	58	73	66	79	68	71	65	69	93	101
Human services	854	989	1,030	1,010	966	957	962	1,014	1,074	1,078
Culture and recreation	749	901	893	746	829	826	828	871	932	939
Water Resource Services	678	667	645	663	574	570	574	563	521	506
Solid Waste	99	141	142	140	142	139	142	143	132	132
Total	9,328	9,930	10,194	10,442	10,353	10,429	10,214	10,051	9,965	9,952

Sources: Hillsborough County Clerk of Circuit Court Payroll Department
Hillsborough County Civil Service Board

HILLSBOROUGH COUNTY, FLORIDA
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year: 2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Public safety										
Calls to Fire Rescue Department	80,076	80,573	81,704	80,100	78,217	72,636	71,678	63,664	62,728	62,952
Number of 9-1-1 calls	838,054	864,880	888,613	933,056	937,440	919,059	884,852	862,037	885,709	888,091
Physical environment										
Compliance inspections conducted per year, air management	1,475	1,820	1,805	1,703	1,844	1,975	1,900	1,800	1,727	1,241
Water stations monitored per month	213	144	139	142	140	131	97	94	94	*
Transportation										
Number of Capital Improvement Program (CIP) projects managed	452	440	353	238	240	259	398	317	365	389
New traffic signs per year	14,566	11,000	12,477	13,976	14,742	12,691	13,474	11,143	8,992	8,250
Economic environment										
Number of targeted business or industry growth leads	164	98	128	143	135	100	141	117	20	*
Number of corporate projects/contacts	39	43	39	54	48	49	46	42	31	49
Human services										
Elderly clients served - in home care	1,638	1,615	2,398	2,073	1,881	1,379	1,271	1,278	1,302	*
Head Start-funded enrollment	3,474	3,071	3,071	3,071	3,017	2,956	2,956	2,956	2,946	2,946
Culture and recreation										
Registered library borrowers	575,651	552,646	864,935	834,417	767,154	698,191	674,014	716,620	732,458	685,899
Number regional park visits	2,291,338	4,441,011	4,100,000	3,950,000	3,800,501	3,412,563	2,991,286	2,988,394	3,321,683	2,968,000
Water Enterprise										
Annual water consumption (thousands of gallons)	16,461	16,379	17,014	18,137	17,971	15,633	15,262	13,159	13,885	13,506
Water accounts at year-end	141,988	141,615	141,690	141,355	139,609	135,033	128,080	121,521	111,296	104,662
Annual wastewater flow (thousands of gallons)	12,508	12,641	12,434	12,303	12,473	11,873	11,277	10,244	10,127	9,656
Wastewater accounts at year-end	134,904	131,588	131,890	132,420	130,821	126,308	119,483	113,072	103,711	97,364
Reclaimed water accounts at year-end	15,302	15,115	14,774	14,804	13,733	13,245	12,822	12,228	10,037	6,632
Solid Waste Enterprise										
Total tons collected (residential)	326,015	325,426	365,686	357,885	355,045	375,611	344,913	394,042	363,973	281,843
Number or residents receiving collection service	252,068	255,826	251,298	233,563	234,189	225,546	216,570	201,641	195,016	188,197
Revenue from Resource Recovery plant's electric production	\$ 15,965,489	18,726,396	18,822,720	17,129,464	16,542,004	14,920,700	13,871,234	13,416,459	11,664,197	9,677,142

Sources: Hillsborough County Business Support Services Department - Adopted Budget for FY11.
Hillsborough County Annual Financial Report Water Resource Division Enterprise Fund for Fiscal Years Ended September 30, 2010 and 2009.

HILLSBOROUGH COUNTY, FLORIDA
Capital Asset Statistics by Function
Last Eight Fiscal Years

Function	Fiscal Year:							
	2011	2010	2009	2008	2007	2006	2005	2004
Public safety								
Number of fire and rescue stations (a)	43	43	43	43	43	42	41	43
Sheriff's marked and unmarked patrol vehicles (b)	1,256	766	771	827	839	941	818	874
Transportation								
Traffic lane-miles (c)	7,006	6,994	6,993	6,920	6,863	6,785	6,271	6,438
Traffic signs (c)	113,000	101,323	101,281	119,247	118,935	118,564	96,808	90,749
Human services								
Number of Sunshine Line buses (d)	68	67	68	70	70	70	68	64
Culture and recreation								
Number of libraries (e)	25	25	25	25	25	25	25	25
Number of building square feet maintained, excluding picnic shelters, estimated (f)	744,201	740,723	745,000	738,500	583,200	550,200	495,813	389,442
Water Enterprise								
Transmission lines (estimated miles) (g)	2391	2,336	2,255	2,227	2,187	2,050	2,010	1,970
Number of pumping or lift stations (g)	703	699	690	682	674	641	620	600
Number of major water treatment plants (g)	4	4	4	3	3	3	3	3
Number of major wastewater treatment plants (g)	7	7	7	7	7	7	7	7
Solid Waste Enterprise								
Solid Waste tonnage buried in the landfill (h)	256,122	258,815	393,653	517,024	573,296	506,269	568,452	515,840
Yard and wood waste tonnage processed (h)	129,622	138,083	152,720	172,397	198,867	200,924	212,805	173,186

Note: Capital asset statistics by function were not available for fiscal years 2003 through 2001 or not available in the format needed.

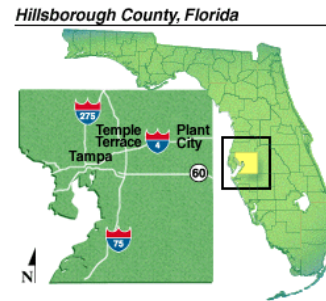
- Source:
- (a) Hillsborough County Fire Rescue Department
 - (b) Hillsborough County Sheriff's Office
 - (c) Hillsborough County Public Works Department
 - (d) Hillsborough County Clerk of Circuit Court - County Finance Department
 - (e) Hillsborough County Library Services Department - www.hcplc.org/hcplc/liblocales/locationsbranch.html
 - (f) Hillsborough County Business and Support Services - Adopted Biennial Budget for FY10 and FY11
 - (g) Hillsborough County Water Enterprise Fund Annual Report for Fiscal Years Ended September 30, 2011 and 2010
 - (h) Solid Waste Enterprise Fund Annual Financial Report for Fiscal Years Ended September 30, 2011 and 2010.

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics
September 30, 2011

GENERAL INFORMATION

Hillsborough County was established on January 25, 1834. The county takes its name from Will Hills (1718-1793), a viscount of Hillsborough, who became secretary of state for the colonies in 1768. Hillsborough County's boundaries of 1834 included the present-day counties of Pasco, Charlotte, DeSoto, Hardee, Pinellas, Sarasota, Manatee and Polk.

The County is located on central Florida's western coast, nestled between Tampa Bay on the West and Polk County on the East. The County is bounded to the north by Pasco County and to the south by Manatee County. In area, it is the seventh largest county in the state of Florida. Hillsborough County covers a total area of 1,266 square miles, of which 215 square miles is water area. The County is part of a four-county Metropolitan Statistical Area (MSA) referred to as Tampa, St. Petersburg-Clearwater MSA.



Tampa, Plant City and Temple Terrace are the three incorporated cities in the County. Tampa, the largest of the three incorporated cities in the County is the county seat and also a center of international, national, and intrastate commerce. The Tampa International Airport and the Port of Tampa connect Hillsborough County to other major cities in the nation and major markets throughout the world.

Sources: The Hillsborough County City-County Planning Commission
US Census Bureau

GOVERNMENT

Hillsborough County operates under a home-rule charter enacted by the voters on September 20, 1983. Under the charter, the Board of County Commissioners (BOCC) consists of seven Commissioners; three elected county-wide and four elected from single member districts. As a result of this charter, each voter has a chance to influence the election of a majority of board members. The BOCC is restricted to performing the legislative functions of government and developing policy for the management of Hillsborough County. The County Administrator, appointed by the BOCC, together with his staff is responsible for implementing these policies throughout the County.

In addition to the members of the BOCC, there are five elected Constitutional Officers: the Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The County provides a variety of services characteristic of local multi-purpose governments including law enforcement, maintenance of roads and bridges, animal services, social services programs, planning and growth management, environmental protection, fire protection and emergency rescue, consumer protection, parks and recreation programs, mosquito control, employment services, emergency disaster preparedness, traffic control, water/wastewater utilities, solid waste disposal, medical examiner services, agricultural cooperative extension services, children's services, indigent health care, public assistance programs, aging services programs, emergency medical services, and library services.

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics

In addition to their legislative duties, members of the BOCC serve as the County's Environmental Protection Commission. Individual members of the BOCC also take turns serving on various boards, authorities, commissions, and private non-profits such as the Children's Board, Tampa Bay Regional Planning Council, Metropolitan Planning Organization, Hillsborough County Tourist Development Council, Tampa Bay Water, Tampa Port Authority, Hillsborough County Aviation Authority, Hillsborough Transit Authority, Hillsborough County Public Transportation Commission, Tampa-Hillsborough County Expressway Authority, Tampa Sports Authority, Arts Council of Hillsborough County, Value Adjustment Board, Hillsborough County Hospital Authority, Council of Governments, and the Tampa Hillsborough Economic Development Corporation.

POPULATION

Hillsborough County is the fourth most populous county in the state of Florida. The County's population in 2010 was estimated to be 1,229,226, a decrease of 0.4 percent from 2009.

A majority of the County's 2010 population (834,255) resides in the unincorporated part of the county. Population in unincorporated Hillsborough County grew 23.1 percent between years 2000 and 2010. Communities in southern unincorporated Hillsborough County saw the biggest increases in population growth. The median age for Hillsborough County in 2010 was 36 years.

	Population	Increase (Decrease)
1950 (a)	249,894	-
1960 (a)	397,788	59.2%
1970 (a)	490,265	23.2
1980 (a)	646,960	32.0
1990 (a)	834,054	28.9
2000 (a)	998,948	19.8
2010 (a)	1,229,226	23.1
2001 (b)	1,021,720	2.3
2002 (b)	1,049,740	2.7
2003 (b)	1,078,600	2.7
2004 (b)	1,109,680	2.9
2005 (b)	1,139,510	2.7
2006 (b)	1,172,970	2.9
2007 (b)	1,204,750	2.7
2008 (b)	1,224,520	1.6
2009 (b)	1,234,010	0.8
2010 (a)	1,229,226	(0.4)

Source: (a) US Census Bureau
 (b) Hillsborough County City-County Planning Commission, estimate

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics

EMPLOYEES

Hillsborough County employees provide a variety of services to a population of over 1 million residents. As of September 2011, there were approximately 9,328 employees of Hillsborough County, Florida. County organizations and their employees are as follows: Sheriff - 3,243 Tax Collector - 282, Property Appraiser - 111, Clerk of Circuit Court - 779, Supervisor of Elections - 33, and Board of County Commissioners - 4,880. Several categories of employees are represented by labor unions.

Source: Hillsborough County Civil Service Board
 Payroll Department, Hillsborough County Clerk of Circuit Court

EMPLOYMENT INDICATORS

Hillsborough County has a diversified economic base, including large service, manufacturing and retail trade sectors. Hillsborough County's largest industrial sectors include the Administration/ Support/ Waste Management and Remediation Services, Retail Trade, and the Health Care and Social Assistance sectors. The principal employers serving the county are the Hillsborough County School Board and the Hillsborough County Government. The vast majority of the county's labor force was employed in non-agricultural jobs in 2010.

Employment by Industry	Employees		Employees
Natural resources and mining	11,357	Leisure and hospitality	61,307
Construction	26,184	Education and health	
Manufacturing	22,833	services	117,591
Trade, transportation, and utilities	111,119	Other services	15,189
Information	17,188	Public administration	26,714
Financial activities	52,078	Other	11
Professional and business services	101,815		
		Total	<u><u>563,386</u></u>

Source: The Hillsborough County City-County Planning Commission

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics

The following table shows the average civilian (non-military) labor force, the average number of individuals employed and related unemployment statistics for the County:

Calendar Year	Hillsborough County				Florida Unemployment Rate	National Unemployment Rate
	Labor Force	Number Employed	Number Unemployed	Unemployment Rate		
2001	536,841	514,554	22,287	4.2%	4.7%	4.7%
2002	543,421	514,371	29,050	5.3	5.7	5.8
2003	549,815	521,920	27,895	5.1	5.3	6.0
2004	565,184	540,761	24,423	4.3	4.7	5.5
2005	569,988	549,059	20,929	3.7	3.8	5.1
2006	583,881	564,724	19,157	3.3	3.4	4.6
2007	596,723	572,796	23,927	4.0	4.1	4.6
2008	605,536	567,648	37,888	6.3	6.2	5.8
2009	599,501	535,399	64,102	10.7	10.5	9.3
2010	600,967	530,189	70,778	11.8	11.5	9.6

Source: Florida Agency for Workforce Innovation, Labor Market Statistics
Hillsborough County City-County Planning Commission

BANKING AND FINANCE

A total of 319 commercial and savings bank offices were located in Hillsborough County as of June 30, 2011. The following table presents commercial bank and savings institutions deposit each year since 2002:

Calendar Year	Commercial Bank Deposits	Savings Bank Deposits	Total Deposits
2002	\$ 11,294,000,000	450,000,000	11,744,000,000
2003	12,578,000,000	515,000,000	13,093,000,000
2004	15,090,000,000	577,000,000	15,667,000,000
2005	16,163,000,000	715,000,000	16,878,000,000
2006	17,282,000,000	843,000,000	18,125,000,000
2007	16,326,000,000	1,074,000,000	17,400,000,000
2008	19,319,000,000	885,000,000	20,204,000,000
2009	20,319,000,000	884,000,000	21,203,000,000
2010	20,351,000,000	1,093,000,000	21,443,000,000
2011	22,531,000,000	556,000,000	23,087,000,000

Source: Federal Deposit Insurance Corporation
Hillsborough County City-County Planning Commission

HILLSBOROUGH COUNTY, FLORIDA

Miscellaneous Data and Statistics

EDUCATION

Hillsborough County Public Schools is the eighth largest district in the nation and third largest in Florida. A total of 254 elementary, middle, senior high, and adult schools accommodate students, both day and evening. Total student membership from pre-kindergarten through senior high as of June 2011 was 193,244. All Hillsborough County Public Schools fully meet the standards established by the Florida Department of Education. In addition, all high schools are duly accredited by the Southern Association of Colleges and Schools (SACS). All elementary and middle schools meet or exceed SACS standards.

Hillsborough County also has several universities and colleges. The University of South Florida serves more than 47,577 students and is the third largest university in the southeast and the ninth largest in the nation. The University of Tampa is a private university located on approximately 100 acres of prime riverfront land in the heart of downtown Tampa. Hillsborough Community College has five primary campus locations, three satellite locations, a very active distant learning program (eCampus), and a comprehensive corporate training center. Some other colleges in the area include Florida College, Stetson University of College Law, and Keller Graduate School of Management.

Source:	Tampa Bay Partnership	www.tampabay.org
	Hillsborough County School Board	www.sdhc.k12.fl.us/
	Hillsborough Community College	www.hccfl.edu
	The University of Tampa	www.ut.edu
	University of South Florida	www.usf.edu

MEDICAL FACILITIES

There are thirteen general, specialty, and military hospitals in Hillsborough County with approximately 3,699 hospital beds, 3,168 acute care beds, 531 specialty beds, and 3,831 nursing home beds. The County's medical resources include more than 3,177 physicians, with specialists in all types of medicine and surgery, and 609 dentists.

Source: Florida Department of Health
Florida Agency for Health Care Administration

COMMUNICATION

Six television stations, along with twenty-five radio stations serve the County. Daily newspapers include The Tampa Tribune and Tampa News Daily. There are also three other weekly, and two monthly newspapers. Verizon and Brighthouse Networks are the primary providers for telecommunications and cable services, respectively. There are 48 Post Offices in Hillsborough County and 14 internet access or DSL providers.

Source: Florida Smart – News and Media Directory

HILLSBOROUGH COUNTY, FLORIDA

Miscellaneous Data and Statistics

TRANSPORTATION

Tampa International Airport (TIA) is a major airport for the west central region of Florida serving primarily Hillsborough, Pinellas (which includes the cities of St. Petersburg and Clearwater), Pasco, Manatee, Polk, and Hernando Counties.

TIA, is one of four FAA-coded large hub airports in the state of Florida, TIA occupies approximately 3,400 acres and is primarily an origination-destination airport with a total of 59 gates. It is located five miles from downtown Tampa, and is served by most major airlines which provide non-stop daily service to more than 68 national and international destinations, including London, Toronto, Halifax, Ottawa, San Juan, and Grand Cayman. Passenger enplanements at TIA for the fiscal year ended September 30, 2011, totaled 8,412,057, an increase of .93% from the prior fiscal year. For fiscal year 2011, the top three airlines, in terms of market share were: Southwest with 31.2%, Delta with 17.8%, and US Airways with 10.5%.

Three general aviation airports serve as reliever airports, primarily to accommodate light and medium weight aircraft in the general aviation category. These include Peter O. Knight Airport, a 139-acre facility located six miles southeast of TIA; Plant City Airport, a 199-acre facility located 22 miles east of TIA; and Tampa Executive Airport (formerly Vandenberg Airport), a 407-acre facility located 12 miles east of TIA. In addition, there are two full service general aviation executive terminals located at the Airport.

AMTRAK provides passenger rail service to major cities throughout the United States. This rail service is provided by the Palmetto and Silver Service Trains (the Silver Meteor and the Silver Star) which offer service between Florida, Georgia, and New York City. The restored Tampa Union Station has seven northbound and seven southbound departures on AMTRAK weekly.

Freight rail service is provided to the County by CSX Transportation Systems. CSX rail units possess some of the world's most technologically advanced terminal equipment and operate on regular schedules throughout the network. Major transports include coal, wood products, phosphate, chemicals, construction materials, semi-tractor trailers, automobiles, and automobile products.

The Hillsborough Transit Authority (HART) is Hillsborough County's public transportation system. HART offers local and express routes for residents and visitors alike. Local service seven days a week provides access to area shopping malls, businesses, government buildings, attractions and recreational facilities. An estimated eleven million riders use the system annually.

The County is also served by numerous intrastate and interstate motor common carriers, moving goods between Tampa, other points in Florida, and markets throughout the United States. Tampa is the transportation hub of the west coast of Florida with major trucking firms maintaining terminals serving Florida and major southern cities.

Three interstates and seven other major highways serve the County. All parts of Florida and bordering states to the north and west can be reached within one day of travel by truck or automobile.

Source: Hillsborough County Aviation Authority
Amtrak, www.amtrak.com
Tampa Bay Partnership

HILLSBOROUGH COUNTY, FLORIDA

Miscellaneous Data and Statistics

LOCAL INDUSTRIES

Service, retail, finance, insurance, and real estate sectors lead regional and county industry. Bioscience and other high-tech industries are expanding, thanks in part to research at university and college campuses throughout the area. Manufacturing in Hillsborough County is also participating in the high-tech trend as the county is home to companies in the microelectronics, medical devices, software, and defense systems industries.

Business and Information Services

Tampa Bay has been called “Wall Street South” for the size and scope of its financial services industry. Worldwide organizations which have a major presence in Hillsborough County include JPMorgan Chase, Citigroup, Depository Trust and Clearing Corp, MetLife, Progressive Insurance and USAA Insurance. Hillsborough County is also a major player in a new industry segment called the Shared Accounting Services industry where national and international companies such as Coca Cola Enterprises create additional value by co-locating their accounting and financial services for multiple businesses in one location.

Biomedical, Life Sciences Technologies, and Health Care

Tampa Bay is a center of excellence for hospital, research and medical-related firms – and the gateway to the Florida High Tech Corridor, a 23-county area that is home to more than 3,000 high-tech companies. Biomedical and life science centers of excellence in Hillsborough County include University of South Florida, H. Lee Moffitt Cancer Center and Research Institute, and Johnnie B. Byrd, Sr. Alzheimer’s Center and Research Institute. Hillsborough County is also home to major health care plan developers and providers such as Wellcare.

Port and Maritime

With three seaports, Tampa Bay is a major entry point for domestic and international shipping. The Port of Tampa comprises nearly half of all sea borne commerce in the state, is the state’s largest seaport, and is a major cruise port.

Manufacturing (Microelectronics, Medical Devices, Software, and Defense Systems)

High tech manufacturing companies in Hillsborough County include CAE (flight and military simulation systems), B&M Precision (implants and components for brain probes and liposuction), and systems software development companies CIBERsites (application development), Computer Associates (internet security) and Quadrant Software (electronic document distribution).

Source: Hillsborough County Economic Development Department
Tampa Bay Partnership

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics

AGRICULTURE

Hillsborough County has 2,843 farms, the 2nd largest number of farms of any county in the state of Florida and 28th highest in the country. Diversity is one of the keys to the success of Hillsborough County agriculture. In addition to eight major commodities, a variety of specialty crops contributed to sale of \$815 million of products in 2010. Hillsborough County ranks as the 4th largest producer of agricultural products in the state (out of 67 counties) and 59th in the United States (out of 3,076 counties). Hillsborough County is in the top 2% of agricultural counties in the country. Approximately 39% of the county's land area is in agricultural production. Urban development and rising land values influence the agricultural sector, encouraging production of high-value commodities such as strawberries, tropical fish, ornamental plants, and enterprises for niche markets. Hillsborough County produces the most tropical fish and strawberries of all counties in the state. The majority of agricultural goods produced in Hillsborough County are sold outside of the county. Commodity sales are estimated as follows:

<u>Commodity</u>	<u>2010 Acreage</u>	<u>2010 Annual Sales</u>
Aquaculture	1,026	\$ 27,577,981
Beef cattle/pasture	94,483	20,078,142
Bees/honey production	42	644,455
Blueberries	520	4,500,000
Citrus	11,714	20,039,604
Dairy	1,550	5,020,868
Forestry	108,634	1,000,000
Goats	464	138,145
Hay	5,789	1,960,013
Ornamental plants	4,038	144,403,830
Poultry	18	15,671,700
Sod	3,935	14,632,295
Strawberries	9,888	366,046,522
Vegetables	13,010	140,000,000
Miscellaneous	3,868	54,152,000
Total	<u>258,979</u>	<u>\$ 815,865,555</u>

Local agriculture generates additional local economic impact by supporting related businesses such as banking, real estate, legal services, transportation, packaging, equipment, seed, agricultural suppliers and services, and marketing firms. Each year, agriculture production and its related businesses in Hillsborough County generate an economic impact of more than \$1.4 billion and employ approximately 20,100 people with \$293 million in annual earnings.

Source: Hillsborough County Cooperative Extension Service
Hillsborough County Economic Development Department

HILLSBOROUGH COUNTY, FLORIDA

Miscellaneous Data and Statistics

PORT FACILITIES

The Port of Tampa is Florida's largest and most diverse seaport, handling 38 million tons of cargo and 802,775 cruise passengers during FY 2010. The Port of Tampa has an economic impact of eight billion and 100,000 jobs on the Tampa Bay economy. The development of a new container terminal with three gantry cranes, along with substantial room for expansion, has made the deepwater Port of Tampa well-positioned as a gateway for the growing markets of Florida and the Southeast U.S. The port offers CSX rail service and over one million square-feet of warehouse/cold storage space. The Port also contains the largest ship repair facility in the Southeast U.S.

Seventy-five percent of Port cargo is inbound, and with its location on the west end of Florida's Interstate 4 corridor, the Port is ideally located to supply in-state demands for construction materials, commodities, and consumer products.

Port officials have worked closely with the community to develop a dynamic downtown waterfront. In 2001, the Port completed "Channelside," an entertainment complex opened on the waterfront just a short walk from the Port of Tampa's cruise facilities. Channelside has a multiplex cinema, an IMAX theater, and lots of entertainment, shopping, restaurants, and residential areas, all in a comfortable seaside atmosphere.

Source: Tampa Port Authority, www.tampaport.com
Tampa Bay Partnership, www.tampabay.org

MILITARY FACILITIES

MacDill Air Force Base is located eight miles south of downtown Tampa on the Southwestern tip of the Interbay Peninsula on the west coast of Florida. The host organization is the 6th Air Mobility Fueling Wing, which uses KC-135 Stratotankers and C-37As to conduct its air mobility mission. It is headquarters for two non-aviation units: the United States Central Command and the United States Special Operations Command. It is also home to the National Oceanic and Atmospheric Administration.

Source: MacDill Air Force Base

HILLSBOROUGH COUNTY WEB SITE

The Hillsborough County internet web site is located at <http://hillsboroughcounty.org>. This site provides a convenient directory of government services and other useful information.

HILLSBOROUGH COUNTY, FLORIDA Miscellaneous Data and Statistics

RECREATIONAL FACILITIES

A variety of entertainment activities may be found in Hillsborough County including numerous parks, beaches, restaurants with international flair, excellent golf courses, racquetball courts, saltwater fishing, tennis and shopping. Recreational facilities that appeal to both County residents and visitors are either located within the County or are only a short drive away. Walt Disney World including Hollywood Studios Theme Park, Universal Studios, and Sea World are all just over an hour's drive to the east. Two-thirds of the state's major attractions lie within a 100-mile radius of Tampa. Busch Gardens located in Tampa is a family adventure park offering an array of fascinating attractions based on exotic encounters with the African continent. It offers an appealing blend of thrilling rides, one of the country's premier zoos featuring more than 3,000 animals, live shows, restaurants, shops and games. Adventure Island, which is located next to Busch Gardens, features a beach volleyball complex and 17 water play areas situated on 30 acres.

Hillsborough County is home to the Tampa Bay Buccaneers of the National Football League (NFL), who were the Superbowl XXXVII Champions in 2003. The Tampa Bay Buccaneers and University of South Florida Bulls football teams play their home games at Raymond James Stadium in Tampa. Raymond James Stadium is a combination of modern stadium design and its own innovations. Raymond James Stadium has a seating capacity of 65,890, expandable to 75,000, 12,000 club seats, 195 luxury suites, and 600 points of sale for food, beverages and merchandise. Raymond James Stadium has hosted special events such as Super Bowl XXXV in January 2001, and Super Bowl XLIII in February 2009.

In the heart of downtown Tampa's Channelside District, located between the Tampa Convention Center and the Florida Aquarium, lies the Tampa Bay Times Forum, one of the premier entertainment venues in the Southeast and home of the National Hockey League's Tampa Bay Lightning, who were the 2004 Stanley Cup Champions. The St. Pete Times Forum also hosts many concerts, family shows and sporting events each year. In addition, the New York Yankees Major League Baseball franchise has spring training at the County's George M. Steinbrenner Field baseball stadium. The University of South Florida Sun Dome is a multipurpose 11,400-seat arena located on the campus of the University of South Florida (USF) and is home to the National Collegiate Athletic Association's USF Men's and Women's basketball teams as well as other University events. Thoroughbred horse racing is also seasonally available in the County.

Source:	Busch Gardens, Tampa	www.buschgardens.com
	Adventure Island	www.adventureisland.com
	City of Tampa	www.tampagov.net
	Raymond James Stadium	www.raymondjames.com/stadium/
	Tampa Bay Buccaneers	www.buccaneers.com
	Tampa Sports Authority	www.tampasportsauthority.com
	USF Sun Dome	http://usfweb2.usf.edu/Sundome/

HILLSBOROUGH COUNTY, FLORIDA Miscellaneous Data and Statistics

CULTURAL FACILITIES

Hillsborough County offers a variety of cultural facilities to residents and visitors. Lowry Park Zoo was ranked the number-one family-friendly zoo in the United States in 2009 by *Parents* magazine and in 2004 by *Child* magazine and recognized by the State of Florida as a center for Florida wildlife conservation and biodiversity. Natural outdoor exhibits covering 56 acres for more than 1,500 animals from Florida and similar habitats include a Native Florida Wildlife Center and manatee hospital, Asian Gardens, Primate World, Free-Flight Aviaries, Wallaroo Station children's zoo, and Safari Africa. The Zoo also features rides, shows and hands-on interactive exhibits. The Florida Environmental Education Center (Zoo School) serves more than 147,000 children annually. Programs offered are summer and holiday camps, daycare, preschool, and kindergarten. The 200,000 sq-ft Florida Aquarium is among the top aquariums in the world and has more than 20,000 aquatic plants and animals from Florida and around the world.

The Straz Center for the Performing Arts is located on a nine-acre site along the east bank of the Hillsborough River. As the largest performing arts complex south of the Kennedy Center, the 335,000 square-foot Center provides an environment for a wide variety of world-class events. It boasts one of the nation's leading Broadway series and is nationally respected for producing grand opera, as well as presenting a wide variety of concerts, performances and events. The Tampa Convention Center, located directly on the waterfront in the heart of downtown Tampa, hosts a variety of conventions, tradeshow, and other special events year-round. In August 2012, the Tampa Convention Center will host the Republican National Convention. The 600,000 square foot building offers 200,000 square feet of exhibit space, a 36,000 square foot ballroom, and 36 breakout rooms which total over 42,000 square feet of additional meeting space. Add to that, over 84,000 square feet of flexible space and you have the best venue for any meeting, convention or special event. After a busy day of lectures, seminars or classes, attendees are welcome to visit Ybor City or Channelside (movie theaters, restaurants, shops and nightclubs) located just a few steps away.

Museums in the area include the Museum of Science and Industry (MOSI), a science and technology center encompassing over 400,000 square-feet on a 74-acre campus of exhibits and hands-on displays. MOSI is now the largest science center in the southeast and 5th largest in the United States. Features include a hurricane simulator, a planetarium, and an IMAX Dome theater. The new 60,000 square-foot Tampa Bay History Center Museum located in the Channelside district had its grand opening celebration in January 2009. Other museums in the area are the Tampa Museum of Art, the historic H. B. Plant Museum at the University of Tampa, the Contemporary Art Museum at the University of South Florida, the Scarfone Gallery at the University of Tampa, the Veteran's Memorial Museum and Park, the Ybor City State Museum, Glazer Children's Museum, and the Florida Museum of Photographic Arts.

Graphicstudio at the University of South Florida is one of the world's premiere experimental printmaking facilities, hosting renowned artists on a regular basis to test new theories and methods of producing art. In addition, Over 20 other visual art galleries showcase work from local, regional, and national artists.

Source:	Tampa Bay Performing Arts Center	www.tbpac.org
	City of Tampa	www.tampagov.net
	Museum of Science and Industry	www.MOSI.org
	Arts Council of Hillsborough County	www.tampaarts.com
	Lowry Park Zoo	www.lowryparkzoo.com
	Florida Aquarium	www.flaquarium.org
	Tampa Bay History Center	www.tampabayhistorycenter.org