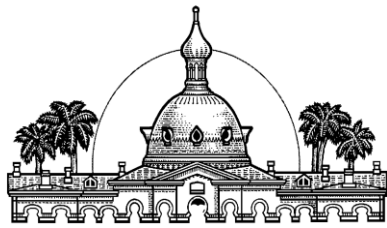


# **Hillsborough County, Florida**

**Schedules and Audit Reports as  
Required by OMB Circular A-133 and  
Chapter 10.550, Rules of the Auditor General**

**Fiscal Year Ended September 30, 2014**

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



**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedules and Audit Reports as Required by OMB Circular A-133**  
**and Chapter 10.550, Rules of the Auditor General, for the**  
**Fiscal Year Ended September 30, 2014**

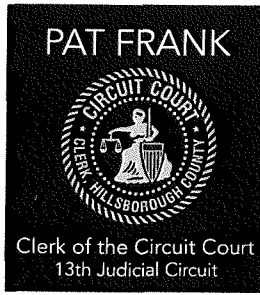
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**Section II**

*Hillsborough County, Florida, Comprehensive Annual Financial Report for the  
Fiscal Year Ended September 30, 2014*



April 9, 2015

**To recipients of the Single Audit document:**

The Hillsborough County, Florida, Single Audit document was prepared by the County Finance Department of the Hillsborough County, Florida, Clerk of Circuit Court and audited by Cherry Bekaert LLP. The Clerk of Circuit Court is the Chief Financial Officer of Hillsborough County.

**Organization of Content**

**Section I** consists of the Single Audit reports of the independent auditor, schedules of expenditures of federal awards and state financial assistance, notes to the schedules, the schedules of findings and questioned costs, the summary schedule of prior audit findings and corrective action plan, the report of independent auditor on internal control over financial reporting and on compliance and other matters, and the independent auditor's management letter. See Table of Contents for more information.

**Section II** consists of the *Hillsborough County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2014* (CAFR). See page 13 for the report of independent auditor. The CAFR is also posted on the Clerk of Circuit Court's web site at: [www.hillsclerk.com/publicweb/CountyFinancialReports.aspx](http://www.hillsclerk.com/publicweb/CountyFinancialReports.aspx).

**Distribution**

Single Audit documents are being forwarded to the Federal Audit Clearinghouse (see EIN number **596000661**), the cognizant agency (US Department of Health and Social Services), and the state of Florida Auditor General (as a part of the *All Inclusive Annual Financial Report*). If you have any questions about this document, please contact Ajay Gajjar at telephone number (813)307-7026.

Sincerely,

Timothy Simon, CPA, CFA  
Finance Director

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

**Report of Independent Auditor on Compliance for Each Major Federal Program and State Financial Assistance Project and on Internal Control Over Compliance  
Required by OMB Circular A-133 and Chapter 10.550,  
Rules of the Auditor General**

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

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited Hillsborough County, Florida's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the requirements described in the Florida Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state financial assistance projects for the year ended September 30, 2014. The County's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state financial assistance projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance projects occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the County's compliance.

***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2014.

### **Other Matters**

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and Chapter 10.550 and which are described in the accompanying schedule of findings and questioned costs as items 2014-003 and 2014-004. Our opinion on each major federal program and state financial assistance project is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-003 and 2014-004 to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

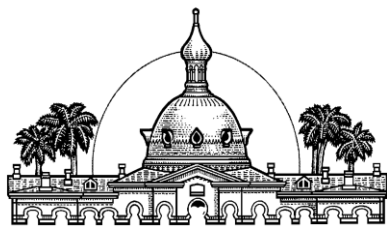
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Hillsborough County, Florida (the "County"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated April 9, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We did not audit the financial statements of the Housing Finance Authority of Hillsborough County, whose statements reflect 95.8% of the assets, 99.8% of the net position and 33.5% of the revenues of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Finance Authority of Hillsborough County, is based solely upon the report of the other auditor. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by that auditor.

The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented for purpose of additional analysis as required by OMB Circular A-133 and Chapter 10.550 and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida  
April 9, 2015





**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>DEPARTMENT OF AGRICULTURE</b>			
<b>School Breakfast Service</b>			
Passed through Florida Department of Education:			
School Breakfast Program	10.553	01-0327	\$ 27,663
School Breakfast Program	10.553	01-0327	49
Total School Breakfast Service			<u>27,712</u>
<b>National School Lunch Program</b>			
Passed through Florida Department of Education:			
School Lunch Program	10.555	01-0327	42,431
School Lunch Program	10.555	01-0327	49
Total National School Lunch Program			<u>42,480</u>
<b>Summer Food Service Program for Children</b>			
Passed through Florida Department of Education:			
Summer Food Program	10.559	04-0082-13	(3)
Summer Food Program	10.559	04-0082-14	636,484
Total Summer Food Service Program for Children			<u>636,481</u>
<b>Total Child Nutrition Cluster</b>			<u>706,673</u>
<b>Child and Adult Care Food Program</b>			
Passed through Florida Department of Health:			
HSX CACFP Child & Adult Care Food Program	10.558	S 812 FY2013	218,406
Child Care Food Program Headstart	10.558	S 812 FY14	967,220
Total Child and Adult Care Food Program			<u>1,185,626</u>
Total Department of Agriculture			<u>1,892,299</u>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b>Community Development Block Grants/Entitlement Grants</b>			
Neighborhood Stabilization Program I	14.218	B-08-UN-12-0006	925,651
Community Development Block Grant	14.218	B-09-UC-12-0002	391,520
Community Development Block Grant	14.218	B-10-UC-12-0002	856,092
Neighborhood Stabilization Program III	14.218	B-11-UN-12-0006	2,801,591
Community Development Block Grant	14.218	B-11-UC-12-0002	1,449,022
Community Development Block Grant	14.218	B-12-UC-12-0002	172,844
Community Development Block Grant	14.218	B-13-UC-12-0002	3,208,606
Head Start Program Operations	14.218	04CH3035/47	1,564,293
<b>Total CDBG Entitlement Grants Cluster</b>			<u>11,369,619</u>
<b>Emergency Solutions Grant Program</b>			
Emergency Solutions Program	14.231	E-11-UC-12-0014	30,063
Emergency Solutions Program	14.231	E-12-UC-12-0014	334,812
Emergency Solutions Program	14.231	E-12-UC-12-0014	28,000
Total Emergency Solutions Grant Program			<u>\$ 392,875</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>Home Investment Partnerships Program</b>			
Home Investment Partnership Program	14.239	M09-UC-120208	\$ 114,957
Home Investment Partnership Program	14.239	M10-UC-120208	382,852
Home Investment Partnership Program	14.239	M11-UC-120208	214,319
Home Investment Partnership Program	14.239	M12-UC-120208	187,705
Home Investment Partnership Program	14.239	M13-UC-120208	739,992
Total Home Investment Partnerships Program			<u>1,639,825</u>
Total Department of Housing and Urban Development			<u>13,402,319</u>
 <b>DEPARTMENT OF THE INTERIOR</b>			
<b>Partners for Fish and Wildlife</b>			
Balm Boyette Scrub Preserve	15.631	40181 AJ085	<u>569</u>
Total Department of the Interior			<u>569</u>
 <b>DEPARTMENT OF JUSTICE</b>			
<b>Joint Law Enforcement Operations</b>			
Coco Pelao	16.111	FLM 0999	20,773
Breaking Bad	16.111	FLM 0996	589
Havana Hydro	16.111	FLM 0901	<u>3,625</u>
Total Joint Law Enforcement Operations			<u>24,987</u>
<b>Missing Children's Assistance</b>			
Passed through National Children's Alliance:			
Supervised Supervision ECAHG	16.543	ECAH-VIS-OOC-FY14	27,890
Children's Justice Center Support-NCA	16.543	18 TPA FL SA13	3,762
Eckerd Supervised Visitation	16.543	ECA-C13-SVP-AOC-FY15	7,452
Children's Justice Center Support -NCA	16.543	18-TPA-FL-SA14	<u>2,037</u>
Total Missing Children's Assistance			<u>41,141</u>
<b>Crime Victim of Assistance</b>			
Passed through Office of Attorney General:			
VOCA Crime Victim Assistance	16.575	V12295	(555)
Crime Victim Assistance	16.575	V-00000	<u>33,583</u>
Total Crime Victims of Assistance			<u>33,028</u>
<b>Public Safety Partnership and Community Policing Grants</b>			
COPS Anti Meth Grant	16.710	2010 CK WX 0445	123,753
COPS Hiring Program	16.710	2013 UL WX 0012	<u>273,621</u>
Total Public Safety Partnership and Community Policing Grants			<u>397,374</u>
<b>Edward Byrne Memorial Justice Assistance Grant Program</b>			
Federal Justice Assistance Grant (JAG)	16.738	2011 DJ BX 2515	146,413
Federal Justice Assistance Grant (JAG)	16.738	2012 DJ BX 0128	23,309
Federal Justice Assistance Grant (JAG)	16.738	2009 DJ BX 1198	5,029
Federal Justice Assistance Grant (JAG)	16.738	2010 DJ BX 1530	26,599
Federal Justice Assistance Grant	16.738	2014 DJ BX 0339	82,749
Passed through Florida Department of Law Enforcement, Office of Criminal Justice Grants:			
State Justice Assistance Grant (JAG)	16.738	2014 JAGC HILL 2 E5-165	365,081
State Justice Assistance Grant (JAG)	16.738	2013 JAGC HILL 1 D7-075	<u>7,347</u>
<b>Total Justice Assistance Grant (JAG) Cluster</b>			<u>\$ 656,527</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>Equitable Sharing Program</b>			
Federal USMS/Justice Assets Forfeiture	16.922	NONE	\$ 248,127
Total Department of Justice			<u>1,401,184</u>
<b>DEPARTMENT OF LABOR</b>			
<b>Homeless Veterans Reintegration Project</b>			
HVRP Home Reintegration Program	17.805	HV 23281-12-60-5-12-01	6,766
Homeless Veterans Reintegration Program	17.805	HV 23281-12-60-5-12	48,263
HVRP Home Reintegration Program	17.805	HV 19094 09-60-6-12	112,524
Total Department of Labor			<u>167,553</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
<b>Highway Planning and Construction</b>			
Passed through Florida Department of Transportation:		See note # 8	
Upper Tampa Bay Trail Projected - FED	20.205	AQV 98	1,478,763
Long Range Transportation Update/Dis Data Collection	20.205	AQF41	296,528
Federal Highway Administration Section 112	20.205	A5207	1,076,231
Federal Highway Administration PL-112	20.205	A-5207	163,805
Long Range Transportation Update & Data Collection	20.205	ARA 89	320,761
Federal Highway Adm Pilot Feasibility Study FY13	20.205	FPN 433921-1-1401	103,400
Bruce B. Downs Road Widening-Palm Springs to Pebble Creek - Fed	20.205	ANJ-09	(3,435,007)
Columbus Drive Bridge-Fed	20.205	AP 522	1,829
The Fletcher Avenue Project-Fed	20.205	AQN 09	1,085,847
Bruce B Downs Road Widening-Bearss Avenue to Palm Springs Road-Fed	20.205	ANJ 09-1	9,077,571
<b>Total Highway Planning and Construction Cluster</b>			<u>10,169,728</u>
<b>Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research</b>			
Passed through Florida Department of Transportation:			
Federal Transit Admin Sec 5303	20.505	AQI 79	2,124
Federal Transit Admin Sec 5303	20.505	AQT89	(4,625)
Federal Transit Admin Sec 5303	20.505	ARA89	284,776
Total Metropolitan Transportation Planning and State Non-Metropolitan Planning and Research			<u>282,275</u>
<b>Job Access and Reverse Commute Program</b>			
Federal Transit Admin Section 5316 JARC Grant	20.516	HC Doc # 09-0797-01	433,666
<b>Total Transit Services Programs Cluster</b>			<u>433,666</u>
<b>State and Community Highway Safety</b>			
Motorcycle Safety Program	20.600	ARC58 MC-14-10-06	49,985
Bicycle & Pedestrian Program	20.600	ARC60 PS-14-08-10	94,050
<b>Total Highway Safety Cluster</b>			<u>144,035</u>
<b>National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants</b>			
Pedestrian Safety Campaign	20.614	BDQ08 254647-1-53-07	\$ 93,705

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>National Priority Safety Programs</b>			
HCSO Stop Impaired Driving	20.616	ARA15 M5HVE-14-06-25	\$ 148,811
Total Department of Transportation			<u>11,272,220</u>
 <b>ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>Air Pollution Control Program Support</b>			
County Clean Air Program A4023 EPA	66.001	A 00402310-3	(13,086)
County Clean Air Program	66.001	A 00402310-4	494,626
Total Air Pollution Control Program Support			<u>481,540</u>
<b>Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act</b>			
Near Road Nitrogen Dioxide Monitoring	66.034	XA 95493312	50,925
Air Monitoring Sec 103, PM 2.5 EPA Grant	66.034	PM 96496008-6	49,046
National Air Toxics Trends Station NATTS Grant	66.034	XA-94503308-5	108,553
Air Monitoring Sect 103 PM2.5	66.034	PM 96496 008-6	44,626
National Air Toxics Trend Station (NATTS)	66.034	XA-95403308-5	50,433
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to Clean Air Act			<u>303,583</u>
<b>Regional Wetland Program Developmental Grants</b>			
Watershed Compensatory Mitigation EPA	66.461	CD 95488011 0	91,731
Total Environmental Protection Agency			<u>876,854</u>
 <b>U.S. ELECTION ASSISTANCE COMMISSION</b>			
<b>Help America Vote Act Requirements Payments</b>			
Passed through Florida Department of State:			
Federal Election Activities Grant	90.401	Memo of Acceptance	(117)
Federal Election Activities Grant	90.401	Memo of Acceptance	(59)
Federal Election Activities Grant	90.401	Memo of Acceptance	(460)
Total U.S. Election Assistance Commission			<u>(636)</u>
 <b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b>Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers</b>			
Passed through Department of Elder Affairs, then through West Central Florida Agency on Aging:			
Senior Adult Day Care Center Program III-B	93.044	OAA-2013-HILL	311,827
Senior Adult Day Care Center Program	93.044	OAA 2014-HILL	426,472
Total Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers			<u>\$ 738,299</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>Special Programs for the Aging_ Title III, Part C_Nutrition Services</b>			
Passed through Department of Elder Affairs, then through West Central Florida Agency on Aging:			
OAC1	93.045	OAA 2012 HILL	\$ 2
OAC1	93.045	OAA 2013-HILL	127,145
OAC2	93.045	OAA 2013-HILL	287,484
OAC-1 SCNAP Congregate Meals	93.045	OAA 2014-HILL	570,393
OAC-2 SCNAP Home Delivered Meals	93.045	OAA 2014-HILL	848,377
NSIP Congregate Meals	93.045	NSIP 13/14	<u>563,909</u>
Total Special Programs for the Aging_ Title III, Part C_Nutrition Services			<u>2,397,310</u>
<b>Total Aging Cluster</b>			<u>3,135,609</u>
<b>National Family Caregiver Support, Title III, Part E</b>			
Passed through Department of Elder Affairs, then through West Central Florida Agency on Aging:			
OA3E Respite Services	93.052	OAA-2013-HILL	21,881
OA3 Respite Services	93.052	OAA 2014-HILL	<u>114,885</u>
Total National Family Caregiver Support, Title III, Part E			<u>136,766</u>
<b>Substance Abuse and Mental Health Services_Projects of Regional and National Significance</b>			
SAMHSA Hillsborough County Dependency Drug Court Year 1			
	93.243	1H79TI024215-01	(1,089)
SAMHSA Grant Year 2	93.243	5H79 TI 024215-02	218,018
Enforce Underage Drinking Laws	93.243	1H79DP02+332-01	<u>5,272</u>
Total Substance Abuse and Mental Health Services_Projects of Regional and National Significance			<u>222,201</u>
<b>Temporary Assistance for Needy Families</b>			
Passed through Florida Department of Children and Families			
Child Protection Investigation	93.558	QJZ35	2,121,054
Child Protection Investigation	93.558	QJZ35	<u>496,369</u>
<b>Total TANF Cluster</b>			<u>2,617,423</u>
<b>Child Support Enforcement</b>			
Department of Revenue- Services of Process Title IV-D	93.563	CSP29 CD329	88,743 <u>1,195,016</u>
Total Child Support Enforcement			<u>1,283,759</u>
<b>Low-Income Home Energy Assistance</b>			
Passed through Department of Elder Affairs, then through West Central Florida Agency on Aging:			
Emergency Home Energy Assistance for Elderly	93.568	EH-12/13/HILL	(3,509)
Emergency Home Energy Assistance for Elderly	93.568	EH-13/14/HILL	66,616
Emergency Home Energy Assistance for Elderly	93.568	EH 14-15-HILL	149,658
Passed through Florida Department of Economic Opportunity:			
Low Income Home Energy Assistance Program	93.568	12-EA-OF-08-39-01-012	(129,411)
Low Income Home Energy Assistance Program	93.568	13-EA-OF-08-39-01-012	2,223,706
Low Income Home Energy Assistance Program	93.568	14-EA-OF-08-39-01-012	<u>2,556,149</u>
Total Low-Income Home Energy Assistance			<u>\$ 4,863,209</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>Community Services Block Grant</b>			
Passed through Florida Department of Community Affairs:			
Community Services Block Grant	93.569	13SB-9Y-FZ-39-010	\$ 5,138
Community Services Block Grant	93.569	14SB-0D-083901-010	1,957,199
<b>Total CSBG Cluster</b>			<u>1,962,337</u>
<b>Child Care and Development Block Grant</b>			
Passed through Florida Department of Children and Families:			
Child Day Care Licensing Facility	93.575	QC302	181,589
Child Day Care Licensing	93.575	QC 302	44,853
Passed through Early Childhood Coalition of Hillsborough County:			
Child Care Licensing School Readiness	93.575	CC-13-14	759,097
Child Care Licensing	93.575	CCL-SR1415	212,011
<b>Total CCDF Cluster</b>			<u>1,197,550</u>
<b>Refuge and Entrant Assistant Discretionary Grants</b>			
Cuban Refugee Grant	93.576	LK166	<u>111,394</u>
<b>Head Start</b>			
HSE Early Head Start Program Operations	93.600	04CH3035/47	478,665
Head Start Program Operations	93.600	04CH3035/48	21,923,531
Early Head Start Program Operations	93.600	04CH3035/48	4,017,330
<b>Total Head Start Cluster</b>			<u>26,419,526</u>
<b>Foster Care Title IV-E</b>			
Passed through Eckerd Youth Alternatives:			
Residential Group Care Grant	93.658	ECAH-RES-HCO-13/15	390,865
Division of Children's Services	93.658	ECA-C13-RGC-HCO-FY15	192,564
<b>Total Foster Care Title IV-E</b>			<u>583,429</u>
<b>Social Services Block Grant</b>			
Child Protection Investigation	93.667	QJZ35	2,076,980
Child Protection Investigation	93.667	QJZ35	496,994
<b>Total Social Services Block Grant</b>			<u>2,573,974</u>
<b>Grants to States for Operation of Offices of Rural Health</b>			
HIV Emergency Relief Project Grant Part A	93.914	H 89 HA 00024-20	5,732,572
Ryan White Emergency Relief Project Part A	93.914	H-89-00024-21-02	5,236,585
<b>Total Grants to States for Operation of Offices of Rural Health</b>			<u>10,969,157</u>
Total Department of Health and Human Services			<u>56,076,334</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>			
<b>High Intensity Drug Trafficking Areas Program</b>			
HIDTA - Central Florida	95.001	G13CF0009A	15,379
HIDTA - Central Florida	95.001	G14CF0009A	15,736
HIDTA - Central Florida-Perfect Storm Wire Tap	95.001		8,982
Total Executive Office of the President			<u>\$ 40,097</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of Federal Awards**  
Fiscal Year Ended September 30, 2014

<u>Program Title or Cluster Title</u>	<u>CFDA Number</u>	<u>Grantor/Contract Number</u>	<u>Program Expenditures</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
<b>Hazard Mitigation Grant</b>			
Passed through Florida Division of Emergency Management:			
Duck Pond Basin Phase 1-FED	97.039	11HM2Y083901-015	\$ 4,477
Duck Pond Basin Phase 11 CIP 47097 New-FED	97.039	13HM2Y083901-299	574
Emergency Generators at County Facilities - FED	97.039	13HM4C083901-332	499,458
Total Hazard Mitigation Grant			<u>504,509</u>
<b>Emergency Management Performance Grants</b>			
Passed through Florida Division of Emergency Management:			
Emergency Management State Local Program	97.042	14 fg 86 083901-096	153,135
Emergency Management Performance Grant	97.042		80,075
Total Emergency Management Performance Grants			<u>233,210</u>
<b>Port Security Grant Program</b>			
PSGP Manatee County	97.056	EMW-2011-PU-K00277	301,674
PSGP HCSO 2013-S01	97.056	EMW-2013-PU-00452	486,952
Total Port Security Grant Program			<u>788,626</u>
<b>Homeland Security Grant Program</b>			
Passed through Florida Department of Emergency Management:			
		See note # 6	
Certification Training Program	97.067	13-CI-24-08-39-01-134	5,850
State Homeland Security Grant Issue 07	97.067	13 DS 30 083901-497	9,462
DHS Emergency Responder Training Grant	97.067	13-DS-97-08-39-01-382	16,649
Community Emergency Response Team	97.067	14-CI-DE-083901-177	4,500
Emergency Responder Training	97.067	15-FG-XX-08-39-01-096	12,337
Passed through Florida Department of Financial Services:			
HAZMAT and USAR, Issues 03-09 Thru 03-31-2014	97.067	12-DS-20-13-00-16-501	219,776
2013-SHSG -USAR, HAZMAT, Issues 08,13 and 14	97.067	13DS 97 130016-409	88,566
Total Homeland Security Cluster			<u>357,140</u>
<b>Homeland Security BioWatch Program</b>			
Federal BioWatch Program	97.091	2006-ST-091-000008-08	235,147
Federal BioWatch Program	97.091	2006 ST 091-000008	86,296
Total Homeland Security Biowatch Program			<u>321,443</u>
Total Department of Homeland Security			<u>2,204,928</u>
<b>TOTAL EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE</b>			<u>\$ 87,333,721</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Expenditures of State Financial Assistance**  
Fiscal Year Ended September 30, 2014

<u>Grantor Agency and Project Title</u>	<u>CSFA Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>	<u>Amount to Subrecipient</u>
<b>STATE COURT SYSTEM</b>				
<b>Florida Network of Children's Advocacy Centers</b>				
Passed through Office of State Court Administration:				
Florida Network for Children's Advocacy Center	22.016	10-012-100	\$ 47,642	
Forensic Interview & Therapy Services	22.016	Agreement Only	<u>11,981</u>	
Total State Court System			<u><u>59,623</u></u>	
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION</b>				
<b>Local Government Cleanup Contracting</b>				
Petro Site Cleanup FDEP GC	37.024	S 0483 Task 4	(5)	
Petro Site Cleanup FDEP Grant	37.024	S 0483 Task 5	580,971	
Petro Site Clean-up	37.024	S 0483 Task 6	<u>172,272</u>	
Total Local Government Cleanup Contracting			<u><u>753,238</u></u>	
<b>Statewide Surface Water Restoration and Wastewater Projects</b>				
University Area Community Stormwater Project	37.039	LP-6040	264,659	
Duck Pond Drainage Improvements	37.039	LP-6022	<u>1,936,659</u>	
			2,201,318	
<b>Delegated Title V Air Pollution Control Activities</b>				
Air Pollution Control Title V EPA/DEP Grant	37.043	S 0653 13/14	224,203	
Air Pollution Control Title V	37.043	SO 634 2014/2015	<u>57,371</u>	
Total Delegated Title V Air Pollution Control Activities			<u><u>281,574</u></u>	
Total Department of Environmental Protection			<u><u>3,236,130</u></u>	
<b>DEPARTMENT OF LEGAL AFFAIRS AND ATTORNEY GENERAL</b>				
<b>Crime Stoppers</b>				
Crime Stoppers OAG	41.002	HC 13-13	<u>182,194</u>	<u>182,194</u>
Total Department of Legal Affairs and Attorney General			<u><u>182,194</u></u>	<u><u>182,194</u></u>
<b>DEPARTMENT OF STATE AND SECRETARY OF STATE</b>				
<b>State Aid Libraries</b>				
State Aid to Libraries	45.030	13-ST-20	3,723	3,723
State Aid to Libraries	45.030	14-ST-20	<u>971,587</u>	<u>352,650</u>
Total Department of State and Secretary of State			<u><u>975,310</u></u>	<u><u>356,373</u></u>
<b>EXECUTIVE OFFICE OF THE GOVERNOR</b>				
<b>Emergency Management Programs</b>				
Emergency Management Preparation/Assistance	31.063	14 BG 83 083901-029	82,410	
Emergency Management Preparation and Assistance	31.063	15-BG-83-08-39-01-029	<u>48,903</u>	
Total Emergency Management Programs			<u><u>\$ 131,313</u></u>	



**HILLSBOROUGH COUNTY, FLORIDA**

**Schedule of Expenditures of State Financial Assistance**

Fiscal Year Ended September 30, 2014

<u>Grantor Agency and Project Title</u>	<u>CSFA Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>	<u>Amount to Subrecipient</u>
<b>Emergency Management Projects</b>				
Hazardous Material Planning Program	31.067	13-CP-11-08-39-01-275	\$ 21,103	
Hazardous Material Planning Program	31.067	14-CP-11-08-39-01-287	28,565	
Total Emergency Management Projects			<u>49,668</u>	
Total Executive Office of the Governor			<u>180,981</u>	

**FLORIDA HOUSING FINANCE CORPORATION**

**State Housing Initiatives Partnership (SHIP) Program**

State Housing Initiative Partnership Program FY 2011	52.901	NONE	5,020	
State Housing Initiative Partnership Program FY 2012	52.901	NONE	1,310,294	
State Housing Initiative Partnership Program FY 2013	52.901	NONE	665,500	27,168
State Housing Initiative Partnership Program FY 2015	52.901	NONE	24,267	
Total Florida Housing Finance Corporation			<u>2,005,081</u>	<u>27,168</u>

**DEPARTMENT OF TRANSPORTATION**

**Commission for Transportation Disadvantaged (CTD)**

**Trip and Equipment Grant Program**

Transportation Disadvantaged/ Trip Equipment Grant	55.001	AQ O 20	111,965	
Transportation Disadvantaged/ Trip Equipment Grant	55.001	AR179	1,372,877	
Transportation Disadvantaged (Sunshine Line)	55.001	ARF46	659,058	
Total Program			<u>2,143,900</u>	

**Commission for the Transportation Disadvantaged (CTD) Planning Grant Program**

Commission for the Transportation Disadvantaged	55.002	AR 257	32,596	
Commission for the Transportation Disadvantaged	55.002	ARH78	1,511	
Total Program			<u>34,107</u>	

**County Incentive Grant Program**

Advanced Traffic Management Systems Various Locations - State	55.008	AQA 28	477,590	
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**Transit Corridor Program**

Passed through Florida Department of Transportation Federal Transit Admin SEC 5303	55.013	ARA89	35,597	
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Total Department of Transportation 2,691,194

**DEPARTMENT OF CHILDREN AND FAMILIES**

**Public Safety, Mental Health, and Substance Abuse Local Matching Program**

CJMHSR Reinvestment Grant Program	60.115	LHZ40	121,610	121,610
Total Department of Children and Families			<u>\$ 121,610</u>	<u>121,610</u>

**HILLSBOROUGH COUNTY, FLORIDA**

**Schedule of Expenditures of State Financial Assistance**

Fiscal Year Ended September 30, 2014

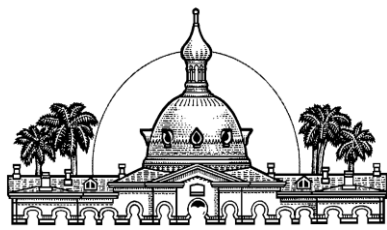
<u>Grantor Agency and Project Title</u>	<u>CSFA Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>	<u>Amount to Subrecipient</u>
<b>DEPARTMENT OF HEALTH</b>				
<b>County Grant Awards</b>				
Emergency Medical Services Grant	64.005	C 2029	\$ 88,941	88,941
Total Department of Health			<u>88,941</u>	<u>88,941</u>
<b>DEPARTMENT OF ELDER AFFAIRS</b>				
<b>Home Care for the Elderly</b>				
Passed through West Central Florida Area Agency on Aging:				
Home Care for the Elderly Case Mgmt	65.001	HCE 13/14-HILL	50,870	
Home Care for the Elderly	65.001	HCE 14/15-HILL	6,272	
Total Home Care for the Elderly			<u>57,142</u>	
<b>Alzheimer Model Day Care, Memory Disorder Clinics, and Alzheimer Special Projects</b>				
Passed through West Central Florida Area Agency on Aging:				
ADI Day Care Alzheimer's	65.002	ADI-13/14-HILL	115,829	
Alzheimer's Disease Initiative Daycare Program	65.002	ADI 14-15-HILL	29,967	
Total Program			<u>145,796</u>	
<b>Alzheimer's Respite Services</b>				
Passed through West Central Florida Area Agency on Aging:				
ADI Respite Care	65.004	ADI 13/14-HILL	310,792	
ADI Respite Care	65.004	ADI 14/15-HILL	79,233	
Total Alzheimer's Respite Services			<u>390,025</u>	
<b>Local Services Programs</b>				
Passed through West Central Florida Area Agency on Aging:				
FAAG LSP Homemaker Local Svc Program	65.009	LSP 13/14-HILL	82,003	
Local Services Program Homemakers	65.009	LSP 14/15-HILL	27,338	
Total Local Services Program			<u>109,341</u>	
<b>Community Care for the Elderly</b>				
Passed through West Central Florida Area Agency on Aging:				
Community Care for the Elderly	65.010	CCE 13/14 HILL	1,765,654	
Community Care for the Elderly CCE	65.010	CCE-14/15-HILL	357,811	
Total Community Care for the Elderly			<u>2,123,465</u>	
Total Department of Elder Affairs			<u>2,825,769</u>	
<b>DEPARTMENT OF REVENUE</b>				
Direct Program:	73.016	See Note # 7	2,000,004	2,000,004
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise				
Total Department of Revenue			<u>\$ 2,000,004</u>	<u>2,000,004</u>

HILLSBOROUGH COUNTY, FLORIDA

Schedule of Expenditures of State Financial Assistance

Fiscal Year Ended September 30, 2014

<u>Grantor Agency and Project Title</u>	<u>CSFA Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>	<u>Amount to Subrecipient</u>
<b>DEPARTMENT OF JUVENILE JUSTICE</b>				
<b>Children and Families in Need of Services (CINS/FINS)</b>				
Passed through Florida Network of Youth and Family Services				
FACS Florida Network	80.005	NONE	\$ 460,314	
Florida Network	80.005	NONE	<u>116,031</u>	
Total Children and Families in Need of Services			<u>576,345</u>	
<b>Delinquency Prevention</b>				
Passed through Florida Network of Youth and Family Services				
Summer Day Camp Sessions	80.029	10097	5,067	
After School Spring Program 03/03/2014 - 06/30/2014	80.029	Contract 10171	<u>21,946</u>	
Total Delinquency Prevention			<u>27,013</u>	
Total Department of Juvenile Justice			<u>603,358</u>	
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u>\$ 14,970,195</u>	<u>\$ 2,776,290</u>



**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Schedules of Expenditures of**  
**Federal Awards and State Financial Assistance**  
For the fiscal year ended September 30, 2014

**Note 1 - Financial Reporting Entity**

The Hillsborough County (“County”) reporting entity is defined in Note 1 of the County's Basic Financial Statements. For purposes of the Schedules of Expenditures of Federal Awards and State Financial Assistance, only the primary government is included in the reporting entity; discretely presented component units are not included.

These notes provide additional information on the accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance. The first schedule presents expenditures related to federal awards that were provided directly by federal agencies as well as federal awards that were passed through other government agencies. The second schedule presents expenditures related to state awards that were provided directly by state agencies as well as state awards that were passed through other governmental agencies.

**Note 2 - Basis of Accounting**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented in accordance with accounting principles generally accepted in the United States, as described in Note 1.C. of the County's Basic Financial Statements.

**Note 3 - Major State of Florida Projects**

Major projects as defined by Section 215.97, Florida Statutes, are state of Florida grant projects audited by Hillsborough County’s independent auditors. Major projects for the year ended September 30, 2014 are listed by Catalog of State Financial Assistance (CSFA) number in the Summary of Auditor Results section of the Schedule of Findings and Questioned Costs, which is prepared by the County’s independent auditor.

**Note 4 - Major Federal Programs**

Major programs as defined by the US Office of Management and Budget’s (OMB) Circular A-133, are federal grant programs audited by the County’s independent auditor. Major programs for the year ended September 30, 2014 are listed by Catalog of Federal Domestic Assistance (CFDA) Number in the Summary of Auditors Results section of the Schedule of Findings and Questioned Costs, which is prepared by the County’s independent auditor.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Schedules of Expenditures of**  
**Federal Awards and State Financial Assistance**  
For the fiscal year ended September 30, 2014

**Note 5 - Negative Figures on the Schedules of Expenditures**

Negative expenditures reported in the Schedules of Expenditures of Federal Awards and State Financial Assistance may be the result of a correction of an expenditure which was originally posted in a prior fiscal year, such as the recording of a refund for goods or services not received. Although the current expenditures on a grant may be negative, the total of all expenditures on the grant is expected to be positive over its entire period of performance.

**Note 6 - Equipment Received From Florida Department of Community Affairs**

Equipment in the amount of \$63,623 was provided by grants from the US Department of Homeland Security (CFDA 97.067) which were passed through the Florida Department of Emergency Management.

**Note 7 - Sales Tax Rebate for Professional Sports Franchise Facilities**

The County receives a sales tax rebate from the state of Florida under Sections 212.20 and 288.1162, Florida Statutes, for a professional sports franchise facility. The County serves as a conduit passing the entire amount on through to the Tampa Sports Authority for debt service on their stadium bonds. Starting with fiscal year 2002, these rebates were designated by the state of Florida to be financial assistance subject to the state Single Audit (CSFA Number 73.016).

**Note 8 – Bruce B Downs Road Widening**

The negative expenditure of \$3,435,007 recorded on the Schedule of Expenditures of Federal Awards (CFDA #20.205) represents a reversal of expenditures incurred for the Bruce B. Downs (Palm Springs to Pebble Creek) road project in the amount of \$3,711,324 and current year expenditures of \$276,317. The program agreement was established as a reimbursement grant and as a result, the County used its pool equity and accrued the grant receivable with a reasonable expectation of reimbursement for the land. However, the grantor disallowed the reimbursement. The land expenditures were transferred to the County's Unincorporated Special Revenue Fund and was paid using county transportation gas taxes.

**Note 9 - Relationship to Grant Reports**

Amounts reported in the accompanying schedules are consistent with the amounts reported in separately issued final grant reports to federal, federal pass-through, state, and state pass-through grantors as of September 30, 2014.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Part I – Summary of Auditor’s Results**

**Financial Statement Section**

Type of auditor’s report issued: \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

Material weakness(es) identified?   x   yes      \_\_\_\_\_ no

Significant deficiency(ies) identified not considered to be material weakness(es)? \_\_\_\_\_ yes        x   none reported

Noncompliance material to financial statements noted \_\_\_\_\_ yes        x   no

**Federal Awards and State Financial Assistance Section**

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes        x   no

Significant deficiency(ies) identified not considered to be material weakness(es)?   x   yes      \_\_\_\_\_ none reported

Type of auditor’s report on compliance for major programs: \_\_\_\_\_ Unmodified \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of OMB Circular A-133 or Chapter 10.550?   x   yes      \_\_\_\_\_ no

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Part I – Summary of Auditor’s Results (continued)**

**Identification of the Major Federal Programs:**

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
14.218	U.S. Department of Housing and Urban Development – CDBG - Entitlement Cluster
93.044/93.045	U.S. Department of Health and Human Services – Aging Cluster
93.568	U.S. Department of Health and Human Services – Low-Income Home Energy Assistance Program (LIHEAP)
93.600	U.S. Department of Health and Human Services – Head Start Cluster
93.667	U.S. Department of Health and Human Services – Social Services Block Grant

**Identification of the Major State Projects:**

<b>CSFA Number(s)</b>	<b>Name of State Project</b>
45.030	Florida Department of State and Secretary of State – State Aid to Libraries
52.901	Florida Housing Finance Corporation – State Housing Initiative Partnership Program
55.008	Florida Department of Transportation – County Incentive Grant Program
65.010	Florida Department of Elder Affairs – Community Care for the Elderly
73.016	Florida Department of Revenue – Facilities for New Professional Sports, Retained-Professional Sports, or Retained Spring Training Franchise

Dollar threshold used to distinguish type A and type B programs

Federal	\$ 2,620,011
State	\$ 449,105

Auditee qualified as low-risk auditee                             yes        x   no



**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Part II – Schedule of Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**Finding 2014-001      Material Weakness in Internal Controls Over Financial Close and Reporting Process**

Criteria: The Hillsborough County Board of County Commissioners (“BOCC”) is responsible for establishing and maintaining internal controls over their financial close reporting process.

Condition: During August 2013, the BOCC implemented the first phase of a multi-government Oracle enterprise resource planning system (“ERP”) with interfaces to certain legacy business systems. This ERP implementation was a material change to the BOCC’s system of internal control. Moreover, implementing an ERP system of this magnitude usually takes several years of intense effort in requesting and testing system configuration changes, developing and integrating program changes, redesigning work processes and internal controls, creating reports, and preparing and delivering revised employee training. During our audit of the financial close and reporting process for the year ending September 30, 2014, we noted the following errors and material misstatements related to transactions that occurred near year-end:

- The landfill postclosure obligation in the Solid Waste Enterprise Fund was overstated due to a calculation error.
- Numerous financial statement drafts were necessary to fairly and appropriately present the financial statements of the Solid Waste and Water enterprise funds.
- Capitalized interest was understated in the Water Enterprise Fund. As a result, construction work in progress (“CWIP”) was understated while interest expense was overstated by the same amount.
- “Loss on the sale of assets” was overstated and construction in progress was understated by the same amount in the Water Enterprise Fund.
- When a completed Water Enterprise Fund capital project was incorrectly capitalized in the Solid Waste Enterprise Fund due to a clerical error, it resulted in an understatement of CWIP and overstatement of buildings.
- Code enforcement receivables for demolition liens were recorded in the General Fund, but an allowance for doubtful accounts was not set up, so both assets and revenues were overstated.
- An error in an Affordable Housing supporting schedule led to overstatements of both mortgage receivables and the related allowance for doubtful accounts. Since these two overstatements offset each other, net receivables on the financial statements were correct.

In connection with the independent audit, management also discovered that during the ERP implementation a number of financial transactions were not accrued and/or recorded properly for fiscal year 2013 resulting in an understatement of revenue for the year ending September 30, 2013. Additionally, during fiscal year 2013, the County incurred construction expenditures and improperly assigned the cost of land to a grant for reimbursement. The expense was ultimately disallowed and not reimbursed by the granting agency. As such, revenue was overstated by this amount during fiscal year 2013. Net position was restated for these adjustments.

Effect:

Current year adjustments:

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

*Amounts in thousands*

**Governmental Type Activities**

Description	Effect - Debit (Credit)					
	Assets (Non CIP)	Assets (CIP)	Liabilities	Net Position	Revenue	Expenses
<u>Current Year Misstatements</u>						
To record an allowance on code enforcement receivables for demolition liens.	\$ (1,589)	\$ -	\$ -	\$ -	\$ -	\$ 1,589
<b>TOTAL</b>	<u>\$ (1,589)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,589</u>
<b>Cumulative Net Position Misstatement</b>				<u>1,589</u>		
				<u>\$ 1,589</u>		

**Business Type Activities**

Description	Effect - Debit (Credit)					
	Assets (Non CIP)	Assets (CIP)	Liabilities	Net Position	Revenue	Expenses
<u>Current Year Misstatements</u>						
To correctly state the amount of interest to be capitalized for fiscal year 2014	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ (525)
To correctly state software purchased	86	-	-	-	-	(86)
To correct timing error - Assets were recorded in FY13 but expenses and payables were recorded in FY14.	-	(200)	-	-	-	200
To reverse the improper recording of various disposals of construction in progress assets	-	12,378	-	(12,378)	-	-
Solid waste asset reclassification	(1,508)	1,508	-	-	-	-
To correctly state the municipal landfill closure and post closure liability	-	-	(653)	-	-	653
<b>TOTAL</b>	<u>\$ (1,422)</u>	<u>\$ 14,211</u>	<u>\$ (653)</u>	<u>(12,378)</u>	<u>\$ -</u>	<u>\$ 242</u>
<b>Cumulative Net Position Misstatement</b>				<u>242</u>		
				<u>\$ (12,136)</u>		

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**General Fund**

Description	Assets	Effect - Debit (Credit)			
		Liabilities	Net Position	Revenue	Expenditures
<u>Current Year Misstatements</u>					
To record an allowance on code enforcement receivables for demolition liens.	\$ (1,589)	\$ -	\$ -	\$ -	\$ 1,589
<b>TOTAL</b>	<u>\$ (1,589)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 1,589</u>
<b>Cumulative Net Position Misstatement</b>			<u>1,589</u>		
			<u>\$ 1,589</u>		

**Intergovernmental Grants Fund**

Description	Assets	Effect - Debit (Credit)			
		Liabilities	Net Position	Revenue	Expenditures
<u>Current Year Misstatements</u>					
To correctly state the amount of:					
mortgage receivable	\$ (811)	\$ -	\$ -	\$ 811	\$ -
allowance on doubtful accounts	\$ 811	\$ -	\$ -	\$ (811)	\$ -
<b>TOTAL</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cumulative Net Position Misstatement</b>			<u>-</u>		
			<u>\$ -</u>		

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Water Enterprise Fund**

Description	Effect - Debit (Credit)					
	Assets (Non CIP)	Assets (CIP)	Liabilities	Net Position	Revenue	Expenses
<u>Current Year Misstatements</u>						
To correctly state the amount of interest to be capitalized for fiscal year 2014	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ (525)
To correctly state software purchased	86	-	-	-	-	(86)
To correct timing error - Assets were recorded in FY13 but expenses and payables were recorded in FY14.	-	(200)	-	-	-	200
To reverse the improper recording of various disposals of construction in progress assets	-	12,378	-	(12,378)	-	-
<b>TOTAL</b>	<u>\$ 86</u>	<u>\$ 12,703</u>	<u>\$ -</u>	<u>(12,378)</u>	<u>\$ -</u>	<u>\$ (411)</u>
<b>Cumulative Net Position Misstatement</b>				<u>\$ (12,789)</u>		

**Solid Waste Enterprise Fund**

Description	Effect - Debit (Credit)					
	Assets (Non CIP)	Assets (CIP)	Liabilities	Net Position	Revenue	Expenses
<u>Current Year Misstatements</u>						
To correctly state the municipal landfill closure and post closure liability	\$ -	\$ -	\$ (653)	\$ -	\$ -	\$ 653
To correctly state the balance of construction in progress after the amount of a project from a different fund was removed from this fund.	(1,508)	1,508	-	-	-	-
<b>TOTAL</b>	<u>\$ (1,508)</u>	<u>\$ 1,508</u>	<u>\$ (653)</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 653</u>
<b>Cumulative Net Position Misstatement</b>				<u>\$ 653</u>		

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

Fiscal year 2013 restatement adjustments:

*Amounts in thousands*

	<b>Intergovernmental Grants Fund</b>	
	<b>Total Revenues For Fiscal Year 2013</b>	<b>Total Fund Balance September 30, 2013</b>
As previously reported	\$ 92,300	\$ 5,077
Adjustment for error correction	2,767	2,767
As restated	\$ 95,067	\$ 7,844

	<b>County Transportation Fund</b>	
	<b>Total Revenues For Fiscal Year 2013</b>	<b>Total Fund Balance September 30, 2013</b>
As previously reported	\$ 73,378	\$ 131,881
Adjustment for error correction	(6,182)	(6,182)
As restated	\$ 67,196	\$ 125,699

	<b>Hillsborough County Primary Government (Governmental Activities)</b>	
	<b>Total Charges for Services Revenue For Fiscal Year 2013</b>	<b>Net Position September 30, 2013</b>
As previously reported	\$ 189,921	\$ 7,416,411
Adjustment for error correction	(3,415)	(3,415)
As restated	\$ 186,506	\$ 7,412,996

Cause: Additional responsibilities placed on County staff for learning the new ERP system, solving implementation problems, as well as insufficient training on how to use the new system, were key factors resulting in the various misstatements identified above.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

Recommendation: The BOCC would benefit from more extensive user training on how to apply Oracle financial close applications such as:

- The order of the financial close processes and interdependencies of the financial modules during the financial close e.g., purchasing, accounts payable and inventory/cost management.
- The capitalization of land, construction-in-progress and other assets. Interdependencies between the Payables, Projects/Awards and Assets subledgers and the General Ledger.
- The use of exception reporting embedded in the financial close process to verify outcomes Researching and resolving exceptions in the close process.
- Proper methods to correct complex systems-based transaction processing exceptions and the risks associated with using manual overrides applied to business and/or accounting sub-ledgers modules.
- Oracle purchasing through payment lifecycle including requisitions, purchase orders, accounts payables processing, invoice matching, tolerances, debit credit memo resolution, clearing the uninvoiced receipts account to ensure proper accounting.

Management's Response (Planned Corrective Action): The County will continue to identify and correct system configurations, develop and integrate programming corrections, create new reports, redesign work processes, fine tune internal controls, and prepare and deliver training that covers essential or new information.

**Finding 2014-002      Material Weakness in Internal Controls Over Reporting of Completed Constructed Capital Assets**

Criteria: Accounting principles generally accepted in the United States of America require that constructed assets substantially completed and placed in service are to be depreciated at that time.

Condition: Auditor selected a sample of construction-in-progress ("CIP") projects from Governmental Activities and the Water and Solid Waste Enterprise Funds that had beginning balances with no activity through September 30, 2014, resulting in a selection of 36 items from the Governmental Activities, 16 items from the Water Enterprise Fund, and 8 items from the Solid Waste Enterprise Fund. Selected projects were investigated to ascertain whether or not the project was substantially complete and should have been placed in service during the current year. Of the 36 Governmental Activities projects selected, all were substantially complete and should have been placed in service and depreciated during the current year. Of the 16 Water Resource projects selected, all were substantially complete and should have been placed in service and depreciated during the current year. Of the 8 Solid Waste projects selected, 1 was substantially complete and should have been placed in service and depreciated during the current year.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

Effect: The effect of the error on Governmental Activities resulted in depreciation expense being understated by approximately \$132,000 and a classification error of approximately \$8,327,000 between CIP and depreciable fixed assets. The effect of the error on the Solid Waste Enterprise Fund resulted in depreciation expense being understated by approximately \$43,000 and a classification error of approximately \$1,119,000 between CIP and depreciable fixed assets. The effect of the error on the Water Enterprise Fund resulted in depreciation expense being understated by approximately \$488,000 and a classification error of approximately \$2,028,000 between CIP and other fixed assets categories.

Cause: The misstatement is attributed to a lapse in existing controls that were in place to timely assess CIP projects.

Recommendation: We recommend that the BOCC strengthen their financial reporting controls over CIP and depreciation by implementing a procedure to prepare and analyze a listing of construction projects that details beginning of year balances, additions, deletions, and end of year balances for each project. Each project with little or no activity for the year should be investigated by management to determine whether it should be transferred out of CIP to a depreciable asset account.

Management's Response (Planned Corrective Action): County Finance, Management and Budget, Public Works, Real Estate, Public Utilities, and other departments will meet to share information about managing and accounting for capital assets in the ERP system and will work through the processes for: capitalizing completed projects, not capitalizing infrastructure preservation costs, developing business intelligence reports to assist with periodic reconciliations, and other related topics.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Part III – Federal Award Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by Section 510(a) of OMB Circular A-133.

**Finding 2014-003      Significant Deficiency in Internal Control Over Compliance and Nonmaterial Noncompliance**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Low-Income Home Energy Assistance – CFDA No. 93.568**

Criteria: Management of the County is responsible for following the requirements of OMB Compliance Supplement Part III and grant award agreements related to grant reporting. This requires the County to submit timely reports to Federal awarding agencies and sub-grantors.

Condition/Context: During our audit it was noted that the County did not maintain adequate controls over compliance with grant reporting. In seven of the eleven reports tested, the County failed to submit the required reports timely to grantors and sub-grantors.

Questioned Cost: Not applicable as the reporting requirement does not affect expenditures under the grant.

Cause: Required reports are not reviewed and approved by an individual independent of the preparer or submitted within the required timeframe.

Effect: The County did not comply with the provision of timely reporting in accordance with OMB Compliance Supplement and grant award agreements.

Recommendation: We recommend that a process of management review and approval of the required reports be implemented on a monthly basis to ensure reports are submitted on time.

Views of Responsible Officials and Planned Corrective Actions: Monthly Reports - Although the Department had a backup system in place, which included two accountants with one preparing the reports and the other reviewing for submission, a unique event occurred. Our Accountant III began a leave while our Accountant II position was vacant. As a result of the simultaneous temporary vacancies the report could not be submitted until our Accountant III returned from leave thus causing the delay. Since then, the vacancy has been filled. We are fully staffed and currently operating with the described backup plan.

Quarterly Reports - The quarterly report which was due on 4/21/14 required data to be pulled from our Casewatch system. The system experienced a temporary data reporting error. This caused an unavoidable delay. The system has been restored to full functioning and no future delays are anticipated. In addition, some of the data required for this particular quarterly report covered the end of the grant year. As stated in the response to the Close-Out Financial Report, that data required reconciliation which caused significant delay. That issue has been resolved.

Close-Out Financial Report - As it relates to the Close-Out Financial Report, at the time of the submission of the LIHEAP FY13-14 Close-Out report, the Fiscal Department did not have a monthly account reconciliation process. As a result, at the end of the grant year the general ledger and sub-ledger had to be reconciled. Any necessary account corrections were completed at that time. This was a manual process which was very time and labor intensive. A solution to this has been put in place for the LIHEAP FY14-15 grant year. The accounts are being reconciled monthly. This eliminates the manual process and allows for timely processing of necessary corrections. This new process will prevent further late submissions.



**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Findings and Questioned Costs –**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

During FY13-14, the Department experienced a reorganization. As result of the transition, some job functions were reassigned to new and existing staff. A new staff member assumed the responsibility of submitting the Enrollment and Exceptions report. The report was submitted late as a result of the transition. Reminders are now scheduled to ensure timely submission.

**Part IV – State Project Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major state projects, as required to be reported by Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*.

**Finding 2014-004      Significant Deficiency in Internal Control Over Compliance and Nonmaterial Noncompliance**  
**DEPARTMENT OF ELDER AFFAIRS**  
**Community Care for the Elderly – CSFA No. 65.010**

Criteria: Management of the County is responsible for following the requirements of State of Florida Compliance Supplement Part III and grant award agreements related to cash management. This requires the County to collect co-payments from consumers based on a sliding scale fee and to expend the co-payment prior to using state award funds.

Condition/Context: During our audit it was noted that the County did not maintain adequate controls over compliance with cash management. In one of the forty cases tested, the County failed to collect co-payments from consumers.

Questioned Cost: The total amount of the known questioned cost for co-payments based on the above condition/context is \$149, however the likely questioned cost is not determinable.

Cause: Changes to client files in SERVtracker, the software system utilized to manage client files, are not reviewed by Management for accuracy.

Effect: The County did not comply with the provision of co-payment collection in accordance with State of Florida Compliance Supplement and grant award agreements.

Recommendation: We recommend that a process of management review and approval of the client files be implemented to ensure timely collection of co-payments.

Views of Responsible Officials and Planned Corrective Actions: The department reviewed all contracted vendor rate updates in SERVtracker and determined that Emergency Alert Response (“EAR”) was the only service the co-pay button was not selected for. A CCE client that receives EAR services only is extremely rare, which is why there was one consumer that was affected by this discrepancy. The department has designated one staff member to update SERVtracker with vendor rate changes, and management to review the edits for accuracy.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Summary Schedule of Prior Year Audit Findings and Corrective Action Plan**  
**Federal Awards Programs and State Financial Assistance Projects**  
**For the fiscal year ended September 30, 2014**

**Prior Year Audit Findings**

**Finding 2013-01            Material Weakness in Internal Controls Over Financial Close and Reporting Process**

Finding: During fiscal year 2013, the BOCC implemented an enterprise resource planning system (“ERP”) using the Oracle EBS platform and the integration of certain legacy business systems. End users did not receive an appropriate amount of training in the new system which was coupled with the implementations strain on human resources. This resulted in several errors and material misstatements related to transactions that occurred near year-end.

Status: The County Finance Department began a process to improve the financial closing processes for the subledgers and general ledger based on additional training and research. This action was ineffective during fiscal year 2013.

Corrective Action: See current year finding 2014-001.

**Finding 2013-02            Material Weakness in Depreciating Constructed Capital Assets**

Finding: During fiscal year 2013, a lapse in existing controls to annually assess CIP projects caused certain assets that were substantially completed to not be moved to depreciable assets causing an understatement of depreciation expense. The effect of the error on Governmental Activities resulted in depreciation expense being understated by approximately \$289,000 and a classification error of approximately \$5,859,000 between CIP and depreciable fixed assets. The effect of the error on the Solid Waste Enterprise Fund resulted in depreciation expense being understated by approximately \$49,000 and a classification error of approximately \$4,579,000 between CIP and depreciable fixed assets. The effect of the error on the Water Enterprise Fund resulted in depreciation expense being understated by approximately \$50,000 and a classification error of approximately \$2,500,000 between CIP and other fixed assets categories.

Status: The County implemented a program will coordinate internally to institute a date certain for submission of completed project forms for every quarter, follow up e-mails will be sent if dates are missed and direct supervisors will be copied to assist in timely submissions. This action was ineffective during fiscal year 2014.

Corrective Action: See current year finding 2014-002.

**Current Year Corrective Action Plan**

Current year corrective action plans are identified within the individual finding in the Schedule of Findings and Questioned Costs.

**Report of Independent Auditor on  
Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Hillsborough County, Florida (the "County") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated April 9, 2015. We did not audit the financial statements of the Housing Finance Authority of Hillsborough County, whose statements reflect 95.8% of the assets, 99.8% of the net position and 33.5% of the revenues of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Finance Authority of Hillsborough County, is based solely upon the report of the other auditor. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by that auditor.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies, 2014-001 and 2014-002, described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **The County's Responses to Findings**

The County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida  
April 9, 2015

## Independent Auditor’s Management Letter

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

### Report on the Financial Statements

We have audited the financial statements of Hillsborough County, Florida (the "County") as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated April 9, 2015. We did not audit the financial statements of the Housing Finance Authority of Hillsborough County, whose statements reflect 95.8% of the assets, 99.8% of the net position and 33.5% of the revenues of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Finance Authority of Hillsborough County is based solely upon the report of the other auditor.

### Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reports and Schedule

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Report of Independent Auditor on Compliance for Each Major Federal Program and State Finance Assistance Project and on Internal Control Over Compliance Required by OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on Compliance with Local Government Investment Policies, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 9, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective action has been taken to address the recommendations made in the prior year with respect to the Board of County Commissioners (the "Board"), except as noted below. Reference to whether corrective actions have been taken is provided in separate management letters for the Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector (collectively the "County agencies").

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	FY 2013 Finding #	FY 2012 Finding #
2014-001	2013-01	N/A
2014-002	2013-02	12-03

**Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. As required by Rules of the Auditor General, this management letter includes the name or official title and legal authority for the primary government and each component unit of the reporting entity. Hillsborough County, Florida was established by the Constitution of the State of Florida, Article VIII, Sections 1 and 6. Additional legal authority was provided by Chapter 125, Florida Statutes, and County Ordinance 83-09, a home rule charter. The legal authority for each of the component units of Hillsborough County, Florida is listed below:

**Entity**

**Legal Authority**

***Blended Component Units***

Hillsborough County Civil Service Board

Section 125.88, *Florida Statutes*, and Chapter 85-424 and 2000-445, Laws of Florida

***Discretely Presented Component Units***

Hillsborough County City-County Planning Commission

Chapter 75-390, Laws of Florida

Housing Finance Authority of Hillsborough County

Section 159.604, *Florida Statutes*, and County Ordinance 85-33

**Financial Condition**

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit nothing came to our attention that would cause us to believe that the County met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

**Annual Financial Report**

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the County for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

**Other Matters**

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

*Cherry Bekant LLP*

Tampa, Florida  
April 9, 2015

## **Report of Independent Accountant on Compliance with Local Government Investment Policies**

To the Board of County Commissioners of  
Hillsborough County, Florida

### **Report on Compliance**

We have examined Hillsborough County, Florida's (the "County"), compliance with the requirements of Sections 218.415, Florida Statutes, during the year ended September 30, 2014. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

### **Scope**

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

### **Opinion**

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.



Tampa, Florida  
April 9, 2015





# Hillsborough County, Florida Comprehensive Annual Financial Report



Fiscal Year Ended  
September 30, 2014

# Tampa-Hillsborough County Public Library

This year's Comprehensive Annual Financial Report showcases the Library Services Department.

The Tampa-Hillsborough County Public Library has been providing library materials and resources to Hillsborough County citizens for over 100 years through a network of libraries and mobile outlets. Library services include both traditional and electronic books, Internet access, Talking Books for the visually impaired, DVDs, music, online databases, cultural and educational programs, collaborative technology, and facilities for community meetings. The Online Library, [hcplc.org](http://hcplc.org), provides around-the-clock access to a variety of services and resources. For FY 14, 97% of library users found what they were looking for.

The Library circulates over 10 million items per year, has 657,995 cardholders, and provides a wide range of services and programs for County residents including the following:

- 30 easily accessible locations including regional libraries, branch libraries, bookmobiles, talking books, and eight partner locations
- Convenient hours with evening and weekend hours—regional libraries are currently open Monday-Thursday 10 a.m. - 9 p.m., Friday-Saturday 10 a.m. - 6 p.m. and Sunday 12:30 p.m. - 5 p.m.
- Digital magazines, eBooks, video streaming, and music via the internet
- THE HIVE, located at the John F. Germany Public Library, features 10,000 square feet of creative space that includes a robotics center, an entrepreneurial center with 1,500 square feet of flexible meeting space, a hands-on mechanical and electrical workshop, a 3D printer, and a recording studio
- Events and classes for children, teens, adults
- A variety of online “skill development” classes ranging from pet training and business software skills to learning up to 42 languages
- Job and career resources including one-on-one tutoring and listings for jobs and internships
- Digital collections include genealogy records, oral histories, Burgert Brothers photographs, and other public art
- Large community rooms as well as smaller rooms are available for community meetings at 26 libraries throughout the County

**Cover Photos** (clockwise, from top): 1. Online Services. 2. Public art installation on the plaza of the SouthShore Regional Library. 3. A community engagement event sponsored by the Library Services Department. 4. The West Tampa Branch Library completed 100 year of service in 2014 which was celebrated by a year-long series of events. 5. THE HIVE, the library's public studio and “maker space.”

See the **Introductory**, **Financial** and **Statistical Section divider pages** of this document for more photos and information about the Library.

For more information, contact:

Tampa-Hillsborough County Public Library

900 N. Ashley Drive, Tampa, FL 33602

(813)273-3652

**Hcplc.org**

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

**Fiscal Year Ended September 30, 2014**

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

**HILLSBOROUGH COUNTY, FLORIDA  
List of Principal Officials  
In Office at September 30, 2014**

**Board of County Commissioners**

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

**Constitutional Officers**

Pat Frank, *Clerk of Circuit Court*  
Doug Belden, *Tax Collector*  
David Gee, *Sheriff*  
Craig Latimer, *Supervisor of Elections*  
Bob Henriquez, *Property Appraiser*

**Appointed Officials**

Michael S. Merrill, *County Administrator*  
Chip Fletcher, *County Attorney*

**HILLSBOROUGH COUNTY, FLORIDA  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended September 30, 2014**

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Photographs and cover/divider design were provided  
courtesy of the Library Services Department



# Introductory Section

## Library Services - Learning Experiences

What is  
STEAM?



The library offers a variety of programs and learning experiences for children, teens, and adults that promote lifelong literacy and learning of all kinds; cultural enrichment by creating awareness of the arts and ethnic diversity; career, business and entrepreneurial development; and STEAM education.



STEAM  
Science  
Technology  
Engineering  
Art  
Math

**hcplc**  
.org

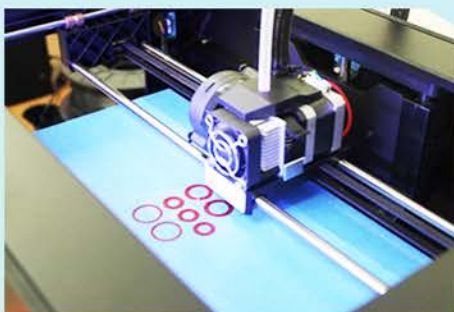
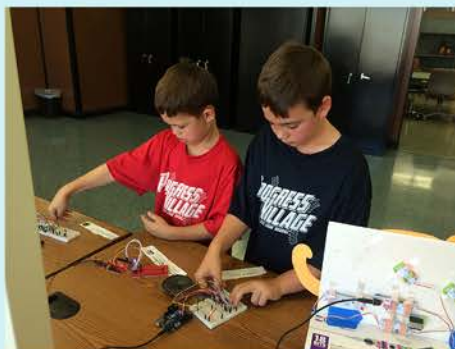
# Library Services - Maker Spaces

## THE HIVE



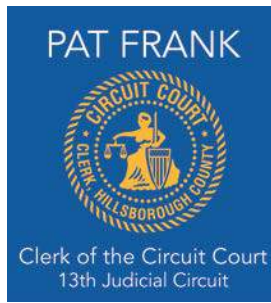
What will you make today?

At **THE HIVE**, the library's public studio and makerspace, anything is possible! From 3D printing to robotics, sewing to recording music and video, the library now provides hands-on resources and learning experiences to help make new ideas come to life.



Create  
Co-work  
Collaborate

hcplc  
.org



April 27, 2015

To the Residents of Hillsborough County, Florida:

The *Hillsborough County, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014*, 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 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, 2014, 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 its audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Hillsborough County financial statements, for the fiscal year ended September 30, 2014, 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 auditor when it conducts 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, and Chapter 10.550, Rules of the Auditor General. The independent auditor's 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 19<sup>th</sup> 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 2014 population of 1,301,887 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 2014, 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, 2014, are identified on the page before the table of contents. The organizations of the BOCC, the

Constitutional Officers and the blended component unit 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 Hillsborough County City-County Planning Commission and Housing Finance Authority of Hillsborough County 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, other independent special districts and the Neighborhood Special Dependent 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 are reestablished in the new fiscal year. Expenditures by the Constitutional Officers are controlled by appropriations at the fund level in accordance with Florida Statutes.

The BOCC approves an annual 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, 2014, the Hillsborough County Primary Government had total cash and investments of \$1.793 billion. Most of this amount, \$1.707 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, 44%; US government sponsored agency securities, 32%; the state of Florida's Local Government Investment Pool, 9%; corporate notes, 4%; commercial paper notes, 5%; municipal bonds, 1%; and cash in demand deposits and money market accounts, 5% in total. At September 30, 2014, the Investment Pool's weighted average maturity was a low 1.1 years.

In 2008 the Investment Pool was rated for the first time and was assigned the highest rating of AA+ by Standard & Poor's Ratings Services. This rating continued each year until 2011, when it was reduced one level to AA+ due to the downgrade of the United States long-term credit rating from AAA to AA+. However, 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. The overall effective rate of return of the Investment Pool for fiscal year 2014 was 0.44% compared to the benchmark rate of 0.22% (a weighted average of the Merrill Lynch 3-month US Treasury Bill Index and 1-3 Year US Treasury Note Index). The Investment Pool's rate of return for fiscal year 2013 was .46%.

**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. The County's property tax revenues rose \$25.6 million or 4.8% due to a 6.8% increase in the taxable assessed value of real property in Hillsborough County. 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. For fiscal year 2014, the County had \$90.3 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 5% 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 mortgage 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, 2014, the Hillsborough County Primary Government held 76% of its investment portfolio in US government or related investments. A total of \$1,368 million was invested in a combination of US treasury securities, US government sponsored agency securities which are supported by the US government, and government-only mutual funds. At September 30, 2014, the Hillsborough County Primary Government also held \$79 million, or 5% of its investment portfolio, in bank deposits secured primarily by the FDIC and partly by the state of Florida's multiple financial institution collateral pool established under Chapter 280, Florida Statutes. The US government affects the state of Florida's multiple financial institution 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 17 employers in Hillsborough County, MacDill Air Force Base, the James A Haley Veterans Administration Hospital, and US Postal Service together represent 22,484 employees or 18% of the employees at the top 17 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, 2013. 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 thirty-two 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, 2013*. 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. Hillsborough County has received this award for the last fourteen consecutive years.

Both of these awards are valid for a period of one year. We believe that the County's fiscal year 2014 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





**County Administrator  
Michael S. Merrill**

**Board of County  
Commissioners**

Kevin Beckner  
Victor D. Crist  
Ken Hagan  
Al Higginbotham  
Lesley "Les" Miller Jr.  
Sandra L. Murman  
Stacy R. White

**County Administrator**  
Michael S. Merrill

**County Administrator  
Executive Team**

Lucia E. Garsys  
Carl S. Harness  
Gregory S. Horwedel  
Ramin Kouzehkanani  
Liana Lopez  
Bonnie M. Wise

**County Internal Auditor**  
Michelle Leonhardt

**County Attorney**  
Chip Fletcher

**Office of the County  
Administrator**

PO Box 1110  
Tampa, FL 33601-1110  
Phone: (813) 276-2843  
Fax: (813) 272-5248

**Hillsborough was  
established as  
Florida's 19<sup>th</sup> county  
in 1834**

**Hillsborough's  
boundaries  
encompass 1,051  
square miles of land,  
24 square miles on  
inland water, and 76  
miles of coastline.**



**To the Citizens of Hillsborough County:**

As county administrator, it is my privilege to provide you with the Hillsborough County, Florida Comprehensive Annual Financial Report for the fiscal year ending September 30, 2014.

I am pleased to report that Hillsborough County's financial position in Fiscal Year 2014 (FY 14) remained strong at a time when many other governments experienced weakened financial positions as a result of the nation's prolonged economic downturn. For the first time in six years, ad valorem tax revenues rose and other major revenues posted improvements, including the half-cent sales tax and tourist development taxes. Strategic management decisions over the past five years have led to improved service delivery while reducing the per capita cost of County government by 8% compared to FY 07. Our Board of County Commissioners (BOCC) adopted a FY 15 budget that is balanced without the need to use reserves, reduce our workforce, or impact service to our customers.

Additionally, Hillsborough County's general obligation credit rating remains "AAA" as determined by the three national credit rating agencies. This credit rating is the highest attainable rating and is reserved for only the best managed and financially sound governments and corporations. By contrast, the credit ratings of many other governments have declined since the global financial crisis, making Hillsborough County's rating even more notable.

**County Profile**

Ours is a community built on a rich, vibrant history steeped in a myriad of tradition and cultures. County government fosters community prosperity for all residents by supporting a broad range of opportunities, including agriculture, manufacturing, arts, health, sciences, technology, innovation start-ups, small businesses and entrepreneurship. Capitalizing on these cultural and economic development opportunities preserves and enhances community assets.



### **Jobs**

**Metro Tampa job gains totaled 14,300 from December 2013 to December 2014**

**The December 5.2% unemployment rate in Hillsborough was below the state rate of 5.4%**

The County Commission's strategic goals are dedicated to continued job creation and economic competitiveness both as a community and as a region. Our success in achieving these goals is evident in an expanding skyline, major tourist destinations, world-class entertainment venues, a nationally-recognized airport, one of the largest shipping ports in the country, major educational institutions, a bustling agricultural industry, professional sports teams, and more. Residents have the ability to live in high-energy urban environments, suburban planned communities, or rural landscapes.

Notable national and international events – including four Super Bowls, NCAA competitions, the Republican National Convention, and the International Indian Film Academy's 2014 awards – have heightened global attention and continue to bring many visitors to our doorstep. People of all ages and diverse backgrounds, and companies representing an array of industries, choose to make Hillsborough County their home.

As County Administrator, I am appointed by the seven-member, elected Board of Commissioners to run the day-to-day operations of County government. My commitment is to foster community prosperity by excelling in meeting the service needs of residents and businesses. In the unincorporated area of the County, we provide over 800,000 residents with municipal services such as fire and emergency rescue response, construction industry permitting, water and wastewater service, solid waste collection and disposal, recreational activities, economic development programs, code enforcement, and construction, as well as maintenance of vital infrastructure such as roads and government buildings. In addition, libraries, pet resources, and social services for children, seniors, and low-income residents are provided to over 1.2 million residents countywide.

### ***Economic Conditions***



### **Consumer Spending**

**FY14 taxable sales rose 5.6% - the largest gain since FY 06**

While the nation's economic growth moderated in the last quarter of 2014, the Tampa metropolitan area had a gain of 14,300 jobs in 2014. Professional and business services, retail trade, education and health services, and leisure and hospitality led this job growth. However, manufacturing, construction, and wholesale trade did experience a decrease. Nationally, job markets and wage growth showed notable improvement in 2014 and job growth is expected to accelerate in 2015. This growth supported improved consumer spending and confidence.



### **Housing Markets**

**2014 home sales rose 4.8%**

**Housing inventories are at their lowest level since 2005**

**2014 foreclosure filings fell 35.6%**

**2014 average home price rose 4.9%, but remains 29% below June 2006 peak**

Activity in housing markets across the country was mixed in 2014, as lower investor demand resulted in slower home price appreciation. Local and national housing markets posted gains in 2014, but at more moderate rates than 2013. Hillsborough foreclosures fell 35.6 percent and home prices rose 4.9 percent in 2014. The local housing market continued to recover and helped to support a second consecutive year of property tax revenue growth for FY 15.

### ***Relevant Financial Policies***

The county administrator is responsible for the financial planning for County government, including operating, capital and debt service budgets, as well as the allocation of resources to accomplish BOCC goals. The county administrator is also responsible for recommending long-range financial planning strategies to the BOCC, including reserve policies and financial forecasting.

To maintain sound financial management, it is important to have policies and procedures that complement the statutory requirements and professional standards of local government. The BOCC has adopted a series of financial policies in order to document a comprehensive approach to financial management. These policies are available online in the adopted budget document at [www.HillsboroughCounty.org](http://www.HillsboroughCounty.org).

### ***Major Initiatives***

Hillsborough County remains focused on cultivating community prosperity by delivering high quality, reliable service to residents. Maintaining this high standard demands a steadfast commitment to the County's core mission and to service. Service delivery is guided by the BOCC's adopted Strategic Plan, which targets job creation with a particular focus on attracting and expanding businesses that yield high-multiplier jobs – including small businesses and start-ups.

The BOCC has consistently stated that their highest priority is economic development (jobs, capital investment and wealth creation) for all residents of Hillsborough County. Key initiatives in support of this priority include: improving access to qualified workers by local businesses; expanding access to contracting and certification opportunities for disadvantaged businesses;

**Our key initiatives  
place emphasis on:**

- Entrepreneurship and innovation
- Strengthening strategic industry clusters
- Positioning economic development sites in the County through infrastructure development and redevelopment
- Achieving optimum results from contractual partners

and, improving the return-on-investment and metrics associated with the County's support of tourism-related activities.

As companies begin to move forward with expansions, qualities that make a community attractive to business investment are shifting from cost concerns to quality concerns. Infrastructure investments made by the County to revitalize areas of the community and position top sites for business growth can have a major impact on private capital investment and additional wealth creation. By making strategic investments, Hillsborough County is the beneficiary of increased job-generating projects that bring higher-than-average wages and private capital investment to diversify the County's tax base.

***Long-Term Prospects***

We are committed to remaining financially strong by maintaining strong reserves, ensuring sustainable resources and services, investing in key infrastructure and community assets, and retaining and attracting a diverse and skilled workforce. By succeeding in this endeavor, we will create a prosperous community that is a great place to grow a family and to grow a business.

Sincerely,



Michael S. Merrill  
County Administrator



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

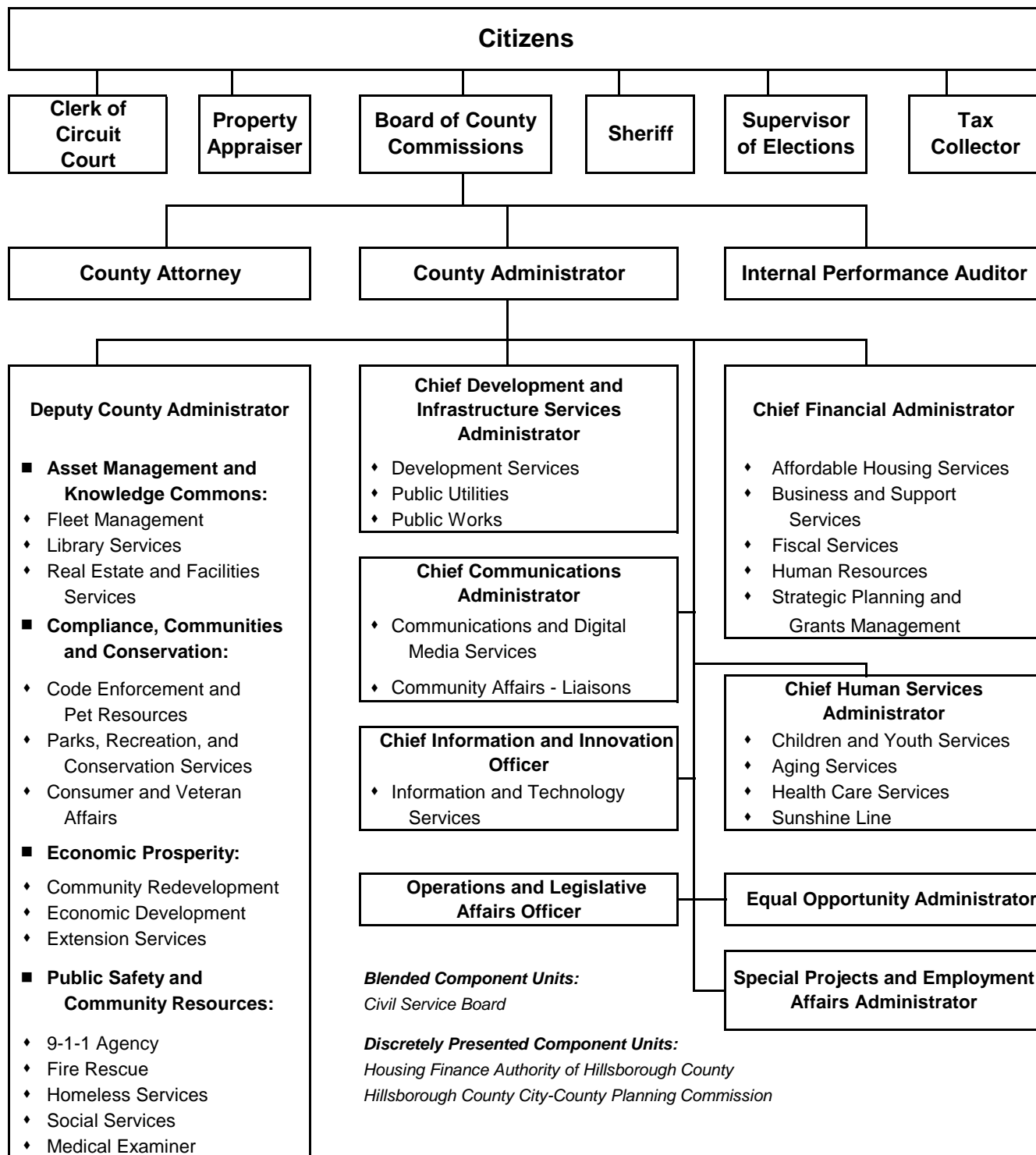
**Hillsborough County  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2013**

Executive Director/CEO

## Hillsborough County, Florida Organization Chart



*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

## Library Services - Building Spaces

Expand  
or Rebuild



Modern libraries are technological hubs for their communities and provide places for learning, sharing, creating, communicating, collaborating, exploring, meeting, and reflecting.

Picture above: *Public art installation on the plaza of the SouthShore Regional Library.*



### Expansion & Construction Projects

Pictured clockwise from left

Seminole Heights  
Branch Library

Upper Tampa Bay  
Regional Public  
Library

Jimmie B. Keel  
Regional Library

Bloomington  
Regional Public  
Library

**hcplc**  
org

# Library Services - Online

Available  
24/7



The Online Library is a gateway to learning online. In addition to eBooks and pure research, resources for online learners allow cardholders to enjoy start-to-finish skills development. From pet training to business software skills to learning up to forty-two languages, the Online Library leads to personal prosperity in both home and professional life.



lynda.com



Explore and  
Expand Your  
Personal &  
Professional  
Knowledge.



Use The Many  
Learning And  
Research  
Databases.





## Report of Independent Auditor

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

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Hillsborough County, Florida (the "County"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing Finance Authority of Hillsborough County, a discretely presented component unit, which represents 95.8% of the assets, 99.8% of the net position and 33.5% of the revenues of the discretely presented component units. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Housing Finance Authority of Hillsborough County, is based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in the *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, based on our report and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of September 30, 2014, 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 accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matters**

### *Change in Accounting Principle*

As discussed in Note 1I to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective October 1, 2013. Our opinions are not modified with respect to this matter.

### *Component Unit Reclassification*

As described in Note 1A to the financial statements, effective October 1, 2013, the Law Library Board was merged into the County and is no longer a discretely presented component unit of the County. Our opinions are not modified with respect to this matter.

### *Prior Period Restatement*

As discussed in Note 18 to the financial statements, the September 30, 2013 financial statements have been restated to correct an error. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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.

### *Other Information*

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 fund statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

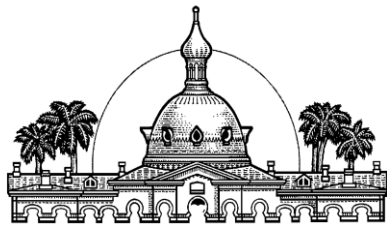
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida  
April 9, 2015



## 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, 2014 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.

### Financial Highlights

- At September 30, 2014, the County's net position was \$8.868 billion. Net position is defined as "assets and deferred outflows of resources" less "liabilities and deferred inflows of resources." Of this amount, \$7.270 billion was the net investment in capital assets and \$489 million were restricted by law, grant agreements, debt covenants, or for capital projects. As a result, \$1.108 billion of unrestricted net position was available at year-end to meet the County's ongoing obligations to residents, creditors and enterprise fund customers. This amount represents a \$27 million decrease from the prior year's unrestricted net position of \$1.135 billion as restated. There were several restatements of beginning net position during fiscal year 2014, which will be described later in this report. See the *Notes to the Financial Statements* for more information on this Statement.
- During the year, the County's net position increased \$95.2 million. Of this amount, governmental activities were responsible for an increase in net position of approximately \$45.4 million and business-type activities were responsible for an increase in net position of approximately \$49.8 million.
- The total invested in capital assets increased \$150.4 million or 2.1% from the prior year.
- At September 30, 2014, the General Fund's fund balance was \$250.2 million, representing a decrease of \$17.5 million or 6.6% from the previous year. The County's governmental funds in total, reported a combined fund balance at year-end of \$891.2 million, a decrease of \$33.9 million or 3.9% from the previous year.
- The County's Water Enterprise Fund had an increase in net position of \$43.9 million over the previous year primarily due to: operating income of \$7.2 million, capital contributions of \$32.0 million; net interest revenues of \$2.2 million, loss on asset disposals of \$0.7 million and nonoperating revenues of \$3.0 million. The County's Solid Waste Enterprise Fund had a net increase in net position of \$6.7 million from the previous year primarily due to operating income of \$12.8 million, net interest expenses of \$6.4 million, a gain on disposal of capital assets of \$0.1 million and net nonoperating revenues of \$0.2 million.
- The County's total liabilities fell by \$41.3 million to \$1.377 billion at September 30, 2014. This change was primarily due to the following: bond principal payments of \$43.9 million, net issuances of notes payable of \$7.0 million, and other net decreases of short-term and long-term liabilities totaling \$4.4 million.

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.

<p><b>Management’s Discussion &amp; Analysis</b></p> <p><b>Basic Financial Statement</b></p> <p>a. Government-wide Financial Statements and Fund Financial Statements</p> <p>b. Notes to the Financial Statements</p> <p><b>Required Supplementary Information</b></p> <p>a. Infrastructure Condition and Maintenance Data</p> <p>b. Schedule of Funding Progress for Postemployment Benefits Other Than Pensions (OPEB)</p>
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Description of Government-wide and Fund Financial Statements				
	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Scope</b>	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
<b>Financial Statements</b>	<ul style="list-style-type: none"> <li>▪ Statement of Net Position</li> <li>▪ Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance Sheet</li> <li>▪ Statement of Revenues, Expenditures, and Changes in Fund Balances</li> <li>▪ Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance Sheet</li> <li>▪ Statement of Net Position</li> <li>▪ Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of Fiduciary Assets and Liabilities – Agency Funds</li> </ul>
<p><b>Basis of Accounting</b></p> <p>Timing of when revenues and expenses or expenditures are recognized</p>	<p>Accrual accounting</p> <p><i>Revenues are recorded when earned. Expenses are recorded when the liabilities are incurred.</i></p>	<p>Modified accrual accounting</p> <p><i>Revenues recorded when measurable and available. Expenditures recognized when incurred with certain exceptions.</i></p>	<p>Accrual accounting</p> <p><i>Revenues are recorded when earned. Expenses are recorded when the liabilities are incurred.</i></p>	<p>Accrual accounting</p> <p><i>Increases or decreases in assets and liabilities are recorded when incurred.</i></p>
<p><b>Measurement Focus</b></p> <p>Types of resources being measured</p>	<p>Economic resources:</p> <p><i>All assets and deferred outflows of resources less all liabilities and deferred inflows of resources</i></p>	<p>Financial resources:</p> <p><i>Current assets less current liabilities</i></p>	<p>Economic resources:</p> <p><i>All assets and deferred outflows of resources less all liabilities and deferred inflows of resources</i></p>	<p><i>Not applicable</i></p>

**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 Position presents information on the assets, deferred outflows of resources and liabilities of the County as a whole. Assets and deferred outflows of resources less liabilities are reported as net position. Changes in net position 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 position changed during the fiscal year. Changes in net position 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. Conversely, an increase in unused sick and 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 Housing Finance Authority of Hillsborough County and Hillsborough County City-County Planning Commission are the only discretely presented component units of the County. The financial activities of these component units are reported separately from the financial information of the primary government. Separate financial statements are not prepared for the Hillsborough County City-County Planning Commission, but financial and other information including budget and actual comparisons are available. For more information, see Note 1.A. *Financial Reporting Entity*, in the *Notes to the Financial Statements* portion of the *Basic 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 are 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 *Schedule of 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

Over time, *net position* may serve as the most useful indicator of a government's financial position. At September 30, 2014, the County's total net position, i.e. total assets and deferred outflows of resources less liabilities, was \$8.868 billion. As shown on the chart on this page, the County reported positive balances at September 30, 2014, in all three categories of net position for governmental activities, business-type activities, and the County as a whole.

<b>Hillsborough County, Florida Net Position</b>						
<i>in thousands</i>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<u>2014</u>	<u>2013 (Restated)</u>	<u>2014</u>	<u>2013 (Restated)</u>	<u>2014</u>	<u>2013 (Restated)</u>
	Current assets and other assets	\$ 1,361,962	1,412,310	671,193	703,740	2,033,155
Capital assets	<u>7,035,386</u>	<u>6,954,633</u>	<u>1,170,109</u>	<u>1,112,824</u>	<u>8,205,495</u>	<u>8,067,457</u>
<b>Total assets</b>	<u>8,397,348</u>	<u>8,366,943</u>	<u>1,841,302</u>	<u>1,816,564</u>	<u>10,238,650</u>	<u>10,183,507</u>
Deferred outflows of resources	<u>6,087</u>	<u>6,958</u>	<u>118</u>	<u>342</u>	<u>6,205</u>	<u>7,300</u>
Current liabilities	432,823	419,161	85,518	93,161	518,341	512,322
Long-term liabilities	<u>516,599</u>	<u>546,085</u>	<u>342,055</u>	<u>359,720</u>	<u>858,654</u>	<u>905,805</u>
<b>Total liabilities</b>	<u>949,422</u>	<u>965,246</u>	<u>427,573</u>	<u>452,881</u>	<u>1,376,995</u>	<u>1,418,127</u>
<b>Net position:</b>						
Net investment in capital assets	6,413,436	6,314,284	856,586	805,361	7,270,022	7,119,645
Restricted	399,668	427,578	89,624	89,984	489,292	517,562
Unrestricted	<u>640,909</u>	<u>666,793</u>	<u>467,637</u>	<u>468,680</u>	<u>1,108,546</u>	<u>1,135,473</u>
<b>Total net position</b>	<u>\$ 7,454,013</u>	<u>7,408,655</u>	<u>1,413,847</u>	<u>1,364,025</u>	<u>8,867,860</u>	<u>8,772,680</u>

A significant portion of the County's net position (82%) is identified as net investment in capital assets, which is capital assets such as land, buildings, equipment, construction in progress 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 position identified as "net investment in capital assets" is 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 position is restricted net position, which is assets plus deferred outflows or resources less liabilities subject to external constraints such as from debt covenants, grantors, laws or regulations, or restrictions through enabling legislation. Unrestricted net position (or total assets plus deferred outflows of resources less total liabilities less restricted net position) represents net position available to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers. Significant changes between years are described later.

There were three restatements of beginning net position during fiscal year 2014. There was an \$8.5 million reduction in net position caused by the expensing of unamortized bond issuance costs as a

part of implementing GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. There was a \$3.4 million reduction in net position due to a correction of grant revenues between fiscal years 2013 and 2014. This error was caused by employees not knowing how to use the newly implemented ERP system causing an incorrect grant revenues accrual for fiscal year 2013 as well as land costs that were not eligible for reimbursement on a construction grant. The third restatement was the result of a the Law Library changing from a discretely presented component unit to being a part of the Hillsborough County primary government due to County Ordinance No. 14-27.

**Governmental activities** Governmental revenues and expenses both rose compared to the prior year. In addition, there was a \$45.4 million increase in the County's net position represented by governmental activities. The growth in net position from governmental activities represented 58% of the County's total growth in net position of \$78.1 million. The chart on the following page describes changes in net position during the current versus the prior fiscal year. Key net position changes during fiscal year 2014 are described below. Expense variance explanations are provided on the next few pages.

### **Governmental Activities**

- **Charges for services** increased \$19.4 million or 10.2% primarily due to the following: There was a \$18.0 million increase in charges for services revenues received by the Clerk of Circuit Court due to a change in Florida Statutes whereby the offices of Clerk of Circuit Court throughout the state keep their own fines and forfeiture revenues as well as other charges for services revenues rather than being funded by state appropriations. These revenues were received in the General Fund (Clerk) and the Court Operations and Public Records Fund. There was a \$1.5 million increase in charges for services received in the General Fund (Sheriff Law Enforcement portion). In addition, there was a \$1.4 million increase in charges for services revenues received by the Sheriff in the Child Protection Investigations Special Revenue Fund. There was a \$1.9 million increase in fees received in the unincorporated area portion of the General Fund due to increases in ambulance, fire protection, land use/zoning, land development and class fees. There was a \$1.3 million increase in fees received in the countywide portion of the General Fund due to increases in Environmental Protection Commission and Development Services fees as well as an increase in revenues associated with indirect costs allocated to other funds. These increases were partly offset by a combined decrease of \$3.0 million in residential impact fees in the Countywide Special Purpose and County Transportation Funds due to a reduction in new residential construction and a \$1.8 million decrease in capital improvement special assessment revenues.
- **Operating grants and contributions** declined \$2.2 million or 2.3% primarily. This change, though minimal overall, consisted of decreases in transportation and economic environment-related grants which were partially offset by smaller increases in general government, public safety, human services and culture and recreation-related grants. These changes reflect shifting priorities at federal, state and local granting agencies.

## Hillsborough County, Florida Changes in Net Position

<i>in thousands</i>	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013		2013		2013	
	<u>2014</u>	<u>(Restated)</u>	<u>2014</u>	<u>(Restated)</u>	<u>2014</u>	<u>(Restated)</u>
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 209,362	189,921	309,444	305,941	518,806	495,862
Operating grants and contributions	94,436	96,652	-	-	94,436	96,652
Capital grants and contributions	70,056	41,086	32,019	19,925	102,075	61,011
Restricted investment earnings	-	-	6,325	7,885	6,325	7,885
<b>General revenues:</b>						
Property taxes	556,249	530,615	-	-	556,249	530,615
Sales taxes, state shared revenues	395,442	396,975	-	-	395,442	396,975
Other taxes	49,810	47,245	-	-	49,810	47,245
Investment earnings	3,708	5,073	-	-	3,708	5,073
Gain (loss) - sales of capital assets	1,929	2,777	149	143	2,078	2,920
Other revenues	16,138	21,891	3,237	3,259	19,375	25,150
<b>Total revenues</b>	<b><u>1,397,130</u></b>	<b><u>1,332,235</u></b>	<b><u>351,174</u></b>	<b><u>337,153</u></b>	<b><u>1,748,304</u></b>	<b><u>1,669,388</u></b>
<b>Expenses:</b>						
General government	352,645	290,531	-	-	352,645	290,531
Public safety	520,563	517,923	-	-	520,563	517,923
Physical environment	29,923	27,134	-	-	29,923	27,134
Transportation	90,240	95,115	-	-	90,240	95,115
Economic environment	52,949	55,706	-	-	52,949	55,706
Human services	202,978	201,603	-	-	202,978	201,603
Culture and recreation	80,080	70,113	-	-	80,080	70,113
Interest on long-term debt	22,394	23,668	-	-	22,394	23,668
Water Resource Services System	-	-	203,155	192,998	203,155	192,998
Solid Waste Resource Recovery	-	-	98,197	104,574	98,197	104,574
<b>Total expenses</b>	<b><u>1,351,772</u></b>	<b><u>1,281,793</u></b>	<b><u>301,352</u></b>	<b><u>297,572</u></b>	<b><u>1,653,124</u></b>	<b><u>1,579,365</u></b>
<b>Change in net position before transfers</b>	<b>45,358</b>	<b>50,442</b>	<b>49,822</b>	<b>39,581</b>	<b>95,180</b>	<b>90,023</b>
<b>Transfers</b>	<b>-</b>	<b>406</b>	<b>-</b>	<b>(406)</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b><u>45,358</u></b>	<b><u>50,848</u></b>	<b><u>49,822</u></b>	<b><u>39,175</u></b>	<b><u>95,180</u></b>	<b><u>90,023</u></b>
<b>Net position, beginning of year</b>	<b>7,408,655</b>	<b>7,361,079</b>	<b>1,364,025</b>	<b>1,324,850</b>	<b>8,772,680</b>	<b>8,685,929</b>
<b>Adjustments to beginning balance</b>	<b>-</b>	<b>(3,272)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,272)</b>
<b>Net position, beginning of year, as restated</b>	<b><u>7,408,655</u></b>	<b><u>7,357,807</u></b>	<b><u>1,364,025</u></b>	<b><u>1,324,850</u></b>	<b><u>8,772,680</u></b>	<b><u>8,682,657</u></b>
<b>Net position, end of year</b>	<b><u>\$ 7,454,013</u></b>	<b><u>7,408,655</u></b>	<b><u>1,413,847</u></b>	<b><u>1,364,025</u></b>	<b><u>8,867,860</u></b>	<b><u>8,772,680</u></b>

- **Capital grants and contributions** increased \$29.0 million or 72.3% primarily due to a \$21.2 million increase in infrastructure contributions from real estate developers. Total infrastructure contributions for fiscal year 2014 were \$51.5 million, representing long-term investments by real estate development companies. The rest of the increase was due to an increase in capital grant revenues especially in the transportation function.
- **Property tax revenues** increased \$25.6 million or 4.8% due to a \$3.22 billion or 6.0% increase in the taxable assessed value of real property in Hillsborough County for 2013. The change in assessed values of real estate in fiscal year 2013 affected property tax revenues in fiscal year 2014 because there is a lag from the time of assessment to the time taxes are due. This increase for fiscal year 2013 was the result of real property market values rising \$3.5 billion, offset by property tax exemptions rising only \$0.23 billion (since market values less exemptions equal assessed values).
- **Sales tax revenues and state shared revenues**, as a combined category, decreased \$1.5 million or 0.4% 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 \$5.9 million. The Community Investment Tax, a discretionary sales surtax for infrastructure capital projects, increased \$5.9 million. The local government half-cent sales tax, a state shared revenue, increased \$4.6 million. Fuel taxes and other state shared revenues rose by \$1.4 million. However, these increases were more than completely offset by a \$19.3 million net reduction in state shared revenues because effective June 2013, the Clerk of Circuit Court stopped receiving a monthly appropriation from the state of Florida's Clerk of Court Operations Corporation. The Clerk of Circuit Court instead started retaining funds collected for court related fines, fees and service charges as permitted by the change in Florida Statutes.
- **Other taxes** increased \$2.6 million or 5.4% primarily due a \$2.6 million increase in tourist development taxes due to a greater use of hotels during the year. The International Indian Film Academy's 2014 awards were held at the Raymond James Stadium in Tampa. This and other events as well as a strengthening economy brought more tourists to Hillsborough County.
- **Investment earnings**, which is the sum of actual interest and changes in the fair value of the investment portfolio, declined \$1.4 million or 26.9% from the previous year. The interest earnings rate fell from 0.46% for fiscal year 2013 to 0.44% for fiscal year 2014. The benchmark interest rate for fiscal year 2014 was 0.22% (a weighted average of the Merrill Lynch 3-month US Treasury Bill Index and 1-3 Year US Treasury Note Index).
- **Other revenues** decreased \$5.8 million or 26.3% primarily due to the following: There was a \$2.2 million reduction in monetary contributions for transportation-related capital projects from real estate developers and private sources compared to the prior year. There was a \$2.1 million reduction in loan repayments received on Affordable Housing grant funded mortgage programs. There was a \$1.5 million reduction in prior year expenditure refunds received in the General Fund.
- **General government** expenses increased \$62.1 million or 21.4% primarily due to the following: There was a \$44.0 million increase due to a payment of impact fee revenues to the Hillsborough County School Board for the construction of the Dr. Jack R. Lamb Elementary

School on 78<sup>th</sup> Street in Tampa and a middle school on Balm Road (CR 672) in the South County region through the Countywide Special Purpose Fund. There was a \$12.2 million increase primarily due to higher expenditures in the General Fund related to higher appropriations established through the budget process for the following departments and agencies: Real Estate and Facilities rose \$4.2 million, Development Services rose \$2.4 million, payments to non-profit organizations rose \$2.2 million, Information and Technology Services rose \$1.5 million, Animal Services rose \$1.3 million, the Sheriff's Office rose \$1.2 million, Communications rose \$1.0 million, the Clerk of Circuit Court rose 0.9 million, Family and Aging Services rose \$0.9 million, and Public Works fell \$2.6 million. There was a \$3.8 million increase because there was a shift in reporting indirect administrative charges from the transportation function to the general government function in the County Transportation Fund. There was also a comparative \$3.3 million increase in expenses due to the elimination of internal service fund transactions. These increases were partly offset by a \$1.3 million reduction operating expenditures in the Clerk of Circuit Court's Court Operations and Public Records Fund (note that operating expenditures do not include capital outlay expenditures, which increased in this fund).

- **Public safety** expenses increased \$2.6 million or 0.5% primarily due to the following: The unincorporated area portion of the General Fund had a \$5.8 million increase for Fire Rescue Department expenditures as a result of higher funding from the BOCC. The countywide portion of the General Fund had a \$1.2 million increase for a combination of the Medical Examiner, Sheriff expenditures other than those treated as transfers out to the Sheriff portion of the General Fund, and higher personnel expenditures due to higher salary ranges and more employees. These increases were partially offset by decreased public safety expenses in the following areas: There was a \$1.6 million decrease in public safety expenses due to a reduction in aid to the Florida Department of Juvenile Justice for detention and correction services, partly offset by increases in aid to private organizations and professional services. In addition, there was a \$3.2 million decrease in depreciation expenses allocated to public safety expenses.
- **Physical environment** expenses increased \$2.8 million or 10.3% primarily due to the following: There was a \$1.0 million increase in physical environment expenses due to higher conservation and resource management expenditures in the Countywide Special Purpose Fund. There was a \$0.5 million overall increase in physical environment expenditures in the Intergovernmental Grants Fund due to an increase in flood control projects partly offset by a decrease in resource management projects. There was a \$0.3 million increase in the Environmentally Sensitive Lands Acquisitions Program Capital Projects Fund. There was also a \$1.0 million increase in expenses due to the elimination of internal service fund transactions.
- **Transportation** expenses decreased \$4.9 million or 5.1% due to items such as the following: There was a \$13.9 million increase in expenses due to an increase in infrastructure disposals compared to the prior year. In addition there was a \$7.2 million increase in expenses because there were higher road resurfacing costs compared to the prior fiscal year. Road resurfacing costs are expensed on the Statement of Activities (under the modified approach for recording infrastructure assets). These increases were more than completely offset by a \$12.7 million decrease associated with the capitalization of expenses, a \$7.2 million reduction in funding from the Infrastructure Surtax Special Revenue Fund to the Hillsborough Area Regional

Transit Authority which provides bus service throughout the County, and a \$5.8 million decrease in transportation expenses due to a combination of increased capital outlay expenditures and a shift in reporting indirect administrative charges from the transportation function to the general government function in the County Transportation Fund.

- **Economic environment** expenses decreased \$2.8 million or 4.9% primarily due to the following: There was a \$7.8 million decrease in grant-related economic environment expenses because of lower expenditures for the Neighborhood Stabilization Program, Community Development Block Grant, and HOME Investment Partnership grants. In addition the Brownfield grant ended during fiscal year 2013. There was a \$2.6 million increase in expenses due to payments to the Tampa Sports Authority for improvements to the Amalie Arena, which is home to the Tampa Bay Lightning ice hockey team. There was a \$1.0 million increase in expenses related to distributions to other governments such as the cities of Tampa, Temple Terrace and Plant City, School Board and Tampa Sports Authority due to increased revenue from the Community Investment Tax as a result of a stronger local economy.
- **Human services** expenses rose \$1.4 million or 0.7% primarily due to the following: There was a \$4.3 million increase in human services expenses due to increased expenditures in the General Fund for aging services program such as respite care and senior nutrition meal services, increased payments to community service organizations, as well as increased salary expenses due to a greater number of employees, an increase in minimum to maximum salary ranges, and certain merit-related pay increases. There was a \$2.3 million increase in expenses due to increased expenditures on the Social Services Block Grant, Low-Income Home Energy Assistance grant program, partly offset by lower expenditures on Head Start and Aging Services grants. Increased expenditures on these grants were supported by a \$4.4 million increase in human services grant revenues from the federal government. There was a \$2.2 million increase due to the elimination of internal service fund transactions. These increased expenses were partly offset by a \$6.1 million decrease Countywide Special Purpose fund due to reductions in expenditures for the Hillsborough Healthcare Plan for low income residents, as well as primary and specialist medical care and a decrease in indirect costs allocated to human services. There was also a \$1.3 million reduction in depreciation allocated to the human services function.
- **Culture and recreation** expenses increased \$10.0 million or 14.2% primarily due to the following: There was a \$4.9 million increase in library expenditures for operating supplies related to furnishing libraries. There was a \$1.3 million increase in the Countywide Capital Projects Fund in aid to private cultural service organizations. There was also a \$1.3 million increase in the Unincorporated Area Capital Projects Fund in aid to private organizations providing youth services. There was a \$0.8 million increase due to the elimination of internal service fund transactions. There was a \$1.5 million increase in indirect costs charged to the General Fund offset by various smaller decreases in culture and recreation expenditures.

## **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 four water and eight wastewater treatment plants. Water

program revenues rose \$11.2 million or 4.8% from the previous year primarily due to three factors: charges for services rose \$0.5 million, capital contributions from developers and others rose \$12.1 million, and interest revenue fell \$1.4 million. Water program expenses rose by \$9.2 million primarily due to a \$7.5 million increase in personnel services, a \$3.9 million increase in contractual services primarily due to the water suppliers' annual pass-through cost adjustment, a \$1.6 million increase in utilities expenses covering waste water utility costs paid to other municipalities and higher electricity costs payable to the Solid Waste Enterprise Fund, partly offset by a \$3.7 million decrease in depreciation and amortization expenses.

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 up \$2.8 million due to an increase in charges for services primarily due to an increase in recycling revenues as a part of implementing the "Automated Residential and Recycling Collection Service Program." The Solid Waste program expenses were down \$6.8 million primarily due to a \$12.0 million reduction in contractual services, partly offset by a \$4.0 million increase in depreciation and amortization expense and a \$0.8 million increase in personnel services 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, 2014, the County's governmental funds reported combined ending fund balances of \$891.2 million, a decrease of \$33.9 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 decreased \$17.5 million primarily due to having \$11.6 million of transfers in from the Self-Insurance Internal Service Fund during fiscal year 2013 that were not repeated during fiscal year 2014 as well as a \$3.9 million reduction in transfers in from the Unincorporated Area Special Purpose Fund. The fund balance of the Countywide Special Purpose Fund fell \$8.3 million primarily due to a combination of a \$37.9 million increase in total expenditures partly offset by \$12.7 million increase in revenues and a \$12.0 million reduction in net transfers to other funds. The fund balance of the Library Special Revenue Fund fell \$7.5 million due to a planned spending down of fund balance for library capital projects. The fund balance of the Sales Tax Revenue Fund rose \$9.3 million due to greater sales tax revenues brought about by higher retail sales within the County. The Infrastructure Surtax Fund fell by \$7.3 million due to a reduction in proceeds from commercial paper notes compared to the prior year partly offset by lower capital project and lower transportation-related expenditures. The fund balance of the Unincorporated Area Capital Projects Fund fell \$5.9 million primarily due to receiving \$4.5 million less in transfers from the Unincorporated Area Special Revenue Fund compared to the prior fiscal year. The fund

balance of the Unincorporated Area Special Purpose Special Revenue Fund fell \$5.8 million primarily due to a \$3.9 million increase in total expenditures.

About \$248.2 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, committed or assigned in accordance with the GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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 \$205.7 million. This was a \$0.5 million or 0.2% increase from fiscal year 2013. These revenues are essentially unchanged from the prior year. At September 30, 2014, unrestricted net position of the Water Enterprise Fund was \$390.0 million, a decrease of \$10.4 million from the restated balance of the prior year. The restatement had the effect of increasing the prior year's unrestricted net position by \$1.7 million due to the implementation of GASB Statement 65.

The Solid Waste Enterprise Fund's charges for services revenues were \$103.7 million. This was a \$3.0 million or 3.0% increase from fiscal year 2013. The revenue increase was primarily due to an increase in recycling revenues with the distribution of significantly larger recycling bins as a part of implementing the "Automated Residential and Recycling Collection Service Program." At September 30, 2014, unrestricted net position of the Solid Waste Enterprise Fund was \$77.0 million, an increase of \$15.5 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 2014, total General Fund expenditures on the budgetary basis budget and actual statement were \$31.1 million higher than the previous year, and \$55.4 million lower than the final budget due to a significantly higher level of revenues and expenditures budgeted compared to the prior year.

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 2014, supplemental appropriations to the Board of County Commissioners' budget, excluding component units, were approximately \$1.142 billion or 32.8% of the original legally adopted budget.



During fiscal year 2014, supplemental appropriations to the General Fund budget were approximately \$0.7 million on the budgetary basis.

## Capital Assets and Debt Administration

**Capital assets** At the end of fiscal year 2014, the County's governmental activities had \$7.035 billion invested in a broad range of capital assets, including land, equipment, buildings, construction in progress, and infrastructure. Infrastructure consists of roads, streets, bridges, sidewalks, stormwater systems, and related assets. See the following table for more information.

<b>Hillsborough County, Florida</b>						
<b>Capital Assets Net of Accumulated Depreciation at Year-End</b>						
<i>in thousands</i>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Primary Government:</b>						
Land	\$ 543,794	533,030	42,204	42,204	585,998	575,234
Buildings	371,054	386,467	201,817	199,612	572,871	586,079
Building improvements	86,772	96,694	694,676	717,833	781,448	814,527
Equipment	88,004	81,147	26,633	23,632	114,637	104,779
Intangibles	19,258	11,633	7,382	7,604	26,640	19,237
Infrastructure	5,831,692	5,804,857	-	-	5,831,692	5,804,857
Construction in progress	94,812	40,805	197,397	121,939	292,209	162,744
<b>Totals</b>	<u>\$ 7,035,386</u>	<u>6,954,633</u>	<u>1,170,109</u>	<u>1,112,824</u>	<u>8,205,495</u>	<u>8,067,457</u>

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 *71.0*. The actual fiscal year 2014 maintenance expenditures for the preservation of infrastructure were \$75.1 million versus \$106.2 million estimated. Actual fiscal year 2014 maintenance expenditures were 10.0% higher than actual fiscal year 2013 expenditures. The County continued to meet infrastructure preservation goals, including paved roadway lane miles. See the *Infrastructure Condition and Maintenance Data* section in Required Supplementary Information after the *Notes* for more information. The \$80.8 million increase in net capital assets of governmental activities during fiscal year 2014 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 \$52.6 million of the increase in capital assets.
- Capital outlay expenditures of \$102.2 million accounted for the largest part of the total increase in capital assets during the fiscal year. Although there were total capital outlay expenditures of \$120.2 million, only \$102.2 million of it resulted in capital asset additions because \$18.0 million of

capital outlay costs were not capitalized as will be explained later. Total capital outlay expenditures of \$120.2 million consisted of: County transportation construction projects, \$35.0 million; infrastructure capital projects, \$18.7 million; General Fund (Sheriff Law Enforcement) capital projects, \$13.2 million; library construction, \$8.5 million; unincorporated area special purpose projects, \$6.3 million; countywide capital projects, \$6.0 million; countywide special purpose projects, \$5.2 million; intergovernmental grants, \$6.1 million; unincorporated area capital projects, \$5.6 million; environmentally sensitive lands acquisitions projects, \$4.0 million; Clerk's public records modernization projects, \$3.6 million; Tax Collector capital projects including a new computer system, \$2.6 million; Clerk of Circuit Court projects, \$2.0 million; General Fund (Countywide and Unincorporated Area), \$1.8 million; remaining funds, \$1.6 million.

The \$18.0 million capital outlay expenditures that did not lead to capital asset additions were for infrastructure preservation costs and library book. Infrastructure preservation costs, which totaled \$15.5 million, were not capitalized under the modified approach for infrastructure asset accounting. Library book purchases that did not meet the \$1,000 capitalization threshold, totaling \$2.5 million, were not capitalized. Both infrastructure preservation costs and library book purchases were treated as expenses in the Statement of Activities because they did not increase capital assets.

- Depreciation expense accounted for \$70.4 million of the reduction in capital assets. Infrastructure disposals accounted for \$28.0 million of the reduction. Non-infrastructure disposals and other write offs of capital assets during the year accounted for an additional \$1.1 million of the reduction.
- Net capital asset acquisitions by the internal service fund accounted for \$5.5 million of the increase.

The \$57.3 million increase in net capital assets of business-type activities during fiscal year 2014 was primarily attributed to additions of \$159.6 million, consisting of capital outlays of \$127.8 million, capitalized interest cost of \$2.8 million, and contributions of \$29.0 million; offset by depreciation/amortization expense of \$65.6 million, and disposals and transfers of \$36.7 million. See Note 6, *Capital Assets*, in the *Notes to the Financial Statements* for more information.

**Long-term liabilities** At September 30, 2014, the County had 21 bonded debt issues outstanding. These issues included \$66.2 million in general obligation bonds, \$441.9 million in non-ad valorem revenue bonds, and \$322.8 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, 2014, all \$116.2 million of these notes payable were classified as general government notes payable. There were no notes payable in the Enterprise Funds. See the chart of long-term liabilities outstanding at year-end on the following page.

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, 2014, was \$12.9 million.

<b>Hillsborough County, Florida</b>						
<b>Outstanding Long-Term Liabilities, at Year-End</b>						
<i>in thousands</i>	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General obligation bonds, net *	\$ 66,192	68,445	-	-	66,192	68,445
Revenue bonds*	441,875	469,853	322,843	340,522	764,718	810,375
Notes payable	116,248	109,249	-	-	116,248	109,249
Compensated absences payable	58,200	59,191	4,818	3,915	63,018	63,106
Insurance claims payable**	34,839	34,741	-	-	34,839	34,741
Net OPEB obligation	12,915	12,460	-	-	12,915	12,460
Other long-term debt	8,501	8,984	37,684	36,074	46,185	45,058
<b>Totals</b>	<b>\$ 738,770</b>	<b>762,923</b>	<b>365,345</b>	<b>380,511</b>	<b>1,104,115</b>	<b>1,143,434</b>

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

\*\* The Hillsborough County Health Care Program for low-income residents had 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 Position and Balance Sheet -- Governmental Funds. That liability of \$2,413,000 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, 2014 by Moody's Investors Service (Moody's), Standard and Poor's Ratings Services (S&P), and Fitch Ratings are shown on the following page:

## Hillsborough County, Florida, Credit Ratings at September 30, 2014

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)	A1	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 a covenant to budget and appropriate legally available non-ad valorem revenue	Aa1	AA+	AA+
Revenue bonds supported by Water and Wastewater System Enterprise System revenue	Aa1	AA+	AAA
Revenue bonds supported by Solid Waste Resource System Enterprise Fund	A1	A	A+
Revenue bonds supported by the County's 4 <sup>th</sup> Cent Tourist Development Tax	A1	A+	AA-
Revenue bonds supported by the County's 5 <sup>th</sup> Cent Tourist Development Tax	A2	A	AA-
Revenue bonds supported by the County's Court Surcharge Revenue	A1	AA+	A+
Commercial paper notes (rating includes letter of credit enhancement)	P-1	A-1	F1
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)			
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)			

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 position growth.

- Ad valorem property taxes represented 40% of total revenues from governmental activities for fiscal year 2014. 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 over several years to reach a low of \$53.57 billion in 2012, a decline of 33% from its peak. These declines in assessed values were due to a

combination of lower market values and higher exemptions set by state law. Assessed values then rose to \$60.6 billion in 2014, a rise of 13% from its low, due to a strengthening real estate market.

- The fact that the ten largest property taxpayers in the County represent only 6.7% 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 fuel taxes, discretionary sales surtaxes, communications services taxes, and state shared revenues represented 32% of total revenues from governmental activities for fiscal year 2013. Sales-related taxes and state shared revenues are linked to employment within the County. Hillsborough County's annual average unemployment rate in 2013 was 7.0%, compared to 8.5% in the prior year. The County's 2013 unemployment rate was slightly lower than Florida's rate of 7.2%, but was 0.4 percentage points under the national rate of 7.4%.
- Hillsborough County also has a diversified employment base. The top 17 employers in the County employ only 20.7% 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.

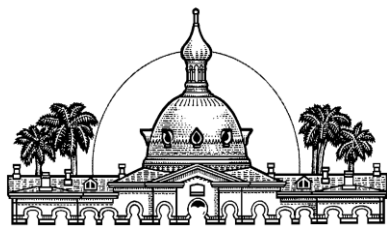
The economic factors described above show that the County's general, i.e. non-program, revenue of \$1.023 billion is well proportioned between property tax revenues of \$556 million and sales-related revenues of \$445 million. In addition, there is wide variety in the principal property tax taxpayers 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 the Basic Financial Statements or other accounting information in this report, please contact the finance director or assistant finance director. 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. Contact information is shown below:

County Finance Department  
County Center, 12<sup>th</sup> Floor  
PO Box 1110  
Tampa, Florida 33601-1110

Office of the County Administrator  
County Center, 26<sup>th</sup> Floor  
PO Box 1110  
Tampa, Florida 33601-1110



## BASIC FINANCIAL STATEMENTS

**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Net Position**  
**September 30, 2014**  
**(amounts in thousands)**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 225,016	79,286	304,302	5,637
Investments	530,893	331,051	861,944	2,778
Accounts receivable, net	5,239	24,382	29,621	90
Interest receivable	919	595	1,514	31
Delinquent ad valorem taxes receivable	1,128	--	1,128	--
Due from other governmental units	47,403	--	47,403	957
Internal balances--due from (to)	(3,538)	547	(2,991) *	--
Inventories	2,181	2,054	4,235	--
Prepaid charges	3,199	--	3,199	9
Other assets	1	994	995	--
Total unrestricted current assets	<u>812,441</u>	<u>438,909</u>	<u>1,251,350</u>	<u>9,502</u>
Restricted current assets:				
Cash and cash equivalents	98,857	22,342	121,199	953
Investments	318,774	93,961	412,735	7,677
Accounts receivable, net	5,149	4,265	9,414	--
Interest receivable	609	169	778	--
Delinquent property taxes receivable	114	--	114	--
Due from other governmental units	46,364	--	46,364	--
Internal balances--due from (to)	2,909	82	2,991 *	--
Notes and loans receivable	71,001	--	71,001	--
Inventories	4,058	--	4,058	--
Prepaid charges	170	--	170	--
Total restricted current assets	<u>548,005</u>	<u>120,819</u>	<u>668,824</u>	<u>8,630</u>
Total current assets	<u>1,360,446</u>	<u>559,728</u>	<u>1,920,174</u>	<u>18,132</u>
Noncurrent assets:				
Restricted noncurrent assets:				
Notes and loans receivable	--	--	--	2,261
Other assets	1,516	--	1,516	--
Total restricted noncurrent assets	<u>1,516</u>	<u>--</u>	<u>1,516</u>	<u>2,261</u>
Capital assets (net of accumulated depreciation):				
Land	543,794	42,204	585,998	--
Buildings	371,054	201,817	572,871	--
Building improvements	86,772	694,676	781,448	--
Equipment	88,004	26,633	114,637	--
Intangibles	19,258	7,382	26,640	--
Infrastructure	5,831,692	--	5,831,692	--
Construction in progress	94,812	197,397	292,209	--
Total capital assets, net	<u>7,035,386</u>	<u>1,170,109</u>	<u>8,205,495</u>	<u>--</u>
Accounts receivable, long-term	--	111,465	111,465	--
Total noncurrent assets	<u>7,035,386</u>	<u>1,281,574</u>	<u>8,316,960</u>	<u>--</u>
Total assets	<u>\$ 8,397,348</u>	<u>1,841,302</u>	<u>10,238,650</u>	<u>20,393</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Bond refunding losses	6,087	118	6,205	--
Hedging derivatives	--	--	--	60
Total deferred outflows of resources	<u>\$ 6,087</u>	<u>118</u>	<u>6,205</u>	<u>60</u>

\* Total "internal balances--due from (to)" are considered to be eliminated in the primary government total column since the balances in unrestricted and restricted current assets together net to zero.



**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Net Position**  
**September 30, 2014**  
**(amounts in thousands)**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	\$ 22,634	20,972	43,606	93
Accrued liabilities	25,297	1,291	26,588	94
Accrued interest payable	8,068	--	8,068	--
Due to other governmental units	4,574	--	4,574	4
Unearned revenues	10,948	18,548	29,496	--
Deposits held	370	--	370	--
Insurance claims payable, current	21,677	--	21,677	--
Notes payable, current	116,248	--	116,248	--
Compensated absences, current	56,511	3,355	59,866	719
Bonds payable, current	27,735	19,716	47,451	--
Other long-term debt, current	--	218	218	--
Total unrestricted current liabilities	<u>294,062</u>	<u>64,100</u>	<u>358,162</u>	<u>910</u>
Current liabilities payable from restricted assets:				
Accounts and contracts payable	51,214	5,671	56,885	--
Accrued liabilities	2,558	--	2,558	--
Accrued interest payable	--	2,359	2,359	186
Deposits	--	13,364	13,364	--
Due to other governmental units	9,673	--	9,673	--
Unearned revenues	72,903	24	72,927	--
Insurance claims payable, current	2,413	--	2,413	--
Bonds payable, current	--	--	--	90
Total current liabilities payable from restricted assets	<u>138,761</u>	<u>21,418</u>	<u>160,179</u>	<u>276</u>
Total current liabilities	<u>432,823</u>	<u>85,518</u>	<u>518,341</u>	<u>1,186</u>
Noncurrent liabilities:				
Insurance claims payable	13,162	--	13,162	--
Compensated absences payable	1,689	1,463	3,152	--
Bonds payable, net	480,332	303,126	783,458	7,179
Net OPEB obligation	12,915	--	12,915	--
Derivative instrument - hedging	--	--	--	60
Other long-term debt, net	8,501	37,466	45,967	--
Total noncurrent liabilities	<u>516,599</u>	<u>342,055</u>	<u>858,654</u>	<u>7,239</u>
Total liabilities	<u>949,422</u>	<u>427,573</u>	<u>1,376,995</u>	<u>8,425</u>
<b>NET POSITION</b>				
Net investment in capital assets	6,413,436	856,586	7,270,022	--
Restricted for:				
Bond covenants, renewal and replacement	--	63,400	63,400	4,055
Debt service	32,950	26,224	59,174	--
Grants and similar projects	20,695	--	20,695	--
Statute/ordinance enabled projects	267,101	--	267,101	--
Capital projects	69,557	--	69,557	--
Other purposes	9,365	--	9,365	--
Unrestricted	<u>640,909</u>	<u>467,637</u>	<u>1,108,546</u>	<u>7,973</u>
Total net position	<u>\$ 7,454,013</u>	<u>1,413,847</u>	<u>8,867,860</u>	<u>12,028</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, 2014**

(amounts in thousands) Functions/Programs	Program Revenues					Net (Expenses) Revenues and Changes in Net Position			
	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	
<b>Primary government:</b>									
Governmental activities:									
General government	\$ 352,645	71,611	2,381	41	--	(278,612)	--	(278,612)	--
Public safety	520,563	90,034	11,949	--	--	(418,580)	--	(418,580)	--
Physical environment	29,923	5,987	3,604	--	--	(20,332)	--	(20,332)	--
Transportation	90,240	10,648	2,479	70,015	--	(7,098)	--	(7,098)	--
Economic environment	52,949	2,536	12,413	--	--	(38,000)	--	(38,000)	--
Human services	202,978	21,102	60,548	--	--	(121,328)	--	(121,328)	--
Culture and recreation	80,080	7,444	1,062	--	--	(71,574)	--	(71,574)	--
Interest on long-term debt	22,394	--	--	--	--	(22,394)	--	(22,394)	--
Total governmental activities	<u>1,351,772</u>	<u>209,362</u>	<u>94,436</u>	<u>70,056</u>	<u>--</u>	<u>(977,918)</u>	<u>--</u>	<u>(977,918)</u>	<u>--</u>
Business-type activities:									
Water Resource Services System	203,155	205,716	--	32,019	5,807	--	40,387	40,387	--
Solid Waste Resource Recovery	98,197	103,728	--	--	518	--	6,049	6,049	--
Total business-type activities	<u>301,352</u>	<u>309,444</u>	<u>--</u>	<u>32,019</u>	<u>6,325</u>	<u>--</u>	<u>46,436</u>	<u>46,436</u>	<u>--</u>
Total primary government	<u>\$ 1,653,124</u>	<u>518,806</u>	<u>94,436</u>	<u>102,075</u>	<u>6,325</u>	<u>(977,918)</u>	<u>46,436</u>	<u>(931,482)</u>	<u>--</u>
<b>Component units:</b>									
Housing Finance Authority	852	419	876	--	380	--	--	--	823
Planning Commission	4,263	347	3,945	--	--	--	--	--	29
Total component units	<u>\$ 5,115</u>	<u>766</u>	<u>4,821</u>	<u>--</u>	<u>380</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>852</u>
General revenues:									
Ad valorem property taxes						556,249	--	556,249	--
Fuel taxes						31,413	--	31,413	--
Discretionary sales surtaxes						211,762	--	211,762	--
Other taxes						49,810	--	49,810	--
Intergovernmental--state shared revenues, unrestricted						152,267	--	152,267	--
Investment earnings						3,708	--	3,708	381
Gain (loss) on sales of capital assets						1,929	149	2,078	--
Miscellaneous						16,138	3,237	19,375	102
Total general revenues						<u>1,023,276</u>	<u>3,386</u>	<u>1,026,662</u>	<u>483</u>
Change in net position						45,358	49,822	95,180	1,335
Net position - beginning of year, as previously reported						7,416,411	1,367,994	8,784,405	10,836
Restatement for implementation of GASB Statement No. 65						(4,484)	(3,969)	(8,453)	--
Restated - Law Library is no longer a discretely presented component unit						143	--	143	(143)
Restatement for error correction						(3,415)	--	(3,415)	--
Net position - beginning of year, as restated						<u>7,408,655</u>	<u>1,364,025</u>	<u>8,772,680</u>	<u>10,693</u>
Net position - end of year						<u>\$ 7,454,013</u>	<u>1,413,847</u>	<u>8,867,860</u>	<u>12,028</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 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 government 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, local government, or other grants for programs including aging services, children's services, social services, transportation, public assistance, housing, public safety, physical environment, and capital projects. (In the fiscal year 2013 CAFR, the Local Housing Assistance Program Fund was included as a part of the Intergovernmental Grants Fund. In the fiscal year 2014 CAFR these two funds are shown separately.)

**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. 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. (In the fiscal year 2013 CAFR, the Local Housing Assistance Program Fund was included as a part of the Intergovernmental Grants Fund. In the fiscal year 2014 CAFR these two funds are shown separately.)

**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 Enterprise Fund, a division of the Public Utilities Department, which provides water and wastewater-related services 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 Enterprise Fund, a division of the Public Works Department, which provides solid waste disposal services 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.

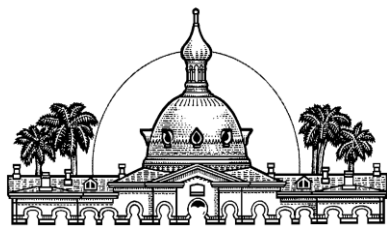
**HILLSBOROUGH COUNTY, FLORIDA**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2014**  
**(amounts in thousands)**

	<b>MAJOR FUNDS</b>			
	<b>General</b>	<b>Countywide Special Purpose</b>	<b>Sales Tax Revenue</b>	<b>Inter- Governmental Grants</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 118,796	33,899	8,010	1,151
Investments	174,011	142,584	33,695	4,844
Accounts receivable, net	4,279	4	--	3,977
Interest receivable	314	256	61	9
Delinquent ad valorem taxes receivable	1,123	--	--	--
Due from other funds	48,518	1,481	1,854	--
Due from other governmental units	942	18,833	34,530	20,847
Inventories	1,880	--	--	--
Prepaid charges	44	170	--	--
Notes and loans receivable	--	--	--	42,889
Other assets	--	--	--	1,516
<b>Total assets</b>	<b>349,907</b>	<b>197,227</b>	<b>78,150</b>	<b>75,233</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	11,454	32,551	453	9,288
Accrued liabilities	25,123	175	6	590
Due to other funds	53,444	167	2,400	3
Due to other governmental units	3,855	--	5,252	--
Unearned revenues	419	--	--	6,227
Deposits held	370	--	--	--
Insurance claims payable, current	--	2,413	--	--
<b>Total liabilities</b>	<b>94,665</b>	<b>35,306</b>	<b>8,111</b>	<b>16,108</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	5,033	--	--	44,405
<b>Total deferred inflows of resources</b>	<b>5,033</b>	<b>--</b>	<b>--</b>	<b>44,405</b>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories and prepaid items	1,924	170	--	--
Restricted for:				
Debt service	--	--	--	--
Grant programs and projects	--	--	--	14,720
Federal and state law	--	55,361	61,958	--
Impact fees	--	20,468	--	--
Hillsborough Health Care	--	74,401	--	--
Bond covenants	--	--	--	--
Other purposes	--	195	--	--
Committed to:				
BOCC ordinance/other purposes	--	598	8,081	--
Assigned to:				
Capital projects	--	--	--	--
Major maintenance & repair projects	--	10,063	--	--
BOCC resolutions/other purposes	94	665	--	--
Unassigned	248,191	--	--	--
<b>Total fund balances</b>	<b>250,209</b>	<b>161,921</b>	<b>70,039</b>	<b>14,720</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 349,907</b>	<b>197,227</b>	<b>78,150</b>	<b>75,233</b>

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

<b>MAJOR FUNDS</b>				
<b>County Transportation</b>	<b>Local Housing Assistance</b>	<b>Infrastructure Surtax Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
23,573	3,091	5,834	61,219	255,573
99,155	--	24,540	173,310	652,139
304	--	--	843	9,407
179	--	44	310	1,173
31	--	--	88	1,242
139	--	2,386	1,001	55,379
14,680	--	--	3,934	93,766
3,921	--	--	137	5,938
--	--	--	--	214
--	28,112	--	--	71,001
--	--	--	--	1,516
<u>141,982</u>	<u>31,203</u>	<u>32,804</u>	<u>240,842</u>	<u>1,147,348</u>
6,210	--	2,565	7,832	70,353
582	--	--	1,260	27,736
1	--	--	890	56,905
164	--	--	4,257	13,528
65	--	--	--	6,711
--	--	--	--	370
--	--	--	--	2,413
<u>7,022</u>	<u>--</u>	<u>2,565</u>	<u>14,239</u>	<u>178,016</u>
118	28,112	--	421	78,089
<u>118</u>	<u>28,112</u>	<u>--</u>	<u>421</u>	<u>78,089</u>
3,921	--	--	137	6,152
--	--	--	33,353	33,353
--	3,091	--	399	18,210
38,051	--	30,239	55,017	240,626
40,842	--	--	12,709	74,019
--	--	--	--	74,401
--	--	--	20,749	20,749
279	--	--	4,935	5,409
1,801	--	--	18,683	29,163
49,948	--	--	76,628	126,576
--	--	--	3,602	13,665
--	--	--	--	759
--	--	--	(30)	248,161
<u>134,842</u>	<u>3,091</u>	<u>30,239</u>	<u>226,182</u>	<u>891,243</u>
<u>141,982</u>	<u>31,203</u>	<u>32,804</u>	<u>240,842</u>	<u>1,147,348</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 Position--Governmental Activities**  
**September 30, 2014**  
**(amounts in thousands)**

Fund balances reported on the Balance Sheet--Governmental Funds		\$ 891,243
Differences between the amounts reported on the Balance Sheet--Governmental Funds and the governmental activities reported on the Statement of Net Position were as follows:		
o 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	7,035,386	
Less: Internal Service Fund capital assets	<u>(31,615)</u>	7,003,771
o Other assets or liabilities shown in governmental activities were not financial resources and, therefore, were not reported in the governmental funds:		
o Accounts receivable for Build America Bonds interest subsidy from the US Treasury.		252
o Elimination of the operating income earned by the Internal Service Funds through transactions with business-type activities.		581
o Deferred outflows of resources from bond refunding losses are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds.		
		6,087
o 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 Position.		
		251,544
o Compensated absences of the Planning Commission component unit was offset by amounts "due from other governments," which corresponded to amounts "due to other governments" on the governmental activities portion of the Statement of Net Position.		
		(719)
o In prior years, compensated absences of the Law Library component unit was offset by amounts "due from other governments," which corresponded to amounts "due to other governments" on the governmental activities portion of the Statement of Net Position. In the current year the Law Library is a part of the primary government. As a result these amounts were eliminated, which increased net position.		
		80
o Long-term liabilities, including bonds payable, were not due and payable in the current period and therefore were not reported in the governmental funds.		
Total long-term liabilities, see Note 7	(738,770)	
Add: interest payable due to interest accruals	(8,068)	
Less: Internal Service Fund insurance claims payable	34,839	
Less: Internal Service Fund compensated absences	258	
Less: Internal Service Fund OPEB liability, see Note 9	<u>12,915</u>	
		<u>(698,826)</u>
Net position reported for governmental activities on the Statement of Net Position		<u>\$ 7,454,013</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, 2014**  
**(amounts in thousands)**

	<b>MAJOR FUNDS</b>			
	<b>General</b>	<b>Countywide Special Purpose</b>	<b>Sales Tax Revenue</b>	<b>Inter- Governmental Grants</b>
<b>Revenues:</b>				
Taxes--ad valorem property taxes	\$ 517,224	--	--	--
Taxes--fuel taxes	--	--	--	--
Taxes--discretionary sales surtaxes	--	113,232	113,240	--
Taxes--other	1,358	28	25,353	--
Licenses, permits, special assessments	537	18,666	--	--
Intergovernmental--state shared revenues	27,790	14,178	98,393	113
Intergovernmental--grants	3,560	37	--	88,251
Charges for services	104,207	7,500	--	367
Fines and forfeitures	3,915	1,017	--	--
Interest	1,442	423	148	13
Miscellaneous	5,824	8,320	--	1,202
<b>Total revenues</b>	<b>665,857</b>	<b>163,401</b>	<b>237,134</b>	<b>89,946</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	173,412	58,093	54,319	3,578
Public safety	460,550	9,603	--	3,459
Physical environment	19,578	2,273	--	4,185
Transportation	176	--	--	--
Economic environment	17,036	--	15,878	9,313
Human services	36,573	93,886	--	62,386
Culture and recreation	34,505	1,013	--	--
Capital outlay	19,748	5,151	--	6,096
<b>Debt service:</b>				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
<b>Total expenditures</b>	<b>761,578</b>	<b>170,019</b>	<b>70,197</b>	<b>89,017</b>
Excess (deficiency) of revenues over (under) expenditures	(95,721)	(6,618)	166,937	929
<b>Other financing sources (uses):</b>				
Transfers in	591,029	14,028	100	9,035
Transfers out	(513,777)	(15,804)	(157,723)	--
Face amount of long-term debt issued	--	--	--	--
Sales of capital assets	1,115	--	--	--
<b>Total other financing sources (uses)</b>	<b>78,367</b>	<b>(1,776)</b>	<b>(157,623)</b>	<b>9,035</b>
Net change in fund balances	(17,354)	(8,394)	9,314	9,964
Fund balances, beginning of year, as previously reported	267,751	170,171	60,725	1,989
Restatement for error correction	--	--	--	2,767
Restatement for Law Library	--	144	--	--
Fund balances, beginning of year, as adjusted	267,751	170,315	60,725	4,756
Increase (decrease) in nonspendable fund balances	(188)	--	--	--
<b>Fund balances, end of year</b>	<b>\$ 250,209</b>	<b>161,921</b>	<b>70,039</b>	<b>14,720</b>



<b>MAJOR FUNDS</b>				
<b>County Transportation</b>	<b>Local Housing Assistance</b>	<b>Infrastructure Surtax Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
--	--	--	37,783	555,007
33,956	--	--	--	33,956
--	--	--	--	226,472
--	--	--	26,516	53,255
10,230	--	--	13,458	42,891
17,483	669	--	1,094	159,720
10,648	--	--	7,870	110,366
2,000	--	--	39,103	153,177
--	--	--	7,655	12,587
363	3	72	502	2,966
2,089	1,339	1	1,103	19,878
<u>76,769</u>	<u>2,011</u>	<u>73</u>	<u>135,084</u>	<u>1,370,275</u>
7,308	--	80	40,394	337,184
--	--	--	26,014	499,626
--	--	--	2,938	28,974
47,961	--	8,255	--	56,392
--	2,008	--	6,060	50,295
(48)	--	9	--	192,806
--	--	--	38,161	73,679
35,018	--	18,734	35,415	120,162
--	--	5,000	30,566	35,566
--	--	1,583	24,062	25,645
<u>90,239</u>	<u>2,008</u>	<u>33,661</u>	<u>203,610</u>	<u>1,420,329</u>
<u>(13,470)</u>	<u>3</u>	<u>(33,588)</u>	<u>(68,526)</u>	<u>(50,054)</u>
23,595	--	48,311	73,914	760,012
(204)	--	(32,097)	(40,407)	(760,012)
--	--	10,037	6,000	16,037
--	--	--	36	1,151
<u>23,391</u>	<u>--</u>	<u>26,251</u>	<u>39,543</u>	<u>17,188</u>
9,921	3	(7,337)	(28,983)	(32,866)
131,881	3,088	37,576	255,247	928,428
(6,182)	--	--	--	(3,415)
--	--	--	--	144
<u>125,699</u>	<u>3,088</u>	<u>37,576</u>	<u>255,247</u>	<u>925,157</u>
(778)	--	--	(82)	(1,048)
<u>134,842</u>	<u>3,091</u>	<u>30,239</u>	<u>226,182</u>	<u>891,243</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, 2014**  
**(amounts in thousands)**

Net change in fund balances reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances--Governmental Funds \$ (32,866)

Differences between 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. 120,162
- o Depreciation expense was a reduction of net position on the Statement of Activities. (61,659)
- o Infrastructure preservation costs were not capitalized, but decreased net position under the modified approach. Library books were under the capitalization threshold, so they also decreased net position. (17,962)
- o Contributions of infrastructure assets received increased net position on the Statement of Activities. 51,359
- o Contributions of capital assets received from the Constitutional Officers, Planning Commission and others increased net position. 41
- o Gain (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 position. (830)
- o Loss on disposal of infrastructure, which was reported as an expense represented a reduction of net position. (28,026)
- o Operating expenditures that are capitalizable represent an increase to capital assets on the Statement of Activities. 13,062
- o Assets written off due to not meeting capitalization threshold decreased net position. (887)

Long-term liability-related items

- 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 position on the Statement of Activities. (42,109)
- o Repayments of long-term liabilities represented expenditures on the fund financial statements, but did not decrease net position on the Statement of Activities. 61,638
- o The decrease in compensated absences liabilities increased net position on the Statement of Activities. 1,069
- o The reduction in interest accruals and other interest related entries increased net position on the Statement of Activities. 3,251

Eliminations of inter-organizational items

- o The operating gain incurred on transactions with business-type activities was eliminated. 707

Revenues and receivables-related items

- o Change in revenue recognition availability period to 60 days for sales-related taxes and state shared revenues in the fund financial statements. (28,735)
- o Net expenses of the Self-Insurance and Fleet Internal Service Funds increased net position since they were reported in the governmental activities section of the Statement of Activities. 6,429
- o Delinquent taxes receivable did not increase revenues in the fund financial statements, but did increase revenues in the Statement of Activities. 1,242

Other reconciling items

- o The increase in reserves on the fund financial statements increased net position on the Statement of Activities. (1,048)
- o The reduction of the Voluntary Separation Incentive Program (VSIP) liability increased net position on the Statement of Net Position. 520

Change in net position reported on the governmental portion of the Statement of Activities \$ 45,358

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, 2014**  
**(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>		
<b>Revenues:</b>				
Taxes--ad valorem property taxes	\$ 539,935	539,935	517,224	(22,711)
Taxes--other	1,446	1,446	1,358	(88)
Licenses, permits, special assessments	593	593	537	(56)
Intergovernmental--state shared revenues	25,236	25,236	27,790	2,554
Intergovernmental--grants	1,501	1,567	1,370	(197)
Charges for services	97,265	97,573	100,798	3,225
Fines and forfeitures	4,076	4,076	3,915	(161)
Interest	2,378	2,427	1,443	(984)
Miscellaneous	5,004	5,003	5,824	821
<b>Total revenues</b>	<u>677,434</u>	<u>677,856</u>	<u>660,259</u>	<u>(17,597)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	185,254	182,003	171,413	10,590
Public safety	487,667	483,397	457,742	25,655
Physical environment	21,364	21,350	19,578	1,772
Transportation	236	236	176	60
Economic environment	23,404	23,551	17,036	6,515
Human services	40,346	40,362	36,573	3,789
Culture and recreation	35,815	35,908	34,505	1,403
Capital outlay	18,903	24,004	18,400	5,604
<b>Total expenditures</b>	<u>812,989</u>	<u>810,811</u>	<u>755,423</u>	<u>55,388</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(135,555)</u>	<u>(132,955)</u>	<u>(95,164)</u>	<u>37,791</u>
<b>Other financing sources (uses):</b>				
Transfers in	575,862	576,696	591,029	14,333
Transfers out	(483,395)	(487,809)	(513,560)	(25,751)
Sales of capital assets	302	302	1,095	793
Budgetary reserves	(184,948)	(183,968)	--	183,968
Budget allowance	(34,163)	(34,163)	--	34,163
Distribution of excess fees	(746)	(746)	(887)	(141)
<b>Total other financing sources (uses)</b>	<u>(127,088)</u>	<u>(129,688)</u>	<u>77,677</u>	<u>207,365</u>
<b>Net change in fund balances</b>	<u>(262,643)</u>	<u>(262,643)</u>	<u>(17,487)</u>	<u>245,156</u>
Fund balances, beginning of year	262,643	262,643	267,751	5,108
Increase (decrease) in nonspendable fund balances	--	--	(188)	(188)
<b>Fund balances, end of year--budgetary basis</b>	<u>\$ --</u>	<u>--</u>	<u>250,076</u>	<u>250,076</u>
<b>To convert to GAAP basis:</b>				
Reduce distribution of excess fees			887	
Add intergovernmental grants			2,190	
Add contract-related charges for services			3,408	
Add proceeds from the sale of capital assets			20	
Increase general government expenditures			(1,999)	
Increase public safety expenditures			(2,808)	
Increase capital outlay			(1,348)	
Decrease transfers out for Sheriff's Office			(217)	
<b>Fund balances, end of year--GAAP basis</b>			<u>\$ 250,209</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, 2014**  
**(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	\$ 104,408	104,408	113,232	8,824
Taxes--other	36	36	28	(8)
Licenses, permits, special assessments	12,803	12,803	18,666	5,863
Intergovernmental--state shared revenues	14,916	14,916	13,927	(989)
Intergovernmental--grants	95	95	37	(58)
Charges for services	8,241	8,241	7,500	(741)
Fines and forfeitures	1,087	1,087	1,017	(70)
Interest	686	686	429	(257)
Miscellaneous	7,599	7,599	7,755	156
Total revenues	<u>149,871</u>	<u>149,871</u>	<u>162,591</u>	<u>12,720</u>
Expenditures:				
Current:				
General government	10,275	54,249	53,325	924
Public safety	10,726	10,915	9,603	1,312
Physical environment	1,062	1,227	1,122	105
Human services	117,563	119,381	93,053	26,328
Capital outlay	3,025	3,336	1,189	2,147
Total expenditures	<u>142,651</u>	<u>189,108</u>	<u>158,292</u>	<u>30,816</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,220</u>	<u>(39,237)</u>	<u>4,299</u>	<u>43,536</u>
Other financing sources (uses):				
Transfers in	121,597	123,804	10,904	(112,900)
Transfers out	(134,115)	(136,823)	(15,804)	121,019
Budgetary reserves	(110,713)	(73,115)	--	73,115
Budget allowance	(7,539)	(7,539)	--	7,539
Total other financing sources (uses)	<u>(130,770)</u>	<u>(93,673)</u>	<u>(4,900)</u>	<u>88,773</u>
Net change in fund balances	(123,550)	(132,910)	(601)	132,309
Fund balances, beginning of year	123,550	132,910	150,987	18,077
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>150,386</u>	<u>150,386</u>
Add end of year fund balances from non-annually appropriated projects			<u>11,535</u>	
Fund balances, end of year--GAAP basis			<u>\$ 161,921</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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes--discretionary sales surtaxes	\$ 126,038	132,788	113,240	(19,548)
Taxes--other			25,353	25,353
Intergovernmental--state shared revenues	89,468	89,468	98,393	8,925
Interest	250	250	148	(102)
Total revenues	215,756	222,506	237,134	14,628
Expenditures:				
Current:				
General government	51,537	54,559	54,319	240
Economic environment	14,336	16,137	15,878	259
Total expenditures	65,873	70,696	70,197	499
Excess (deficiency) of revenues over (under) expenditures	149,883	151,810	166,937	15,127
Other financing sources (uses):				
Transfers in	--	100	100	--
Transfers out	(157,061)	(160,790)	(157,723)	3,067
Budgetary reserves	(42,443)	(40,741)	--	40,741
Budget allowance	(10,688)	(10,688)	--	10,688
Total other financing sources (uses)	(210,192)	(212,119)	(157,623)	54,496
Net change in fund balances	(60,309)	(60,309)	9,314	69,623
Fund balances, beginning of year	60,309	60,309	60,725	416
Fund balances, end of year	\$ --	--	70,039	70,039

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, 2014**  
**(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--fuel taxes	\$ 6,511	6,911	7,108	197
Licenses, permits, special assessments	8,150	8,150	7,869	(281)
Intergovernmental--state shared revenues	5,256	5,256	5,687	431
Intergovernmental--grants		--	799	799
Charges for services	1,240	1,240	2,000	760
Interest	132	132	65	(67)
Miscellaneous	24	24	160	136
Total revenues	<u>21,313</u>	<u>21,713</u>	<u>23,688</u>	<u>1,975</u>
Expenditures:				
Current:				
General government	7,321	7,299	7,263	36
Transportation	54,747	54,865	51,057	3,808
Human services	--	--	(48)	48
Capital outlay	135	157	154	3
Total expenditures	<u>62,203</u>	<u>62,321</u>	<u>58,426</u>	<u>3,895</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,890)</u>	<u>(40,608)</u>	<u>(34,738)</u>	<u>5,870</u>
Other financing sources (uses):				
Transfers in	44,053	44,053	6,897	(37,156)
Transfers out	(9,547)	(10,114)	(9,951)	163
Budgetary reserves	(3,065)	(2,898)	--	2,898
Budget allowance	(1,068)	(1,068)	--	1,068
Total other financing sources	<u>30,373</u>	<u>29,973</u>	<u>(3,054)</u>	<u>(33,027)</u>
Net change in fund balances	(10,517)	(10,635)	(37,792)	(27,157)
Fund balances, beginning of year	10,517	10,635	131,881	121,246
Increase (decrease) in nonspendable fund balances	--	--	(778)	(778)
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>93,311</u>	<u>93,311</u>
Add end of year fund balances from non-annually appropriated projects			<u>41,531</u>	
Fund balances, end of year--GAAP basis			<u>\$ 134,842</u>	

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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2014**  
(amounts in thousands)

	<u>Business-Type Activities--Enterprise Funds</u>			<b>Governmental</b>
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	<b>Activities-- Internal Service Funds</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 53,349	25,356	78,705	68,881
Investments	224,401	106,650	331,051	197,528
Accounts receivable, net	20,690	3,692	24,382	730
Interest receivable	403	192	595	355
Due from other funds	14	1,097	1,111	7,544
Due from other governmental units	--	--	--	1
Inventories	2,054	--	2,054	301
Prepaid charges	--	--	--	3,155
Other assets	667	327	994	--
Total unrestricted current assets	<u>301,578</u>	<u>137,314</u>	<u>438,892</u>	<u>278,495</u>
Restricted current assets:				
Cash and cash equivalents	18,697	3,645	22,342	--
Investments	78,630	15,331	93,961	--
Accounts receivable, net	4,265	--	4,265	--
Interest receivable	141	28	169	--
Due from other funds	82	--	82	--
Total restricted current assets	<u>101,815</u>	<u>19,004</u>	<u>120,819</u>	<u>--</u>
Total current assets	<u>403,393</u>	<u>156,318</u>	<u>559,711</u>	<u>278,495</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Land	28,577	13,627	42,204	--
Buildings	171,472	30,345	201,817	3
Building improvements	550,065	144,611	694,676	268
Equipment	3,579	23,054	26,633	31,211
Intangibles	7,382	--	7,382	121
Construction in progress	175,987	21,410	197,397	12
Accounts receivable, long-term	111,465	--	111,465	--
Total noncurrent assets	<u>1,048,527</u>	<u>233,047</u>	<u>1,281,574</u>	<u>31,615</u>
Total assets	<u>\$ 1,451,920</u>	<u>389,365</u>	<u>1,841,285</u>	<u>310,110</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Bond refunding losses	118	--	118	--
Total deferred outflows of resources	<u>118</u>	<u>--</u>	<u>118</u>	<u>--</u>

(continued)

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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2014**  
(amounts in thousands)

	<u>Business-Type Activities--Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	<u>Activities-- Internal Service Funds</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	\$ 15,712	5,260	20,972	3,495
Accrued liabilities	1,090	201	1,291	119
Due to other funds	4	560	564	6,647
Unearned revenues	2,702	15,846	18,548	293
Insurance claims payable, current	--	--	--	21,677
Compensated absences, current	2,766	589	3,355	246
Bonds payable, current	13,000	6,716	19,716	--
Other long-term debt, current	--	218	218	--
Total unrestricted current liabilities	<u>35,274</u>	<u>29,390</u>	<u>64,664</u>	<u>32,477</u>
Current liabilities payable from restricted assets:				
Accounts and contracts payable	4,592	1,079	5,671	--
Accrued interest payable	1,749	610	2,359	--
Deposits	12,994	370	13,364	--
Unearned revenues	24	--	24	--
from restricted assets	<u>19,359</u>	<u>2,059</u>	<u>21,418</u>	<u>--</u>
Total current liabilities	<u>54,633</u>	<u>31,449</u>	<u>86,082</u>	<u>32,477</u>
Noncurrent liabilities:				
Insurance claims payable	--	--	--	13,162
Compensated absences payable	1,319	144	1,463	12
Bonds payable, net	142,530	160,596	303,126	--
Net OPEB obligation	--	--	--	12,915
Other long-term debt, net	--	37,466	37,466	--
Total noncurrent liabilities	<u>143,849</u>	<u>198,206</u>	<u>342,055</u>	<u>26,089</u>
Total liabilities	<u>198,482</u>	<u>229,655</u>	<u>428,137</u>	<u>58,566</u>
<b>NET POSITION</b>				
Net investment in capital assets	785,551	71,035	856,586	31,615
Restricted for:				
Bond covenants, renewal and replacement	52,934	10,466	63,400	--
Debt service	25,046	1,178	26,224	--
Unrestricted	390,025	77,031	467,056	219,929
Total net position	<u>\$ 1,253,556</u>	<u>159,710</u>	<u>1,413,266</u>	<u>251,544</u>
Adjustment to reflect the cumulative effect of the elimination of Internal Service Fund transactions related to Enterprise Funds			<u>581</u>	
Net position of business-type activities on the Statement of Net Position			<u>\$ 1,413,847</u>	

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



**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<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>
Operating revenues:				
Charges for services	\$ 205,716	103,728	309,444	155,552
Total operating revenues	<u>205,716</u>	<u>103,728</u>	<u>309,444</u>	<u>155,552</u>
Operating expenses:				
Personnel services	46,536	9,102	55,638	6,257
Contractual services	73,543	60,364	133,907	5,328
Fleet services	2,396	1,551	3,947	--
Repairs and maintenance	9,653	313	9,966	246
Utilities	12,312	1,233	13,545	136
Rentals and leases	--	--	--	9
Supplies	536	12	548	7
Landfill closure and postclosure care	--	1,651	1,651	--
Depreciation and amortization	51,238	14,346	65,584	8,834
Costs of services provided	--	--	--	121,956
Other operating expenses	2,262	2,386	4,648	8,862
Annual OPEB expense	--	--	--	455
Total operating expenses	<u>198,476</u>	<u>90,958</u>	<u>289,434</u>	<u>152,090</u>
Operating income	<u>7,240</u>	<u>12,770</u>	<u>20,010</u>	<u>3,462</u>
Nonoperating revenues (expenses):				
State shared revenue	--	--	--	584
Interest revenue	5,807	518	6,325	742
Interest expense	(3,566)	(6,966)	(10,532)	--
Gain (loss) on disposal of capital assets	(679)	149	(530)	1,608
Other revenues	3,044	193	3,237	33
Total nonoperating revenues (expenses)	<u>4,606</u>	<u>(6,106)</u>	<u>(1,500)</u>	<u>2,967</u>
Income (loss) before contributions & transfers	11,846	6,664	18,510	6,429
Capital contributions	32,019	--	32,019	--
Transfers in	--	--	--	6,647
Transfers out	--	--	--	(6,647)
Change in net position	<u>43,865</u>	<u>6,664</u>	<u>50,529</u>	<u>6,429</u>
Total net position, beginning of year, as previously reported	1,211,784	154,922		245,115
Restatement for implementation of GASB 65	(2,093)	(1,876)		--
Total net position, beginning of year, as restated	<u>1,209,691</u>	<u>153,046</u>		<u>245,115</u>
Net position, end of year	<u>\$ 1,253,556</u>	<u>159,710</u>		<u>251,544</u>
Adjustments to reflect the elimination of Internal Service Fund transactions related to Enterprise Funds:				
Reversal of prior year adjustment				
Reversal of prior year adjustment			(1,288)	
Current year adjustment			581	
Change in net position of business-type activities			<u>\$ 49,822</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, 2014**  
**(amounts in thousands)**

	<u>Business-type Activities--Enterprise Funds</u>			<b>Governmental</b>
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	<b>Activities-- Internal Service Funds</b>
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 206,138	103,169	309,307	155,390
Payments to suppliers	(99,133)	(78,495)	(177,628)	(100,115)
Payments to employees	(45,548)	(8,944)	(54,492)	(7,063)
Cash paid for claims	--	--	--	(39,150)
Cash from other sources	3,044	193	3,237	1,277
Net cash provided by operating activities	<u>64,501</u>	<u>15,923</u>	<u>80,424</u>	<u>10,339</u>
<b>Cash flows from noncapital financing activities:</b>				
State shared revenues	--	--	--	584
Transfers in from other funds	--	--	--	6,647
Transfers out to other funds	--	--	--	(1,757)
Net cash provided by noncapital financing activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>5,474</u>
<b>Cash flows from capital and related financing activities:</b>				
Contributed capital	11,106	--	11,106	--
Acquisition and construction of capital assets	(85,323)	(18,272)	(103,595)	(14,361)
Principal paid on capital debt	(12,000)	(5,345)	(17,345)	--
Interest paid on capital debt	(6,081)	(6,970)	(13,051)	--
Proceeds from sale of capital assets	214	186	400	1,780
Net cash used for capital and related financing activities	<u>(92,084)</u>	<u>(30,401)</u>	<u>(122,485)</u>	<u>(12,581)</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments	321,749	133,590	455,339	226,848
Purchase of investment securities	(303,542)	(121,981)	(425,523)	(225,173)
Interest and dividends received	6,083	638	6,721	901
Net cash provided by investing activities	<u>24,290</u>	<u>12,247</u>	<u>36,537</u>	<u>2,576</u>
Net change in cash and cash equivalents	(3,293)	(2,231)	(5,524)	5,808
Cash and cash equivalents, beginning of year	<u>75,339</u>	<u>31,232</u>	<u>106,571</u>	<u>63,073</u>
Cash and cash equivalents, end of year	<u><u>72,046</u></u>	<u><u>29,001</u></u>	<u><u>101,047</u></u>	<u><u>68,881</u></u>
Classified as:				
Current assets	53,349	25,356	78,705	68,881
Restricted assets	18,697	3,645	22,342	--
Total cash and cash equivalents, end of year	<u>\$ 72,046</u>	<u>29,001</u>	<u>101,047</u>	<u>68,881</u>

	<u>Business-type Activities--Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Solid Waste</u>	<u>Totals</u>	<u>Activities-- Internal Service Funds</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 7,240	12,770	20,010	3,462
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	51,238	14,346	65,584	8,834
Miscellaneous non-operating revenues	3,044	193	3,237	33
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(648)	(544)	(1,192)	(74)
(Increase) decrease in due from other governments	79	(266)	(187)	--
(Increase) decrease in inventories	(40)	--	(40)	106
(Increase) decrease in other current assets	157	(97)	60	--
Increase (decrease) in accounts and contracts payable	1,452	(13,087)	(11,635)	(1,771)
Increase (decrease) in accrued and other liabilities	785	1,902	2,687	(803)
Increase (decrease) in due to other funds/governments	--	560	560	--
Increase (decrease) in unearned revenues	--	--	--	--
Increase (decrease) in compensated absences payable	730	120	850	(3)
Increase (decrease) in insurance claims payable	--	--	--	100
Increase (decrease) in net OPEB obligation	--	--	--	455
Increase (decrease) in deposits	464	26	490	--
Total adjustments	<u>57,261</u>	<u>3,153</u>	<u>60,414</u>	<u>6,877</u>
Net cash provided by operating activities	<u>\$ 64,501</u>	<u>15,923</u>	<u>80,424</u>	<u>10,339</u>
<b>Noncash investing, capital, and financing activities:</b>				
Contributed capital assets	16,791	--	16,791	--
Interest expense capitalized to construction work-in-progress	2,544	234	2,778	--

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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Fiduciary Assets and Liabilities--Agency Funds**  
**September 30, 2014**  
**(amounts in thousands)**

	<u><b>Total Agency Funds</b></u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 64,663
Investments	29,429
Accounts receivable, net	1,201
Interest receivable	53
Due from other governmental units	86
Total assets	<u><u>95,432</u></u>
 <b>LIABILITIES</b>	
Current liabilities:	
Accounts and contracts payable	2,755
Accrued liabilities	7,154
Due to other governmental units	40,771
Deposits held	44,752
Total liabilities	<u><u>\$ 95,432</u></u>

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

## COMPONENT UNITS

**Housing Finance Authority of Hillsborough County** – To account for the operations 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.

**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.

### **Additional information:**

With the enactment of County Ordinance No. 14-27 during fiscal year 2014, the responsibility for managing the Law Library was delegated to the County Administrator with advice and recommendations from the Law Library Advisors. As a result, the Law Library is no longer a discretely presented component unit, but is instead a part of the Hillsborough County Primary Government.

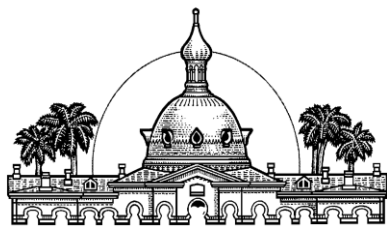
**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Net Position**  
**Component Units**  
**September 30, 2014**  
**(amounts in thousands)**

	<b>Housing Finance Authority</b>	<b>Planning Commission</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 5,637	--	5,637
Investments	2,778	--	2,778
Accounts receivable, net	90	--	90
Interest receivable	31	--	31
Due from other governmental units	100	857	957
Prepaid charges	9	--	9
Total unrestricted current assets	<u>8,645</u>	<u>857</u>	<u>9,502</u>
Restricted current assets:			
Cash and cash equivalents	953	--	953
Investments	7,677	--	7,677
Total restricted current assets	<u>8,630</u>	<u>--</u>	<u>8,630</u>
Total current assets	<u>17,275</u>	<u>857</u>	<u>18,132</u>
Noncurrent assets:			
Restricted noncurrent assets:			
Notes and loans receivable	2,261	--	2,261
Total restricted noncurrent assets	<u>2,261</u>	<u>--</u>	<u>2,261</u>
Total assets	<u>19,536</u>	<u>857</u>	<u>20,393</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Hedging derivatives	60	--	60
Total deferred outflows of resources	<u>60</u>	<u>--</u>	<u>60</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	82	11	93
Accrued liabilities	--	94	94
Due to other governmental units	--	4	4
Compensated absences, current	--	719	719
Total unrestricted current liabilities	<u>82</u>	<u>828</u>	<u>910</u>
Current liabilities payable from restricted assets:			
Accrued interest payable	186	--	186
Bonds payable, current	90	--	90
Total restricted current liabilities	<u>276</u>	<u>--</u>	<u>276</u>
Total current liabilities	<u>358</u>	<u>828</u>	<u>1,186</u>
Noncurrent liabilities:			
Bonds payable, net	7,179	--	7,179
Derivative instrument - hedging	60	--	60
Total noncurrent liabilities	<u>7,239</u>	<u>--</u>	<u>7,239</u>
Total liabilities	<u>7,597</u>	<u>828</u>	<u>8,425</u>
<b>NET POSITION</b>			
Restricted for:			
Renewal and replacement	4,026	29	4,055
Unrestricted	7,973	--	7,973
Total net position	<u>\$ 11,999</u>	<u>29</u>	<u>12,028</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Statement of Activities**  
**Component Units**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Restricted Interest</u>	<u>Housing Finance Authority</u>	<u>Law Library Board</u>	<u>Planning Commission</u>	<u>Totals</u>
<b>Housing Finance Authority</b>								
General government	\$ 16	--	--	--	(16)	--	--	(16)
Economic environment	836	419	876	380	839	--	--	839
Total Housing Finance Authority	<u>852</u>	<u>419</u>	<u>876</u>	<u>380</u>	<u>823</u>	<u>--</u>	<u>--</u>	<u>823</u>
<b>Planning Commission</b>								
General government	4,263	347	3,945	--	--	--	29	29
Total Planning Commission	<u>4,263</u>	<u>347</u>	<u>3,945</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>29</u>	<u>29</u>
 Total component units	 <u>\$ 5,115</u>	 <u>766</u>	 <u>4,821</u>	 <u>380</u>	 <u>823</u>	 <u>--</u>	 <u>29</u>	 <u>852</u>
General revenues:								
Investment earnings					381	--	--	381
Miscellaneous					102	--	--	102
Total general revenues					<u>483</u>	<u>--</u>	<u>--</u>	<u>483</u>
Change in net position					1,306	--	29	1,335
Net position, beginning of year, previously reported					10,693	143	--	10,836
Restated since Law Library is no longer a component unit					--	(143)	--	(143)
Net position, beginning of year, as restated					<u>10,693</u>	<u>--</u>	<u>--</u>	<u>10,693</u>
Net position, end of year					<u>\$ 11,999</u>	<u>--</u>	<u>29</u>	<u>12,028</u>

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





**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2014**

**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. The County implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and No. 34*, for fiscal year 2013. GASB Statement 61 provides the following criteria for determining whether 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 specific financial burdens on, the primary government. A primary government is financially accountable for governmental organizations that are fiscally dependent on it and also meet a financial benefit or a burden relationship criterion.

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. 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.

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

Based on the criteria specified above, the Hillsborough County reporting entity includes both blended and discretely presented component units.

#### **Blended Component Unit**

Component units that meet the criteria for blended presentation in accordance with GASB Statement Number 61 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 entity discussed below is 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 CSB is legally separate, it is fiscally dependent on the primary government and provides services almost entirely to the primary government.

#### **Discretely Presented Component Units**

Component units that meet the criteria for discrete presentation in accordance with GASB Statement Number 61 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. These *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 HFA is a discretely presented component unit because the BOCC appoints the members of the HFA governing body and because the BOCC is able to impose its will on the HFA. 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

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

activities of the HFA, including terminating the HFA. The HFA does not have a financial benefit/burden relationship with 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.

#### **Hillsborough County City-County Planning Commission**

The Hillsborough County City-County Planning Commission (PC) performs long-range comprehensive planning and makes recommendations to the County and city governments concerning the orderly growth and development of Hillsborough County. The PC is legally separate. The primary government appoints only four of the ten members of the PC's governing body, which does not represent a voting majority. However, the PC is a component unit of the primary government because the PC is fiscally dependent on the primary government for almost all of its funding and there is a financial benefit/burden relationship with the County. The PC 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 Position, Discretely Presented Component Unit**

As a result of the enactment of County Ordinance No. 14-27, the Law Library Board changed from being reported as a discretely presented component unit to being reported as a part of the Hillsborough County Primary Government. See Blended Component Units section for more information.

The Law Library Board previously maintained the James J. Lunsford Law Library (Law Library) for legal research conducted by attorneys, judges, and the public. During fiscal year 2014, the BOCC issued County Ordinance No. 14-27, which changed the Law Library Board from being a discretely presented component unit to being a part of the Hillsborough County primary government. County Ordinance No. 14-27 eliminated the Law Library's governing body and delegated responsibility for managing the Law Library to the County Administrator with advice and recommendations from the Law Library Advisors. The Law Library Advisors, which do not constitute a governing body, consists of a county or circuit court judge appointed by the Chief Judge of the 13<sup>th</sup> Judicial Circuit, a director of the Hillsborough County Bar Association (Bar Association), a member of the Solo/Small Firm Section of the Bar Association appointed by the Bar Association President, and a representative of Bay Area Legal Services, Inc. The Law Library is reported as a part of the Countywide Special Revenue Fund.

Beginning net position on the Statements of Activities for both Hillsborough County and Component Units were restated because the Law Library was a discretely presented component unit of the County prior to fiscal year 2014, but was not a discretely presented component unit for fiscal year 2014, in accordance with GASB Statement No. 61.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**Additional Information on Discretely Presented Component Units**

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

County Finance Department, County Center, 12<sup>th</sup> Floor,  
PO Box 1110, Tampa, Florida 33601-1110

Financial statements of the discretely presented HFA, including budget and actual comparisons, may be obtained directly from that entity. For a nominal photocopying charge, the HFA financial statements may also be obtained from:

Board of County Commissioner Records, County Center, 12<sup>th</sup> 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.

Hillsborough County Hospital Authority (HCHA) was created to operate a hospital. 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, nor does it have a financial/benefit burden relationship with 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.

Arts Council of Hillsborough County (AC) was created for developing and promoting the performing and visual arts in Hillsborough County. 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, nor does it have a financial benefit/burden relationship with 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.

The Hillsborough County Industrial Development Authority (IDA) was created to finance or refinance industrial capital projects. The BOCC appoints the board members of the IDA. The BOCC does not have the ability to impose its will on the IDA, nor does it have a financial/benefit burden relationship with the IDA. The IDA is neither financially accountable to, nor fiscally dependent on, the BOCC.

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

#### **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, 2014 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 Position presents information on the assets, deferred outflows of financial resources, liabilities, (and deferred inflows of resources if applicable), of the County as a whole. The difference between "assets and deferred inflows of resources" and "liabilities and deferred inflows of resources" is reported as net position. Changes in net position 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 position changed during the fiscal year. All changes in net position 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

## HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

cash outflows will occur in the future. See Note 1.H., *Deferred Outflows of Resources and Deferred Inflows of Resources*, for more information.

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 the Water Enterprise and Solid Waste Enterprise 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.

Revenue and expense transactions respectively, for services provided by the internal service funds to other funds, were not eliminated in the government-wide statement of activities so that amounts in the applicable functions would not be distorted. The government-wide financial statements are presented as if the internal service activities took place in governmental activities rather than in the internal service funds. As a result internal service fund assets, liabilities, revenues, and expenses were added to the applicable governmental activities. Internal service fund transactions between the governmental activities and business-type activities were eliminated. Any revenues and expenditures remaining after eliminations, 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 the County’s general governmental operations and the basic services it provides. The measurement focus is based upon a determination of changes in financial position. Governmental fund information

## HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

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 Position 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, including expenditures of a discretionary sales surtax for a healthcare program for low-income residents.

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, public assistance, housing, and capital projects. (In the fiscal year 2013 CAFR, the Local Housing Assistance Program Fund was included as a part of the Intergovernmental Grants Fund. In the fiscal year 2014 CAFR these two funds are shown separately.)

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, which are shown separately in the “Combining and Individual Fund Statements and Schedules” 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 Enterprise Fund and Solid Waste Enterprise Fund 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 countywide solid waste management operations. 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 Position – 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 Position, 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 position.

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 *unavailable revenue*, a deferred inflow of resources. See Note 1.H., *Deferred Outflows of Resources and Deferred Inflows of Resources*, for more information. 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 compensated absences, which is recorded in long-term debt on the government-wide financial statements.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the 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 90 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 60 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 No. 08-6 and Section 218.415, Florida Statutes, authorize the County to invest in obligations of the US 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 revenue is recognized in the Water Enterprise Fund based on estimated water consumption since the last billing cycle.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**F. Inventories and Prepaid Charges**

Inventories are valued at the lower of cost (using the first-in, first-out or average cost methods), or market value. The cost of inventory or prepaid charges in proprietary funds is recorded as an expense at the time individual inventory or prepaid charges are consumed (consumption method). In governmental funds, the cost of inventory or prepaid charges is recorded as an expenditure at the time it is acquired (purchase method). The Countywide Special Purpose Fund, however, uses the consumption method for prepaid charges. 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 charges is shown as nonspendable fund balance in the fund financial statements because the amount held in inventory or prepaid charges may not be spendable during the current period.

**G. Capital Assets**

Property, plant, equipment, construction work in progress 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 Position. 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 and Water 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 are amortized rather than depreciated. The County uses a capitalization threshold of \$5,000 for intangible assets.

## HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

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 was implemented prospectively, so only intangible assets acquired or generated on or after October 1, 2009 are capitalized. During fiscal year 2014, the County capitalized \$8,280,000 of software but did not capitalize any easements.

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. Deferred Outflows of Resources and Deferred Inflows of Resources**

The County follows GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. During fiscal year 2014, the County implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Deferred outflows of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense or expenditure) until then. The Hillsborough County primary government has one item that qualifies for reporting in this category. This item is the loss on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized using the effective-interest method in the government-wide and proprietary fund financial statements over the shorter of the life of the old bonds or the life of the new bonds. At September 30, 2014, the Hillsborough County Primary Government had \$6,205,000 of unamortized bond refunding losses which were reported as deferred outflows of resources. \$6,087,000 of this amount is for Governmental Activities and \$118,000 of this amount is for Business-Type Activities. See Note 1.I, *Restatements of Net Position*, for more information. The Housing Finance Authority Component Unit had “hedging derivatives” of \$60,000 reported as deferred outflow of resources. See Note 1.U., *Derivative Instruments*, for more information.

Deferred inflows of resources represent acquisition of resources that applies to future reporting period(s) and will not be recognized as an inflow of resource (revenue) until then. In governmental funds, revenues that do not meet the revenue recognition criteria described in Note 1.C.,

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

*Measurement Focus and Basis of Accounting*, are deferred until collected as they do not meet the availability criteria. The County has one item type that falls in this category. The fund financial statements had a total of \$78,089,000 of unavailable revenues that are measurable, and eventually expected to be collected through taxpayer payments, liens or foreclosures, but are not currently available. Such amounts are reported as deferred inflows until the amounts become available. There are no deferred inflows of resources reported on the Statement of Net Position.

**I. Restatements of Net Position, Beginning of Year**

Net position, beginning of year, as reported in the Statement of Net Position, was restated for the effect of implementing GASB Statement No. 65, error correction (see Note 18 – Restatement for Correction of Fiscal Year 2013 Revenues), and reporting of the Law Library as a part of the Hillsborough County primary government in accordance with GASB Statement No. 61. The effect on governmental and business-type activities of the primary government and the component units is shown on the chart below:

<i>Amounts in thousands</i>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Component Units</b>
Unamortized bond issuance costs, beginning of year, as previously reported	\$ 4,484	3,969	
Restatement for expensing of unamortized bond issuance costs	(4,484)	(3,969)	
Unamortized bond issuance costs, beginning of year, as restated	<u>          --</u>	<u>          --</u>	
Deferred outflows of resources, beginning of year, as previously reported	--	--	
Restatement for deferred bond refunding losses, GASB Statement 65	6,087	2,093	
Deferred outflows of resources, beginning of year, as restated	<u>6,087</u>	<u>2,093</u>	
Noncurrent Liabilities, beginning of year, as previously reported	539,127	359,378	9,166
Restatement for deferred bond refunding losses, GASB Statement 65	(6,087)	(2,093)	--
Restatement for accumulated decreases in fair value of derivatives	--	--	(118)
Noncurrent Liabilities, beginning of year, as restated	<u>533,040</u>	<u>357,285</u>	<u>9,048</u>
Net position, beginning of year, as previously reported	7,416,411	1,367,994	10,836
Restatement for deferred bond refunding losses, GASB Statement 65	(4,484)	(3,969)	--
Restatement for error correction (see Note 18 for more information)	(3,415)	--	--
Restatement since Law Library is now part of primary government	143	--	(143)
Net position, beginning of year, as restated	<u>\$ 7,408,655</u>	<u>1,364,025</u>	<u>10,693</u>

**J. 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, 2014 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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

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 retirement or other termination.

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.

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.

**K. 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 appear to bear the name of a County-related organization, neither the County nor the related organization has an obligation for such debt. See Note 7.I., *Non-Commitment Conduit Debt Obligations*, for more information.

**L. 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 shown in Note 15, *Accounting for Municipal Solid Waste Landfill Costs*.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**M. 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. 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 government-wide and proprietary fund Statements of Activities. The amortization period is the remaining life of either the old debt or the new debt, whichever is shorter. In addition during fiscal year 2014, deferred refunding losses, original issue discounts and premiums amortized were, in total, a reduction of \$2,803,000 for governmental activities and a reduction of \$109,000 for business-type activities as shown in the following chart.

<i>(Amounts in Thousands)</i>	<b>Deferred Refunding Loss</b>	<b>Original Issue Discount</b>	<b>Original Issue Premium</b>	<b>Total Amortized to Interest</b>
Governmental activities	\$ 852	--	(3,655)	(2,803)
Business-type activities	225	36	(370)	(109)
Totals	<u>\$ 1,077</u>	<u>36</u>	<u>(4,025)</u>	<u>(2,912)</u>

**N. 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 \$650,000 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 \$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.

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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 \$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.

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.

**O. 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.

**P. Use of Restricted Versus Unrestricted Net Position**

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

**Q. 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.

**R. Goodwill**

The County's Water Enterprise Fund initially 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 Enterprise Fund added over 4,700 customers. The goodwill was scheduled for straight-line amortization over thirty years. For fiscal year 2014, goodwill of \$330,000 was amortized



**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

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 are presented as a part of capital assets rather than as a part of other long-term assets on the Proprietary Funds Statement of Net Position as well as in Note 6, *Capital Assets*.

**S. 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* as modified by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. 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. Statement No. 48 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 amount paid should be reported as deferred outflows of resources to be recognized over the duration of the sales agreement in accordance with Statement No. 65. The County has certain revenues pledged for debt service. See Note 7, *Long-Term Liabilities*, for more information.

**T. 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. During fiscal year 2014, the County had no pollution remediation obligations.

**U. Derivative Instruments**

The County is committed to following GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and GASB Statement No. 64, *Derivative Terminations*, if derivative contracts are used by the County in the future. During fiscal year 2014, the Hillsborough County primary government had no derivatives requiring recognition, measurement, or disclosure.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

The Housing Finance Authority of Hillsborough County component unit had four mortgage backed security forward sales contracts at September 30, 2014, which were considered derivatives. The fair value of these derivatives, which were effective hedges with a fair value of \$60,000, was reported as deferred outflows of resources with a corresponding liability for derivative instrument - hedging on the statement of net position.

**V. 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. See Note 13, *Governmental Fund Balances*, for more information.

**W. Voluntary Separation Incentive Program for BOCC Employees**

In 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. The other seventy employees chose the \$10,000 one-time cash payment in lieu of the health coverage. The County had no remaining VSIP liability at September 30, 2014.

**X. Deficit Fund Balance**

There was a deficit fund balance of \$30,000 in the 2012 Capital Improvement Program Revenue Bonds Fund, a nonmajor debt service fund at September 30, 2014. The deficit was caused by having lower transfers in than budgeted during fiscal year 2014 and was eliminated by transfers in from the Infrastructure Surtax Projects and Sales Tax Revenue Funds during fiscal year 2015.

**Y. 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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

preparing this annual financial report, evaluated events occurring after the balance sheet date through March 24, 2015, which is the date this report was available to be issued. See Note 19, *Subsequent Events* for more information.

**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, Infrastructure Surtax Projects Fund, Local Housing Assistance, 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 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 Child Protection Investigations, Jail Inmate Canteen Fund, Communications 911, Special Use and Other Purposes Special Revenue Funds, are completely unbudgeted. Except as noted above, the rest of the 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, 2014* 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.

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 2014, supplemental appropriations to the BOCC budget, excluding Component Units, were approximately \$1,142,390,000 or 32.8% of the originally adopted budget, compared to 44.8% during the prior year. Some of these supplemental appropriations were due to a variety of reasons including the adjustment of estimated fund balances to actual fund balances where advisable and grant awards received after October 1, 2013. Certain funds with project-length budgets before conversion to the County's new

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

ERP system, continued to have project-length budgets during a phase-out period which will end September 30, 2015.

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.

Florida Statutes require entities that receive property appraisal and tax collection services to pay commissions to the Property Appraiser and Tax Collector, respectively. In addition, Florida Statutes require any unused money to be returned at year-end to the entities that paid these commissions. On the budgetary basis, distributions of excess fees paid to governmental entities outside of the County's reporting entity are shown as other financing uses and caused a negative variance on the budgetary basis in the General Fund for fiscal year 2014 because distributions exceeded appropriations. The negative variance was not unfavorable because it represented the return of savings from Property Appraiser and Tax Collector operations.

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 governmental 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,

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

Communication 911 Fund, Special Use Fund, and Other Purposes Fund, and Supervisor's Grant Fund did not have legally adopted budgets. Therefore, these funds are not included in the Nonmajor Special Revenue 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, 2014, the total of the carrying amounts of the Hillsborough County Primary Government's deposits (unrestricted and restricted) was \$153,608,000 and the total of the bank balances was \$178,013,000. 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 the carrying amounts and bank balances were both \$6,590,000.

**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.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**Investments**

<i>(Amounts in Thousands)</i>	Fair Value		<b>Modified Duration in Years</b>	<b>Credit Rating</b>
	<b>Primary Government</b>	<b>Component Units</b>		
U.S. treasury securities	\$ 702,523	202	1.4, 7.9 <sup>(b)</sup>	AA+/A-1+ <sup>(a)</sup>
U.S. government agency (GNMA)	-	4,636	-, 17.3 <sup>(b)</sup>	AA+/A-1+ <sup>(a)</sup>
U.S. government sponsored agency securities	521,224	3,162	1.1, 18 <sup>(c)</sup>	AA+/A-1+ <sup>(a)</sup>
Commercial paper notes	82,509	-	0.2	A-1, A-1+
Corporate notes	63,994	-	1.7	AA
Municipal bonds	18,861	-	1.6	AA
Subtotal	1,389,111	8,000		
State Board of Administration (SBA):				
Florida PRIME	250,077	150	0.1 <sup>(d)</sup>	AAAm
Certificates of deposit	--	1,390		
Open-end money market mutual funds	1,476	915	0.1, <1.0 <sup>(b)</sup>	AAA, unrated <sup>(b)</sup>
Total investments	\$ 1,640,664	10,455	1.0	

<sup>(a)</sup> Credit rating is AA+ if security's maturity exceeds a year; and is A-1+ if security's maturity is a year or less.

<sup>(b)</sup> First figure is for the primary government; second figure is for the Housing Finance Authority component unit.

<sup>(c)</sup> The range of maturities in years was averaged to substitute for modified duration, i.e.  $(11+25)/2 = 18$ .

<sup>(d)</sup> Weighted average maturity of  $(39 \text{ days})/(365 \text{ days}) = 0.1$  was used to approximate modified duration.

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 1.05 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 counterparties fail to fulfill their 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 (SBA), securities issued by the US 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.

**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

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

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, 100% was collected and moved to Florida PRIME by September 30, 2014, leaving a zero balance in Fund B at year-end. The SBA has taken a variety of actions to stabilize and strengthen Florida PRIME. Since 2007, Florida PRIME has received Standard & Poor's AAAM rating each year, which is the highest rating for an investment pool.

#### **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:

- a. The state of Florida's Local Government Investment Pool.
- b. Direct obligations of the US government.
- c. Obligations of US government agencies such as the Government National Mortgage Association.
- d. Obligations of US 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. US Securities and Exchange Commission registered money market funds with the highest credit quality ratings from a nationally recognized rating agency.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

- 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 US 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 No. 08-6 restricts the County's investments as follows:

- a. The entire portfolio may be invested in US 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 US government agency securities, with no more than 10% of the portfolio in any individual US government agency.
- d. A maximum of 60% of the portfolio may be invested in obligations of US 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 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.



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- 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 \$21,005,000, in callable securities of US 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 \$153,608,000 plus investments of \$1,640,664,000 shown in the notes to the financial statements equal: the total of restricted and unrestricted cash and cash equivalents and investments of \$1,700,180,000 presented on the Statement of Net Position; plus the cash and cash equivalents and investments of \$94,092,000 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 Position.

**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 2014 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.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

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

Accounts receivable for the County’s individual major funds and nonmajor funds in total, including applicable allowances for doubtful accounts, at September 30, 2014 were as follows:

<i>(Amounts in Thousands)</i>	<b>Accounts Receivable, Gross</b>	<b>Allowance for Doubtful Accounts</b>	<b>Accounts Receivable, Net</b>
General Fund	\$ 22,895	(18,616)	4,279
Countywide Special Purpose Fund	4	--	4
Intergovernmental Grants Fund	3,977	--	3,977
County Transportation Fund	304	--	304
Nonmajor governmental funds	2,710	(1,867)	843
Internal service funds	730	--	730
Water Resource Services Enterprise Fund	136,835	(415)	136,420
Solid Waste Resource Recovery Enterprise Fund	3,804	(112)	3,692
Amounts reported only under accrual basis of accounting (i.e. not reported in funds)	251	--	251
Total for primary government	171,510	(21,010)	150,500
Component units	90	--	90
Total for Hillsborough County reporting entity	<u>\$ 171,600</u>	<u>(21,010)</u>	<u>150,590</u>

On the following chart of amounts due from other governments at September 30, 2014, “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.

<i>(Amounts in Thousands)</i>	<b>Due From Other Governments</b>			
	<b>State/Federal Grants</b>	<b>State of Florida</b>	<b>Other</b>	<b>Totals</b>
General Fund	\$ --	434	508	942
Countywide Special Purpose Fund	--	10,989	--	10,989
Sales Tax Revenue Fund	--	17,746	--	17,746
Intergovernmental Grants Fund	20,847	--	--	20,847
County Transportation Fund	6,688	4,104	--	10,792
Nonmajor governmental funds	--	1,953	20	1,973
Internal Service Funds	--	1	--	1
Amounts reported only under accrual basis of accounting (i.e. not reported in funds)	--	28,873	1,605	30,478
Total for primary government	27,535	64,100	2,133	93,768
Component units	--	--	957	957
Total for Hillsborough County reporting entity	<u>\$ 27,535</u>	<u>64,100</u>	<u>3,090</u>	<u>94,725</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

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, 2014, for the County's individual major funds in total, including applicable allowances for doubtful accounts, were as follows:

<i>(Amounts in Thousands)</i>	<b>Mortgages Receivable, Gross</b>	<b>Allowance for Doubtful Accounts</b>	<b>Mortgages Receivable, Net</b>
Intergovernmental Grants Fund	\$ 54,603	(11,714)	42,889
Local Housing Assistance Fund	47,079	(18,967)	28,112
Total for primary government	101,682	(30,681)	71,001
Component units	2,517	(256)	2,261
Hillsborough County reporting entity	<u>\$ 104,199</u>	<u>(30,937)</u>	<u>73,262</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. A net code enforcement receivables is not recorded in the fund financial statements for September 30, 2014 because a 100% allowance for doubtful accounts completely offsets the code enforcement receivables recorded.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**Note 6 - Capital Assets**

Changes in capital assets of governmental and business-type activities for the year ended September 30, 2014 are as follows:

<b>Governmental Activities:</b>	<b>Beginning</b>			<b>Ending</b>
<i>Amounts in Thousands</i>	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b>
Land, including rights-of-way	\$ 533,030	11,084	320	543,794
Infrastructure	5,804,857	29,582	2,747	5,831,692
Construction work in progress	40,805	93,294	39,287	94,812
Total non-depreciable assets	<u>6,378,692</u>	<u>133,960</u>	<u>42,354</u>	<u>6,470,298</u>
Buildings	753,125	3,778	599	756,304
Building improvements	211,374	6,443	4,410	213,407
Equipment	364,240	31,857	23,420	372,677
Intangibles*	19,803	19,763	4,629	34,937
Total depreciable assets	<u>1,348,542</u>	<u>61,841</u>	<u>33,058</u>	<u>1,377,325</u>
Less accumulated depreciation for:				
Buildings	(366,658)	(18,592)	--	(385,250)
Building improvements	(114,680)	(11,955)	--	(126,635)
Equipment	(283,093)	(32,437)	(30,857)	(284,673)
Intangibles	(8,170)	(7,509)	--	(15,679)
Total accumulated depreciation	<u>(772,601)</u>	<u>(70,493)</u>	<u>(30,857)</u>	<u>(812,237)</u>
Total capital assets, being depreciated, net	<u>575,941</u>	<u>(8,652)</u>	<u>2,201</u>	<u>565,088</u>
Total governmental capital assets, net	<u>\$ 6,954,633</u>	<u>125,308</u>	<u>44,555</u>	<u>7,035,386</u>

\*Intangible assets include easements and software.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

<b>Business-type Activities</b> <i>(Amounts in Thousands)</i>	<b>Beginning</b>			<b>Ending</b>
	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b>
Land, including rights-of-way	\$ 42,204	--	--	42,204
Construction work in progress	121,939	101,945	26,487	197,397
Total non-depreciable assets	164,143	101,945	26,487	239,601
Buildings	538,744	17,741	3,081	553,404
Building improvements	1,388,722	29,472	8,106	1,410,088
Equipment	51,427	10,401	2,463	59,365
Intangibles*	11,072	75	--	11,147
Total depreciable assets	1,989,965	57,689	13,650	2,034,004
Less accumulated depreciation for:				
Buildings	(339,133)	(12,746)	(292)	(351,587)
Building improvements	(670,888)	(45,366)	(842)	(715,412)
Equipment	(27,795)	(7,175)	(2,238)	(32,732)
Intangibles	(3,468)	(297)	--	(3,765)
Total accumulated depreciation and amortization	(1,041,284)	(65,584)	(3,372)	(1,103,496)
Total capital assets, being depreciated, net	948,681	(7,895)	10,278	930,508
Total business-type capital assets, net	\$ 1,112,824	94,050	36,765	1,170,109

\*Intangible assets include easements, software, and goodwill.

During fiscal year 2014, interest costs of \$2,778,000 were capitalized to construction work-in-progress on the Statement of Net Position - Proprietary Funds and deducted from interest expense on the Statement of Activities – 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 2014 were \$13,437,000.

Depreciation and/or amortization expense was charged for fiscal year 2014 to functions of the primary government as shown below:

<i>(Amounts in Thousands)</i>	<b>Depreciation and Amortization</b>
Governmental activities:	
General government	\$ 16,226
Public safety	25,114
Physical environment	1,456
Transportation	2,961
Economic environment	2,525
Human services	9,678
Culture and recreation	3,699
Internal service funds	8,834
Total depreciation expense - governmental activities	\$ 70,493
Business-type activities:	
Water Resource Services	\$ 51,238
Solid Waste Resource Recovery	14,346
Total depreciation/amortization expense - business-type activities	\$ 65,584

**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, 2014 were as follows:

<i>(Amounts in Thousands)</i>	<b>Construction Commitments Outstanding</b>
Countywide Special Purpose Fund	\$ 960
Intergovernmental Grants	6,020
County Transportation Fund	14,555
Infrastructure Surtax Projects Fund	10,664
Nonmajor special revenue funds	10,933
Nonmajor capital projects funds	29,491
Water Enterprise Fund	44,814
Solid Waste Enterprise Fund	9,725
Total construction commitments outstanding	<u>\$ 127,162</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 2015 through 2019 incorporates projects with a total cost of \$868,478,000.

**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, 2014, for both governmental activities and business-type activities:

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

<b>Governmental Activities:</b> (Amounts in Thousands)	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
General obligation bonds	\$ 68,045	--	2,145	65,900
Unamortized bond issue premiums	400	--	108	292
Revenue bonds	442,640	--	24,420	418,220
Unamortized bond issue premiums	27,213	--	3,558	23,655
Notes Payable	109,249	42,072	35,073	116,248
Compensated absences payable*	59,191	62,185	63,176	58,200
Net OPEB obligation**	12,460	6,268	5,813	12,915
Insurance claims payable***	34,741	114,028	113,930	34,839
Other long-term liabilities (see Note 7.D.)	8,984	37	520	8,501
Governmental activity long-term liabilities-primary government	<u>762,923</u>	<u>224,590</u>	<u>248,743</u>	<u>738,770</u>
Component units	<u>9,256</u>	<u>60</u>	<u>1,987</u>	<u>7,329</u>
Governmental activities long-term liabilities-reporting entity	<u>\$ 772,179</u>	<u>224,650</u>	<u>250,730</u>	<u>746,099</u>

\*Compensated absences payable are liquidated as sick and vacation leave expenditures are recorded for employees in the General Fund, Countywide Special Purpose Fund, Sales Tax Revenue Fund, Intergovernmental Grants Fund, County Transportation Fund, Local Housing Assistance, Infrastructure Surtax Fund, Water Enterprise Fund, Solid Waste Enterprise Fund, and various nonmajor funds with personnel expenditures.

\*\*The net OPEB obligation is liquidated as the medical claims of retirees covered by Hillsborough County are paid through the Self-Insurance Internal Service Fund.

\*\*\*At September 30, 2014, the Hillsborough County health care program for low-income residents had an “insurance claims payable, current” liability of \$2,413,000 reported for claims incurred but not reported and reported but not paid, which was shown in the Statement of Net Position and the Balance Sheet – Governmental Funds. That liability was not included in the chart above because it was a current liability.

<b>Business-type Activities:</b> (Amounts in Thousands)	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
Revenue bonds	\$ 338,490	--	17,345	321,145
Unamortized bond issue premiums	2,584	--	370	2,214
Unamortized bond issue discounts	(552)	--	(36)	(516)
Compensated absences payable	3,915	4,132	3,229	4,818
Other long-term liabilities (see Note 7.D.)	<u>36,074</u>	<u>2,391</u>	<u>781</u>	<u>37,684</u>
Business-type activity, long-term liabilities	<u>\$ 380,511</u>	<u>6,523</u>	<u>21,689</u>	<u>365,345</u>

See Note 20 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 activities, including the current portion of long-term debt. Unamortized bond issuance discounts are

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

recorded as reductions of bonds payable on the Statement of Net Position. Unamortized bond issuance premiums are recorded as additions to bonds payable on the Statement of Net position.

**B. Bonds Payable**

Bonds payable, including current maturities, at September 30, 2014 were as follows:

<i>(Amounts in Thousands)</i>	<b>Long-term Debt, Governmental</b>
<b>General Obligation Bonds:</b>	
\$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 20 - Exhibit B)	\$ 10,295
Unamortized bond issue premium	84
\$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 20 - Exhibit C)	7,480
Unamortized bond issue premium	208
\$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 20 - Exhibit D)	48,125
Net general obligation bonds, governmental activities	<u>\$ 66,192</u>
 <b>Revenue Bonds:</b>	
\$90,000 August 12, 2004, Community Investment Tax Revenue Bonds, Series 2004, due in annual installments through 2025; interest cost at 4.31%. (Note 20 – Exhibit E)	\$ 3,705
\$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 20 – Exhibit F)	12,675
Unamortized bond issuance premium	108
\$38,305 August 23, 2005, Court Facilities Refunding Revenue Bonds, Series 2005, due in annual installments through 2029; interest cost at 4.28%. (Note 20 – Exhibit G)	29,375
Unamortized bond issuance premium	19
\$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 20 - Exhibit H)	26,035
Unamortized bond issue premium	63



**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

<b>Revenue Bonds, continued:</b>	<b>Long-term Debt, Governmental</b>
\$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 20 – Exhibit I)	15,145
Unamortized bond issuance premium	35
\$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 20 – Exhibit J)	25,155
Unamortized bond issuance premium	87
\$191,800 October 31, 2007, Community Investment Tax Revenue Bonds, Series 2007, due in annual installments through 2026; interest cost at 4.5%. (Note 20-Exhibit K)	143,665
Unamortized bond issuance premium	4,093
\$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 20 – Exhibit L)	14,855
Unamortized bond issuance premium	18
\$38,130 May 23, 2012, Community Investment Tax Refunding Revenue Bonds, Series 2012A, due in annual installments through 2025; interest cost at 2.42%. (Note 20 – Exhibit M)	35,865
Unamortized bond issuance premium	\$ 4,043
\$51,625 May 23, 2012, Community Investment Tax Refunding Revenue Bonds, Series 2012B, due in annual installments through 2025; interest cost at 2.42%. (Note 20 – Exhibit N)	51,625
Unamortized bond issuance premium	\$ 5,880
\$67,445 June 21, 2012, Capital Improvement Program Revenue Bonds, Series 2012, due in annual installments through 2026; interest cost at 2.16%. (Note 20 – Exhibit O)	60,120
Unamortized bond issuance premium	9,309
Net revenue bonds, governmental activities	441,875
Total of net general obligation bonds, and net revenue bonds, for governmental activities	\$ 508,067

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

<b>Revenue Bonds:</b>	<u><b>Long-term Debt, Business-type</b></u>
\$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 20 - Exhibit P) Unamortized bond issue premium	\$           10,500 42
\$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 20 – Exhibit Q) Unamortized bond issue premium	104,295 1,630
\$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 20 – Exhibit R) Unamortized bond issue premium	38,290 257
\$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 20 – Exhibit S) Unamortized bond issue premium	13,255 285
\$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 20 – Exhibit T) Unamortized bond issue discount	110,265 (516)
\$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 20 – Exhibit U)	\$           21,700
\$25,160 May 8, 2013, Solid Waste and Resource Recovery Bonds, Series 2013 (Alternative Minimum Tax), final maturity in 2023; interest cost at 1.79%. (Note 20 – Exhibit V)	\$           22,840
Net revenue bonds, business-type activities	<u><u>\$           322,843</u></u>

Note 20, Exhibits B through V, 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:

**HILLSBOROUGH COUNTY, FLORIDA**  
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**Long-Term Bonded Debt, Governmental Activities**  
*(Amounts in Thousands)*

<b>Year Ending September 30</b>	<b>General Obligation Bonds</b>			<b>Revenue Bonds</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Less Subsidy</b>	<b>Principal</b>	<b>Interest</b>	
2015	\$ 2,240	3,636	(931) *	25,495	19,036	49,476
2016	2,315	3,568	(1,004)	26,390	17,814	49,083
2017	2,405	3,475	(1,004)	27,650	16,544	49,070
2018	2,505	3,376	(1,004)	28,930	15,217	49,024
2019	2,600	3,281	(1,004)	30,310	13,810	48,997
2020-2024	14,050	14,383	(4,717)	174,835	45,512	244,063
2025-2029	11,210	10,975	(3,831)	86,670	9,735	114,759
2030-2034	12,860	7,466	(2,614)	13,055	2,294	33,061
2035-2039	15,715	3,074	(1,076)	4,885	214	22,812
<b>Total</b>	<b>\$ 65,900</b>	<b>53,234</b>	<b>(17,185)</b>	<b>418,220</b>	<b>140,176</b>	<b>660,345</b>

\*The Build America Bonds federal subsidy for fiscal year 2015 only was reduced 7.3% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

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

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

<b>Year Ending September 30</b>	<b>Revenue Bonds</b>			<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Less Subsidy</b>	
2015	\$ 19,716	15,039	(2,358) *	32,397
2016	9,549	14,134	(2,544)	21,139
2017	9,882	13,805	(2,544)	21,143
2018	10,265	13,416	(2,544)	21,137
2019	10,630	13,049	(2,544)	21,135
2020-2024	65,923	57,954	(12,043)	111,834
2025-2029	67,585	43,115	(9,941)	100,759
2030-2034	82,580	25,293	(7,114)	100,759
2035-2039	37,550	8,553	(3,587)	42,516
2040-2044	7,465	449	(203)	7,711
<b>Total</b>	<b>\$ 321,145</b>	<b>204,807</b>	<b>(45,422)</b>	<b>480,530</b>

\*The Build America Bonds federal subsidy for fiscal year 2015 only was reduced 7.3% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

**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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

Tax), and Series C (Taxable) not to exceed \$85,000,000. 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 as 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 2014, market interest rates ranged from 0.07% to 0.13%. 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.

At September 30, 2014, total notes payable outstanding were \$116,248,000 as shown on the next page:

<b>Governmental activities:</b> <i>(Amounts in Thousands)</i>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Amount</u>
Commercial paper notes:	9-04-14	10-9-14	0.07%	\$ 15,066
	7-17-14	10-30-14	0.09	25,110
	9-04-14	10-09-14	0.07	6,072
	8-14-14	11-20-14	0.11	30,000
	8-28-14	12-4-14	0.10	33,000
	9-4-14	12-4-14	0.09	7,000
Total notes payable				<u>\$ 116,248</u>

On the Statement of Net Position, all notes payable are presented as current liabilities.

**D. Other Long-Term Liabilities**

Other long-term liabilities, including current maturities, reported in the Governmental Activities column of the Statement of Net Position at September 30, 2014 consisted of only a liability for the Voluntary Separation Incentive Program. The County had no arbitrage rebate liabilities at September 30, 2014. See Note 7.F., *Arbitrage Rebate Liability*, for information on the arbitrage rebate liability by bond issue and see Note 1.W. for more information on the Voluntary Separation Incentive Program liability. Note 11, *Transfers In and Out*, provides information on the funds that provided financial resources to individual debt service funds during fiscal year 2014.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**A Contingent Obligation to Return Funds to the Tampa Sports Authority**

Under the Community Investment Tax Agreement dated July 17, 1996, the County along with other agreement participants disbursed \$12 million from Community Investment Tax revenues to the Tampa Sports Authority (TSA) for the purpose of purchasing or constructing a professional football practice facility for the Tampa Bay Buccaneers. Approximately sixteen years later, on June 28, 2012, the BOCC voted to have its proportional share of the unexpended practice facility money returned to the County.

In accordance with Interlocal Agreement Number 12-1252 dated October 1, 2012, between the County and the TSA, the County received \$8.4 million from the TSA on February 28, 2013. Subsequently the County received an additional \$37,000 from the TSA. Under this agreement, an affirmative vote of two-thirds of the TSA Board is needed to request the return of the \$8.5 million paid to the County at any time. This contingent obligation shall remain in effect until the TSA advises the County in writing that the obligation to return the \$8.5 million is satisfied or this agreement is terminated. This amount is recorded as other long-term debt on the Statement of Net Position.

Other long-term liabilities, including current maturities, for the Enterprise Funds at September 30, 2014, were as follows:

<i>(Amounts in Thousands)</i>	<b>Other Long-Term Liabilities Business-Type</b>
Open landfill closure and postclosure costs	\$ 33,445
Closed landfill remediation/monitoring	4,239
Total other long term liabilities, business-type activities	\$ 37,684

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

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

<i>(Amounts in Thousands)</i> <b>Year Ending Sept. 30</b>	<b>Other Long-Term Liabilities</b>	
	<b>Governmental Amount</b>	<b>Business-Type Amount</b>
2015	\$ --	218
2016	8,501	223
2017	--	229
2018	--	235
2019	--	241
2020-2024	--	1,296
2025-2029	--	1,190
2030-2034	--	406
2035-2039	--	185
2040-2044	--	3,219
2045-2049	--	5,339
2050-2054	--	5,339
2055-2059	--	5,339
2060-2064	--	5,339
2065-2069	--	5,339
2070-2074	--	2,277
2075-2079	--	235
2080-2084	--	235
2085-2089	--	235
2090-2094	--	235
2095-2099	--	235
2100-2104	--	95
Total principal	<u>\$ 8,501</u>	<u>37,684</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 had no arbitrage rebate liability at September 30, 2014.

**F. Debt Compliance**

Various bond indentures or resolutions 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.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**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, 2014, are listed below:

Amounts in Thousands	<u>Governmental Activities</u>
2003 Junior Lien Capital Improvement Program Refunding Revenue Bonds	\$ 18,585
2004 Community Investment Tax (CIT) Revenue Bonds	54,630
2006 Capital Improvement Non-Ad Valorem Revenue Bonds	34,025

**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 for the repayment of these debt obligations. At September 30, 2014, the unpaid principal balances of the Capacity Assessment Unit and the Reclaimed Water Improvement Unit bonds were \$10,020,000 and \$1,130,000, 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, 2014, the outstanding balance on the Capacity Assessment Special Assessment Revenue Bonds, Series 2006, was \$63,345,000.

**I. Non-Commitment Conduit Debt Obligations**

The County follows GASB Interpretation No. 2, *Disclosure of Conduit Debt Obligations, an Interpretation of NCGA Statement 1*. 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 "related organization" of the County, neither the County nor the Housing Finance Authority has an obligation for such debt.

## **HILLSBOROUGH COUNTY, FLORIDA**

### **Notes to the Financial Statements**

The BOCC created the Housing Finance Authority of Hillsborough County (HFA) in fiscal year 1986 to alleviate a shortage of affordable residential housing facilities for persons and families of low and moderate income within Hillsborough County. At September 30, 2014, the HFA had \$7,195,000 of Single Family Mortgage Revenue and Refunding Bonds outstanding as well as \$170,385,000 of Multi-Family Housing Revenue and Refunding Bonds outstanding consisting of 21 separate bond issues. Both of these 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, which is disclosed as a related organization of the County. The HFA's Multi-Family Housing Revenue and Refunding Bonds are not considered obligations of the County, so they are not reported as liabilities in the accompanying financial statements.

#### **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 percent Community Investment Tax approved by voter referendum. In the referendum that initiated the Community Investment Tax, a half percent 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



**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

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

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

Revenue Bonds for Governmental Activities (a) <i>Amounts in Thousands</i>	Revenues Pledged Used for Fiscal Year 2014 Debt Service Payments					Debt Service Payments Until Final Bond Maturity
	CIT (b)	Fourth Cent TDT(c)	Fifth Cent TDT (c)	Court Revenues (d)	Non-Ad Valorem (e)	
2004 Community Investment Tax Revenue Bonds, infrastructure.....	\$ 4,196	--	--	--	--	\$ 3,813
2005 Tampa Bay Arena Refunding Revenue Bonds, for arena (f).....	--	--	649	--	--	16,906
2005 Court Facilities Refunding Revenue Bonds, for court facilities.....	--	--	--	2,531	--	40,514
2006 Capital Improvement Program Refunding Revenue Bonds, for facilities	--	1,723	--	--	1,069	32,433
2006 Fourth Cent Tourist Development Tax Bonds, for facilities.....	--	1,176	--	--	--	22,351
2006A Fifth Cent Tourist Development Tax Bonds, for facilities.....	--	--	1,799	--	--	38,798
2007 Community Investment Tax Revenue Bonds, for facilities.....	16,331	--	--	--	--	189,156
2008 Capital Improvement Non-Ad Valorem Refunding Revenue Bonds, for warehouse and Sheriff facilities.....	--	--	--	--	1,367	20,140
2012A Community Investment Tax Refunding Revenue Bonds for jail and stormwater.....	2,442	--	--	--	--	45,818
2012B Community Investment Tax Refunding Revenue Bonds for infrastructure.....	2,352	--	--	--	--	67,119
2012 Capital Improvement Program Revenue Bonds for facilities.....	6,777	--	--	--	--	<u>81,347</u>
Total debt service on bonds.....						\$ 558,395
Total pledged revenues for fiscal year 2014 debt service.....	<u>\$ 32,097</u>	<u>2,899</u>	<u>2,449</u>	<u>2,531</u>	<u>2,439</u>	\$ 42,415
Total pledged revenues available for fiscal year 2014 debt service (g).....	\$ 48,291	4,750	4,750	2,708	87,366	\$ 147,865
FY 2014 pledged revenues used as a percentage of revenues available.....	66.5%	61.0%	51.6%	93.5%	12.1%	28.7.%

See footnotes on the following page.

(a) See Note 7. B. for maturity dates and other information on these revenue bonds.

## HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

- (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 \$89,058,000 from the Half Cent Sales Tax, \$1,837,000 from Guaranteed Entitlement Revenues, \$1,358,000 from Local Business Taxes, \$432,000 from mobile home license fees, \$475,000 from alcoholic beverage licenses, \$211,000 from the annual license payment for George M. Steinbrenner Field baseball stadium by the New York Yankees, and \$368,000 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 2014 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.

### **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 up to 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 after June 30, 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,

## HILLSBOROUGH COUNTY, FLORIDA Notes to the Financial Statements

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 is no Pension Plan Cost of Living Adjustment (COLA) on FRS service earned on or after July 1, 2011. A reduced COLA is 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%.

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, P.O. Box 9000, Tallahassee, Florida 32315-9000. That report may also be viewed on the Florida Retirement System's web site located at:

[www.dms.myflorida.com/workforce\\_operations/retirement/publications/annual\\_reports](http://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports).

*Funded Status.* The *Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2014*, available as mentioned above, stated that the FRS pension plan was 86.57% funded at July 1, 2014 since the actuarial value of assets was \$138.62 billion compared to the entry age actuarial accrued liability of \$160.13 billion.

*Funding Progress.* Since July 1, 2011 all plan members, except those in DROP, 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, 2014 were as follows for both the defined benefit and defined contribution pension plans: regular 7.37%; special risk (e.g. law enforcement personnel) 19.82%; special risk administrative support 42.07%; county elected officials 43.24%; senior management 21.14%, and DROP 12.84%. During the fiscal year ended September 30, 2014, the County contributed to the plan an amount equal to 12.17% of total covered payroll. The County contributions to the FRS for the fiscal years ended September 30, 2012 through 2014 were \$42,016,000, \$49,935,000 and 63,364,000, 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 \$294,000 or 10.54% of total covered payroll. The County's FRS covered payroll of \$520,793,000 represents approximately 2.11% of statewide FRS covered payroll of \$24.724 billion.

*Actuarial Methods and Assumptions.* In the July 1, 2014 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included (a) a 7.65% investment rate of return and (b) projected salary increases of 3.25% per year. Both (a) and (b) included an inflation component of 2.60%. 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*

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*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. Expensing the cost of a future benefit over the active work-lives of employees is a fiscally sound approach because employees 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 \$80.265 million at September 30, 2014. The County’s annual OPEB cost, which is defined as annual OPEB expenses on an accrual basis, was \$6.268 million at September 30, 2014. 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 2014 was \$6.185 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 on the following page:

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	<b>Fiscal Year 2014</b>
Annual required contribution (ARC)	\$ 6,185,000
Interest on the net OPEB obligation for fiscal year	557,000
Less amortization of Net OPEB obligation for fiscal yr.	(474,000)
Annual OPEB cost for fiscal year	6,268,000
Net OPEB Obligation, beginning of year	12,460,000
Less contributions (claims paid etc.) for fiscal year	(5,813,000)
Net OPEB obligation, end of fiscal year	\$ 12,915,000

The County's net OPEB obligation at September 30, 2014 was \$12.915 million. The net OPEB obligation increased slightly 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).

<b>Fiscal Year</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2012	6,269,000	56 %	\$ 11,679,000
2013	6,047,000	87 %	12,460,000
2014	6,268,000	93 %	12,915,000

*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 set aside exceeded 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 to continue setting aside an amount equivalent to the annual OPEB cost in future years. The County, however, has no legal or contractual obligation to do so. The status of the plan as of September 30, 2014, was as follows:

Actuarial valuation date	September 30, 2014
Actuarial value of plan assets	\$ -- *
Actuarial accrued liability (AAL)	80,265,000
Unfunded actuarial accrued liability (UAAL)	80,265,000
Actuarial value of plan assets/AAL (funded ratio)	0 % *
Covered payroll (active plan members)	518,871,000
UAAL as a percentage of covered payroll	15.5 % *

\* Although \$17.326 million were set aside in the Self-Insurance Internal Service Fund to more than offset the County's net OPEB obligation of \$12.915 million at September 30, 2014, 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

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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 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, 2014 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return, a 4.5% discount rate, a 3.0% inflation rate, an initial annual healthcare cost trend rate of approximately 9.0% (approximately 8.0% post-Medicare) grading down about 1% each year to an ultimate rate of 5.0%. The actuarial value of the County's assets was determined using the fair value of cash and investments at September 30, 2014. The County's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period used by the County at September 30, 2014, was 30 years.

**Note 10 - Interfund Receivable and Payable Balances**

Interfund receivable and payable balances at September 30, 2014 are shown on the following pages.

<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
<b>Major Governmental Funds:</b>		
General (BOCC)	General (Sheriff)*	\$ 33,062
	General (Tax Collector)*	12,312
	General (Property Appraiser)*	214
	General (Clerk of Circuit Court)*	1,275
	2012 Capital Improvement Program Debt Service Fund	30
		<u>46,893</u>
General (Sheriff)	General (BOCC)	202
	Countywide Special Purpose	155
	Solid Waste Enterprise	559
		<u>\$ 916</u>

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<b>Interfund Receivable Fund</b>	<b>Interfund Payable Fund</b>	<b>Amounts in Thousands</b>
General (Supervisor of Elections)	General (BOCC)+	\$ 610
General (Tax Collector)	General (BOCC)	14
General (Clerk of Circuit Court)	General (BOCC)	52
	Countywide Special Purpose	12
	County Transportation	1
	Intergovernmental Grants	3
	Unincorporated Area Special Purpose	13
	Water Enterprise	4
		85
	Total General Fund	48,518
Countywide Special Purpose	General (Clerk of Circuit Court)*	596
	General (Sheriff)*	859
	General (Tax Collector)*	26
		1,481
Sales Tax Revenue	General (Tax Collector)*	1,854
County Transportation	General (Tax Collector)*	139
Infrastructure Surtax Projects	Sales Tax Revenue**	2,386
<b>Nonmajor Special Revenue Funds:</b>		
Unincorporated Area Special Purpose	General (Tax Collector)*	92
Library	General (Tax Collector)*	437
	General (Property Appraiser)*	6
		433
Supervisor of Elections Grants	General (BOCC)	399
<b>Nonmajor Debt Service Funds:</b>		
2009 Environmentally Sensitive Lands Debt Service	General (Tax Collector)*	50
	General (Property Appraiser)*	1
		16
2002 Parks and Recreation Debt Service	General (Tax Collector)*	16
Total Nonmajor Funds		\$ 1,001

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<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
<b>Internal Service Funds:</b>		
Self-Insurance Internal Service	Sheriff Risk Management*	\$ 7,544
<b>Major Enterprise Funds:</b>		
Water Enterprise	General (Tax Collector)*	96
Solid Waste Enterprise	General (Tax Collector)*	1,097
Total interfund payable and receivable balances		\$ 64,116

\* 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 Projects 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 balances.

**Note 11 - Transfers In and Out**

Interfund transfers in and out during fiscal year 2014 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
<b>Major Governmental Funds:</b>		
General (BOCC)	General (Sheriff)*	\$ 32,863
	General (Tax Collector)*	7,438
	General (Property Appraiser)*	214
	General (Supervisor of Elections*)	3,570
	General (Clerk of Circuit Court*)	784
	Countywide Special Purpose	9,022
	Sales Tax Revenue	74,109
	Unincorporated Area Special Purpose	15,435
	Countywide Capital Projects	8,127
	Environmentally Sensitive Lands Acquisition Capital Projects	300
		<u>151,862</u>
General (Sheriff)	General (BOCC)	<u>376,694</u>
General (Tax Collector)	General (BOCC)++	20,314
	Unincorporated Area Special Purpose++	120
	Sales Tax Revenue++	\$ 178



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<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
General (Tax Collector), Continued	County Transportation++	\$ 154
	Library++	659
	Parks and Recreation Debt Service++	30
	Environmentally Sensitive Lands Acquisition Debt Service++	84
		<u>21,539</u>
General (Property Appraiser)	General (BOCC)++	10,271
	Library++	279
	Environmentally Sensitive Lands Acquisition Debt Service++	32
	Parks and Recreation Debt Service++	8
		<u>10,590</u>
General (Supervisor of Elections)	General (BOCC)	<u>11,466</u>
General (Clerk of Circuit Court)	General (BOCC)	<u>18,878</u>
	Total General Fund	<u>591,029</u>
Countywide Special Purpose	General (BOCC)	12,587
	Sheriff Special Use*	1,441
		<u>14,028</u>
Sales Tax Revenue	General (BOCC)**	<u>100</u>
Intergovernmental Grants	General (BOCC)	5,342
	Countywide Special Purpose	389
	Unincorporated Area Special Purpose	3,304
		<u>9,035</u>
County Transportation		7,860
	General (BOCC)	37
	General (Tax Collector)*	15,698
	Sales Tax Revenue	<u>23,595</u>
Infrastructure Surtax Projects	Sales Tax Revenue+	<u>48,311</u>
<b>Nonmajor Special Revenue Funds:</b>		
Unincorporated Special Purpose	General (BOCC)	1,678
	General (Tax Collector)*	29
	Sales Tax Revenue	1,000
	County Transportation	50
		<u>\$ 2,757</u>

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**Notes to the Financial Statements**

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
Library	General (Tax Collector)*	\$ 157
	General (Property Appraiser)*	6
		<u>163</u>
Civil Service Board	General (BOCC)	<u>2,423</u>
Sheriff Special Use	Countywide Special Purpose	<u>2,988</u>
Supervisor of Election Grants	General (BOCC)	<u>69</u>
<b>Nonmajor Debt Service Funds:</b>		
Parks and Recreation Debt Service	General (BOCC)	423
	General (Tax Collector)*	7
		<u>430</u>
2004 Community Investment Tax	Infrastructure Surtax Project	<u>4,196</u>
2005 Court Facilities Improvement	Countywide Special Purpose	<u>2,531</u>
2005 TSA Revenue Bonds	Sales Tax Revenue	<u>650</u>
2006 Capital Improvement Program Refunding Revenue	Countywide Special Purpose	1,053
	Sales Tax Revenue	<u>1,893</u>
		<u>2,946</u>
4 <sup>th</sup> Cent Tourist Development Tax	Sales Tax Revenue	<u>1,176</u>
5 <sup>th</sup> Cent Tourist Development Tax	Sales Tax Revenue	<u>1,799</u>
2007 Community Investment Tax	Infrastructure Surtax Project	<u>16,331</u>
2008 Capital Improvement Non-Ad Valorem Revenue	Sales Tax Revenue	<u>1,367</u>
Environmentally Sensitive Lands Acquisition	General (BOCC)	236
	General (Tax Collector)*	19
	General (Property Appraiser)*	1
	Environmentally Sensitive Lands Capital Project	<u>960</u>
		<u>1,216</u>
2012 Community Investment Tax Refunding Bonds	Infrastructure Surtax Project	<u>4,793</u>
2012 Capital Improvement Program Revenue Bonds	Infrastructure Surtax Project	<u>\$ 6,777</u>

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<b>Transfers In</b>	<b>Transfers Out</b>	<b>Amounts in Thousands</b>
Commercial Paper Program	Countywide Special Purpose Sales Tax Revenue	\$ 131 4,696 <u>4,827</u>
<b>Nonmajor Capital Project Funds:</b>		
Countywide Capital Projects	Sales Tax Revenue	<u>5,548</u>
Unincorporated Capital Projects	Unincorporated Area Special Purpose Sales Tax Revenue	8,725 <u>1,299</u> <u>10,024</u>
Emergency Operations Center Project	Unincorporated Area Capital Projects	<u>903</u>
	Total Nonmajor Funds	<u>73,914</u>
Self-Insurance Internal Service	Sheriff Risk Management*	<u>6,647</u>
	Total Internal Service Funds	<u>6,647</u>
Total interfund transfers in and out		<u>\$ 766,659</u>

\* These amounts represent residual and/or excess fees paid by Constitutional Officers to the Board of County Commissioners during fiscal year 2014 in accordance with Florida Statutes.

\*\* 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 from the Sales Tax Revenue Fund (where they are collected) to the Infrastructure Surtax Projects Fund (where such proceeds are spent).

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

During the fiscal year ended September 30, 2014, significant transactions between the Hillsborough County, Florida primary government and the discretely presented component units were as follows: the Hillsborough County City-County Planning Commission discretely presented component unit received \$3,916,000 from the General Fund. These amounts are classified as Operating Grants and Contributions in the discretely presented component units and as general government expenditures in the primary government's Statement of Activities.

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**Note 12 - Restricted Net Position**

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 (now using the term “net position”) and expanded the presentation of net position in the Statement of Net Position. Under this Statement, restricted net position is 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 position shown on the government-wide Statement of Net Position is categorized on the following page:

<b>Restricted Net Position</b>			
September 30, 2014			
<i>(Amounts in Thousands)</i>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
Restricted for:			
Bond covenants, renewal and replacement	\$ --	63,400	63,400
Debt service	32,950	20,683	53,633
Grants and similar projects	20,695	--	20,695
Statute/ordinance enabled projects	267,101	--	267,101
Capital projects	69,557	--	69,557
Other purposes	9,365	--	9,365
Total restricted net position	\$ 399,668	84,083	483,751

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 of restricted and unrestricted amounts.

**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 non-spendable 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:

*Non-spendable* fund balances include amounts that cannot be spent because they are not in spendable form or are 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.

**HILLSBOROUGH COUNTY, FLORIDA**  
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*Restricted* fund balances are fund balances constrained for specific purposes which are externally imposed by either creditors, grantors, contributors, laws or regulations, or imposed by law through constitutional provisions or enabling legislation. Examples include debt service, grant programs and projects, federal and state law, impact fees, Hillsborough Healthcare, and other purposes.

*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. Committed fund balances are formally established, modified, or rescinded by County ordinances enacted by the Board of County Commissioners.

*Assigned* fund balances are fund balances intended to be used for specific purposes, but are neither restricted nor committed. The BOCC has not delegated its authority to other parties. However, when the BOCC adopts resolutions, associated fund balances are shown as assigned because resolutions are at a level of authority lower than County Ordinances. The County had assigned fund balances because the BOCC adopted resolutions for capital project budgets, major maintenance or repair project budgets, and other purposes.

*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, 2014

<i>(Amounts in Thousands)</i>	<b>Total Governmental Funds</b>
Nonspendable	\$ 6,152
Spendable:	
Restricted	436,290
Committed	29,163
Assigned	141,000
Unassigned	248,161
Total fund balances	\$ 860,766

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.

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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 self-insurance funds of both the BOCC and Sheriff encompass two major sections--*risk management* and *employee group health insurance*. This note provides the disclosures required by GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

**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 \$650,000 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. Liability claims in excess of the statutory limits can only be recovered through acts of the Florida Legislature. Liability claims under Federal Statutes are not subject to the sovereign immunity statute. 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 and Housing Finance Authority, the Hillsborough County Primary Government and component units including the 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. 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 position or equity) for catastrophic losses. That reserve was \$92,308,000 at September 30, 2014. If reserves for workers' compensation and automotive and general liability are included, the total reserve for risk management was \$135,784,000 at September 30, 2014. See the chart of net position at the end of this note for a description of the unrestricted net position of the Self-Insurance Fund by category.

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The claims liability reported in the BOCC self-insurance fund at September 30, 2014, for risk management was \$14,751,000. The claims liability reported in the Sheriff Self-Insurance Fund at September 30, 2014, for risk management discounted at a rate of 2%, was \$10,648,000. The Sheriff's undiscounted claims liability was \$11,300,000 at September 30, 2014. The BOCC claims liability was presented undiscounted. 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 2013 and 2014, 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>
2013	\$ 17,493,000	6,578,000	(8,766,000)	15,305,000
2014	15,305,000	6,106,000	(6,660,000)	14,751,000

During fiscal years 2013 and 2014, 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>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Claims Liability, End of Fiscal Year</u>
2013	\$ 8,647,000	6,487,000	(5,095,000)	10,039,000
2014	10,039,000	6,186,000	(5,577,000)	10,648,000

**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 County's employee group health insurance program except for those of the Tax Collector and Sheriff. Employees of the Children's Board, Tampa Port Authority, Tampa Sports Authority, Tampa-Hillsborough County Expressway 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 position or equity) for catastrophic losses. The employee

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group health insurance plan equity was \$31,075,000 at September 30, 2014. The County's plan also holds \$15,734,000 of equity from the Sheriff's employee group health insurance plan. At September 30, 2014, the claims liability reported for the BOCC employee group health insurance plan was \$4,623,000 and the claims liability reported for the Sheriff employee group health insurance plan was \$4,817,000. These amounts were 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 2013 and 2014, changes recorded to the claims liability for the BOCC 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>
2013	\$ 6,679,000	58,181,000	(60,338,000)	4,522,000
2014	4,522,000	68,221,000	(68,120,000)	4,623,000

During fiscal years 2013 and 2014, changes recorded to the claims liability for the Sheriff's 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>
2013	\$ 3,843,000	34,683,000	(33,651,000)	4,875,000
2014	4,875,000	33,515,000	(33,573,000)	4,817,000

**Net Position of the Self-Insurance Fund**

The BOCC Self-Insurance Fund had reserves of \$187,904,000, which was reported as unrestricted, in net position at September 30, 2014 as follows:

<b>BOCC Self-Insurance Fund Net Position</b>	
Unrestricted, designated for risk management (catastrophic losses)	\$ 92,308,000
Unrestricted, designated for risk management (workers' compensation and auto/general liabilities)	43,746,000
Unrestricted, designated for employee group health insurance (BOCC)	31,705,000
Unrestricted, designated for employee group health insurance (Sheriff)	15,734,000
Unrestricted, designated for other postemployment benefits (OPEB)	4,411,000
Total net position	<u>\$ 187,904,000</u>

Net position of \$15,734,000 is being held by the BOCC for the Sheriff's employee group health insurance plan to meet two distinct requirements of Florida Statutes. By holding Sheriff employee



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health plan dollars in the BOCC Self-Insurance Fund, the Sheriff meets the state of Florida's reserve requirements and also follows state law requiring the return of Sheriff residual funds to the BOCC at the end of each fiscal year. Net position designated for OPEB represents the net position 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 US Environmental Protection Agency rule, *Solid Waste Disposal Facility Criteria*, and has two components. The first component establishes closure requirements for landfills receiving 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, 2014, County management estimated that the total future closure and postclosure care costs will be \$62,477,000. The County increased its GASB Statement No. 18 liability from the prior year by \$2,086,000 or 6.7%. 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 \$62,477,000, a life-to-date liability of \$33,445,000 was recorded at September 30, 2014 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 34.1% or 15,831,000 cubic yards of the estimated 46,463,000 cubic yards landfill capacity had been consumed at September 30, 2014. Although only 34.1% of the overall landfill capacity was consumed, a total of 53.5% 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 \$50,202,000 of which 63.8% was consumed. Section Two has total projected closure and postclosure care costs of \$12,275,000 of which only 11.5% was consumed. The County will record the balance of the projected future closure and postclosure care costs of \$29,032,000, as adjusted by future estimated cost revisions, as the remaining landfill capacity is consumed. The County anticipates closing Section One of the landfill in 34 years (fiscal year 2048) and Section Two of the landfill in 58 years (fiscal

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**Notes to the Financial Statements**

year 2072). At September 30, 2014, the County had reserved assets of \$32,839,000 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, 2014, the liability for future remediation and monitoring costs of these closed landfill sites was \$4,239,000. The County does not believe that any additional liabilities arising from closed landfill remedial actions would materially affect the County's financial condition.

**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, 2014, 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**

After a sinkhole developed at the Southeast County Landfill in December 2010, the County 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 in April 2011. Stage 2, which was the cut, fill, and relocation of waste from the sinkhole area, was completed in September 2011. This provided a safe working environment for tests to determine if additional grouting was necessary. Stage 3, the geophysical and geotechnical investigation, was completed in December 2011, with a report of test results forwarded to the FDEP in April 2012. Stage 4, the final grout/remediation plan was submitted along with the Stage 3 report to the FDEP in April 2012. Stage 5, isolation of the impacted clay liner, was completed in June 2014. In September 2014 the FDEP determined that Stage 5 construction was completed in substantial accordance with the approved design and construction requirements and approved the completion of this project.

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**Note 16 - Commitments**

**A. Operating Leases**

The County has entered into numerous operating leases. The Hillsborough County Primary Government's operating lease and rent expenditures as a lessee totaled \$5,060,000 for leased facilities and equipment for the fiscal year ended September 30, 2014. The component units had operating lease and rent expenditures of \$2,000 for the fiscal year. 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 2014 in excess of \$150,000 per year are summarized as follows:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>
2015	\$ 1,653,000
2016	1,471,000
2017	1,218,000
2018	543,000
2019	166,000
2020-2024	557,000
2025-2029	268,000
2030-2034	16,000
Total payments	<u>\$ 5,892,000</u>

Commitments for future non-cancellable 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, 2014, 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.J., "Non-Commitment Debt Service Contributions." See Note 7.J. 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

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### **Notes to the Financial Statements**

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.

#### **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 County believes that contingent liabilities arising from lawsuits, disallowed costs on grants, and landfill remediation/monitoring costs, if any, would be immaterial.

#### **Note 18 – Restatement for Correction of Fiscal Year 2013 Revenues**

The County Hillsborough County, Florida voluntarily elected to restate fiscal year 2013 intergovernmental grant revenue in two funds. This is the result of two factors.

(a ) In August 2013 Hillsborough County, Florida implemented the first phase of a multi-government Oracle Enterprise Resource Planning (ERP) system including the General Ledger and Subledgers such as Payables, Receivables, Projects/Grants, Assets, and Purchasing. In March 2015 the County implemented the final phases of the ERP including Human Resources, Payroll and other functions. During the process of implementing this new system, the County found that certain fiscal year 2014 grant revenues were recorded in fiscal year 2013 and vice versa. Employee training has been provided to prevent repetition of this type of error.

(b) In addition there was a capital grant that had over recorded revenues in fiscal year 2013 as a result of \$3.7 million of land costs that were ineligible for reimbursement from the granting agency. This error was corrected in fiscal year 2014, but should have been corrected in fiscal year 2013.

Consequently, intergovernmental grant revenues presented in the Fiscal Year 2013 CAFR were understated by approximately \$2.77 million in the Intergovernmental Grants Fund and overstated by approximately \$6.18 million in the County Transportation Fund. This net error of \$3.41 million represents 0.24% of total revenues for governmental activities. The County restated 2013 ending balances by adjusting the beginning fund balances for these two funds in the fiscal year 2014 CAFR. The financial impact of this restatement is presented in the following charts:

**HILLSBOROUGH COUNTY, FLORIDA**  
**Notes to the Financial Statements**

**Restatement for Correction of Fiscal Year 2013 Revenues**

*Amounts in thousands*

	<b>Intergovernmental Grants Fund</b>	
	<b>Total Revenues For Fiscal Year 2013</b>	<b>Total Fund Balance September 30, 2013</b>
As previously reported	92,300	5,077
Restatement for error correction	2,767	2,767
As restated	95,066	7,844

	<b>County Transportation Fund</b>	
	<b>Total Revenues For Fiscal Year 2013</b>	<b>Total Fund Balance September 30, 2013</b>
As previously reported	73,378	131,881
Restatement for error correction	(6,182)	(6,182)
As restated	67,196	125,699

	<b>Hillsborough County Primary Government (Governmental Activities)</b>	
	<b>Grants and Contributions Revenue For Fiscal Year 2013</b>	<b>Net Position September 30, 2013</b>
As previously reported:		
Net position		7,416,411
Operating grants/contributions	96,652	
Capital grants/contributions	41,086	
Restatement for error correction:		
Operating grants/contributions	2,767	2,767
Capital grants/contributions	(6,182)	(6,182)
As restated	128,789	7,407,462

During fiscal year 2014, there were also restatements for the implementation of GASB Statement No. 65 and for the change of the Law Library from being a discretely presented component unit to being a part of the Hillsborough County Primary Government. See Notes 1.A., 1.H., 1.I. for more information as those restatements are not presented above.

**Note 19 - Subsequent Events**

At September 30, 2014, the County's governmental activities had short-term commercial paper notes and taxable loans outstanding with a face amount of \$116.2 million. Subsequent to September 30, 2014, the County reissued the existing commercial paper notes and issued a new money commercial paper note for \$1.4 million for the Tampa Sports Authority Amalie Arena on January 26, 2015. On March 16, 2015 the commercial paper notes outstanding at face amount were \$117.6 million.

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On March 17, 2015, the County's Water Enterprise Fund purchased the Pluris Eastlake, Inc. and Pluris PCU, Inc. (Pebble Creek) private water and waste water utility systems for \$14 million. This acquisition will increase capital assets. However it is anticipated to result in reduced revenues due to customer credits from the rate difference charged by the private utility compared to the County. In addition, an engineering assessment of the private system is likely to indicate that future capital improvement costs are necessary to bring the system up to County standards.

In April 2015, the County plans to issue about \$78 million of Hillsborough County, Florida, Communications Services Tax Revenue Bonds, Series 2015 (the "Bonds"). The purpose of the Bonds is to finance the cost of a public safety operations complex, Sheriff facilities, fire stations, parks facilities, and other public facilities within the County. The final maturity of these bonds will be in 2045 and related annual debt service is expected to be about \$4.3 million.

On January 6, 2015, the Tampa Sports Authority issued \$63,020,000 in Local Option Sales Tax Refunding Revenue Bonds, Series 2015 and issued \$19,240,000 in Florida Sales Tax Refunding Bonds, Series 2015 to refund all outstanding series 2005 refunding bonds.

**Note 20 - Changes in Long-Term Debt and Future Debt Service Requirements**

Exhibit A is a schedule of changes in long-term debt. Exhibits B through V 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, 2014**  
**(amounts in thousands)**

<b>GOVERNMENTAL ACTIVITIES</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Board of County Commissioners</b>					
Bonds payable:					
2002 Parks and Recreation Refunding Bonds	\$ 11,105	--	810	10,295	840
Unamortized bond issue premium	101	--	17	84	*
2004 Community Investment Tax (CIT) Bonds	7,265	--	3,560	3,705	3,705
Unamortized bond issue premium	12	--	12	--	*
2005 Tampa Bay Arena Refunding Rev Bonds	13,405	--	730	12,675	755
Unamortized bond issue premium	126	--	18	108	*
2005 Court Facilities Refunding Rev Bonds	30,645	--	1,270	29,375	1,325
Unamortized bond issue premium	22	--	3	19	*
2006 CIP Refunding Rev Bonds	28,080	--	2,045	26,035	2,150
Unamortized bond issue premium	76	--	13	63	*
2006 Fourth Cent Tourist Dev. Tax Bonds	15,665	--	520	15,145	550
Unamortized bond issue premium	38	--	3	35	*
2006A Fifth Cent Tourist Dev. Tax Bonds	25,840	--	685	25,155	720
Unamortized bond issue premium	94	--	7	87	*
2007 CIT Revenue Bonds	152,525	--	8,860	143,665	9,290
Unamortized bond issue premium	4,779	--	686	4,093	*
2008 CIP Non Ad-Valorem Refunding Revenue	15,640	--	785	14,855	810
Unamortized bond issue premium	21	--	3	18	*
2009A ELAPP Bonds	8,815	--	1,335	7,480	1,400
Unamortized bond issue premium	299	--	91	208	*
2009B ELAPP Bonds	48,125	--	--	48,125	--
2012A Community Investment Tax (CIT) Refunding Revenue Bonds	38,130	--	2,265	35,865	2,380
Unamortized bond issue premium	4,674	--	631	4,043	*
2012B Community Investment Tax (CIT) Refunding Revenue Bonds	51,625	--	--	51,625	--
Unamortized bond issue premium	6,665	--	785	5,880	*
2012B Capital Improvement Program Revenue Bonds	63,820	--	3,700	60,120	3,810
Unamortized bond issue premium	10,706	--	1,397	9,309	*
Total bonds payable	<u>\$ 538,298</u>	<u>--</u>	<u>30,231</u>	<u>508,067</u>	<u>27,735</u>
*not applicable					
Notes payable	\$ 109,249	42,072	35,073	116,248	116,248
Compensated absences payable	25,149	24,976	24,960	25,165	24,986
Net OPEB obligation	12,460	6,268	5,813	12,915	--
Insurance claims payable	19,827	74,327	74,780	19,374	11,283
Other long-term debt	8,984	37	520	8,501	--
Total Board of County Commissioners	<u>713,967</u>	<u>147,680</u>	<u>171,377</u>	<u>690,270</u>	<u>180,252</u>
<b>Clerk of Circuit Court</b>					
Compensated absences payable	3,126	2,125	2,397	2,854	2,397
<b>Property Appraiser</b>					
Compensated absences payable	1,090	470	415	1,145	415

(Continued)

**EXHIBIT A, Continued**  
**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Changes in Long-Term Debt (Continued)**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Sheriff</b>					
Compensated absences payable	28,151	33,030	33,936	27,245	27,245
Insurance claims payable	14,914	39,701	39,150	15,465	10,394
	<u>43,065</u>	<u>72,731</u>	<u>73,086</u>	<u>42,710</u>	<u>37,639</u>
<b>Supervisor of Elections</b>					
Compensated absences payable	136	148	129	155	129
<b>Tax Collector</b>					
Compensated absences payable	1,539	1,436	1,339	1,636	1,339
Total long-term debt, governmental	<u>\$ 762,923</u>	<u>224,590</u>	<u>248,743</u>	<u>738,770</u>	<u>222,171</u>

<b>BUSINESS-TYPE ACTIVITIES</b>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Board of County Commissioners</b>					
Bonds payable:					
2001 Refunding Utility Revenue Bonds	\$ 20,075	--	9,575	10,500	10,500
Unamortized bond issue premiums	123	--	81	42	*
2006 A & B Solid Waste Revenue Bonds	145,610	--	3,025	142,585	4,355
Unamortized bond issue premium	2,051	--	164	1,887	*
2010 A, B, & C Utility Revenue Bonds	147,645	--	2,425	145,220	2,500
Unamortized bond issue premium	410	--	125	285	*
Unamortized bond issue discount	(552)	--	(36)	(516)	*
2013 Solid Waste Revenue Bonds	25,160	--	2,320	22,840	2,361
Total bonds payable	<u>340,522</u>	<u>--</u>	<u>17,679</u>	<u>322,843</u>	<u>19,716</u>
Compensated absences payable	3,915	4,132	3,229	4,818	3,355
Other long-term debt	36,074	2,391	781	37,684	218
Total long-term debt, business-type	<u>\$ 380,511</u>	<u>6,523</u>	<u>21,689</u>	<u>365,345</u>	<u>23,289</u>

\*not applicable

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)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirement</b>
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>\$ 10,295</u>	<u>3,030</u>	<u>13,325</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)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirement</b>
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>\$ 7,480</u>	<u>905</u>	<u>8,385</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>Less 35% Subsidy</u>	<u>Total Requirement</u>
2015	\$ -	2,868	1,004 *	1,864
2016	-	2,868	1,004	1,864
2017	-	2,868	1,004	1,864
2018	-	2,868	1,004	1,864
2019	-	2,868	1,004	1,864
2020	1,680	2,868	1,004	3,544
2021	1,730	2,786	975	3,541
2022	1,790	2,699	945	3,544
2023	1,845	2,608	913	3,540
2024	1,910	2,515	880	3,545
2025	1,970	2,419	847	3,542
2026	2,035	2,319	812	3,542
2027	2,115	2,197	769	3,543
2028	2,195	2,070	725	3,540
2029	2,280	1,938	678	3,540
2030	2,370	1,802	631	3,541
2031	2,470	1,654	579	3,545
2032	2,570	1,499	525	3,544
2033	2,670	1,339	469	3,540
2034	2,780	1,172	410	3,542
2035	2,895	998	349	3,544
2036	3,015	814	285	3,544
2037	3,140	623	218	3,545
2038	3,265	423	148	3,540
2039	3,400	216	76	3,540
	<u>\$ 48,125</u>	<u>49,299</u>	<u>17,258</u>	<u>80,166</u>

\*The entire Build America Bonds federal subsidy is shown, however the subsidy for fiscal year 2015 will be reduced by 7.3% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

**EXHIBIT E**  
**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>
2015	\$ 3,705	108	3,813
	<u>\$ 3,705</u>	<u>108</u>	<u>3,813</u>

**EXHIBIT F**  
**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>
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>\$ 12,675</u>	<u>4,231</u>	<u>16,906</u>

**EXHIBIT G**  
**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>
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>\$ 29,375</u>	<u>11,139</u>	<u>40,514</u>

**EXHIBIT H**  
**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>
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>\$ 26,035</u>	<u>6,398</u>	<u>32,433</u>

**EXHIBIT I**  
**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)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirement</b>
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>\$ 15,145</u>	<u>7,206</u>	<u>22,351</u>



**EXHIBIT J**  
**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>
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>\$ 25,155</u>	<u>13,643</u>	<u>38,798</u>

**EXHIBIT K**  
**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>
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>\$ 143,665</u>	<u>45,491</u>	<u>189,156</u>

**EXHIBIT L**  
**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>
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
	\$ 14,855	5,285	20,140

**EXHIBIT M**  
**HILLSBOROUGH COUNTY, FLORIDA**  
**Community Investment Tax Refunding Revenue Bonds**  
**Series 2012A**  
**Issued May 23, 2012**  
**Debt Service Schedule**  
**(amounts in thousands)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2015	\$ 2,380	1,588	3,968
2016	2,500	1,466	3,966
2017	2,625	1,351	3,976
2018	2,740	1,230	3,970
2019	2,875	1,089	3,964
2020	3,030	942	3,972
2021	3,180	786	3,966
2022	3,345	623	3,968
2023	3,505	452	3,957
2024	3,695	272	3,967
2025	3,840	122	3,962
2026	2,150	32	2,182
	<u>\$ 35,865</u>	<u>9,953</u>	<u>45,818</u>

**EXHIBIT N**  
**HILLSBOROUGH COUNTY, FLORIDA**  
**Community Investment Tax Refunding Revenue Bonds**  
**Series 2012B**  
**Issued May 23, 2012**  
**Debt Service Schedule**  
**(amounts in thousands)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2015	\$ -	2,352	2,352
2016	3,610	2,262	5,872
2017	3,820	2,076	5,896
2018	4,025	1,878	5,903
2019	4,210	1,674	5,884
2020	4,420	1,458	5,878
2021	4,645	1,231	5,876
2022	4,880	993	5,873
2023	5,130	743	5,873
2024	5,410	480	5,890
2025	5,640	260	5,900
2026	5,835	87	5,922
	<u>\$ 51,625</u>	<u>15,494</u>	<u>67,119</u>

**EXHIBIT O**  
**HILLSBOROUGH COUNTY, FLORIDA**  
**Capital Improvement Program Revenue Bonds**  
**Series 2012**  
**Issued June 21, 2012**  
**Debt Service Schedule**  
**(amounts in thousands)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2015	\$ 3,810	2,968	6,778
2016	3,965	2,816	6,781
2017	4,160	2,617	6,777
2018	4,370	2,409	6,779
2019	4,590	2,191	6,781
2020	4,820	1,961	6,781
2021	5,060	1,720	6,780
2022	5,310	1,467	6,777
2023	5,575	1,202	6,777
2024	5,855	923	6,778
2025	6,150	630	6,780
2026	6,455	323	6,778
	<u>\$ 60,120</u>	<u>21,227</u>	<u>81,347</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>
2015	\$ 10,500	570	11,070
	<u>\$ 10,500</u>	<u>570</u>	<u>11,070</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>
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>\$ 104,295</u>	<u>58,886</u>	<u>163,181</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>
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>\$ 38,290</u>	<u>20,821</u>	<u>59,111</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>
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>\$ 13,255</u>	<u>1,202</u>	<u>14,457</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>
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>89,469</u>	<u>31,314</u>	<u>168,420</u>

\*The entire Build America Bonds federal subsidy is shown, however the subsidy for fiscal year 2015 will be reduced by 7.3% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

**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)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Less 45% Subsidy</u>	<u>Total Requirement</u>
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>31,765</u>	<u>14,294</u>	<u>39,171</u>

\*The entire Build America Bonds federal subsidy is shown, however the subsidy for fiscal year 2015 will be reduced by 7.3% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

**EXHIBIT V**  
**HILLSBOROUGH COUNTY, FLORIDA**  
**Solid Waste Resource Recovery Enterprise Fund**  
**Series 2013**  
**Issued May 8, 2013**  
**Debt Service Schedule**  
**(amounts in thousands)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2015	\$ 2,361	409	2,770
2016	2,404	367	2,771
2017	2,447	324	2,771
2018	2,490	280	2,770
2019	2,535	235	2,770
2020	2,580	190	2,770
2021	2,627	144	2,771
2022	2,674	97	2,771
2023	2,722	48	2,770
	<u>\$ 22,840</u>	<u>2,094</u>	<u>24,934</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Infrastructure Condition and Maintenance Data**  
**For the Fiscal Year Ended September 30, 2014**  
*(Required Supplementary Information)*

Hillsborough County maintains a comprehensive network of transportation-related infrastructure assets. At September 30, 2014 these infrastructure assets included:

- 7,028 traffic lane-miles
- 3,045 miles of curbs
- 3,476 miles of road shoulders
- 4,073 miles of markings
- 17,009 pavement legends
- 218 miles of dividers
- 30 miles of guard railing
- 177 railroad crossings
- 1,985 pedestrian crossings
- 2,779 speed humps
- 16,948 intersections
- 2,480 miles of sidewalks
- 15 miles of sidewalk handrails
- 22,412 sidewalk ramps for the disabled
- 124,945 signs
- 799 pedestrian poles
- 254 bridges
- 524 box culverts
- 6.55 million linear feet of culverts
- 27,408 curb inlets
- 7,414 ditch bottom inlets
- 1,816 grate top inlets
- 7,486 stormwater manholes
- 2,701 control structures
- 361 junction boxes
- 92 sea walls
- 38 stormwater lift stations
- 87,454 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 maintenance expenditures 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.

<b>Hillsborough County, Florida Infrastructure Condition Assessment Results</b>			
	<b>September 30, 2014</b>	<b>September 30, 2013</b>	<b>September 30, 2012</b>
Infrastructure	at or above fair	at or above fair	at or above fair
Paved roadway subset	71.0	73.89	75.1

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.

<b>Hillsborough County, Florida Estimated Versus Actual Infrastructure Maintenance and Preservation Costs</b> (amounts in millions)					
	<b>Fiscal Year 2014</b>	<b>Fiscal Year 2013</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2011</b>	<b>Fiscal Year 2010</b>
Estimate	\$ 106.2	\$ 87.9	\$ 72.2	\$ 77.1	\$ 85.7
Actual	\$ 75.1	\$ 68.3	\$ 70.0	\$ 69.4	\$ 81.2

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**

	9/30/12	9/30/13	9/30/14
Actuarial valuation date	9/30/12	9/30/13	9/30/14
Actuarial value of plan assets [a]	--	--	--
Actuarial accrued liability (AAL) – entry age method [b]	62,507	79,965	80,265
Unfunded actuarial accrued liability (UAAL) [b-a]	62,507	79,965	80,265
Actuarial value of plan assets/AAL (funded ratio) [a/b]	0 %	0 %	0 %
Annual covered payroll (active plan members) [c]	\$ 499,426	\$ 507,657	518,871
UAAL as a percentage of covered payroll [(b-a)/c]	12.5 %	15.8 %	15.5 %

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, 2014 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return, a 4.5% discount rate, a 3.0% inflation rate, an initial annual healthcare cost trend rate of approximately 9.0% (approximately 8.0% post-Medicare) grading down about 1% each year to an ultimate rate of 5.0%. The actuarial value of the County’s assets was determined using the fair value of cash and investments at September 30, 2014. The County’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period used by the County at September 30, 2014, was 30 years.



Although \$17.326 million were set aside for OPEB in an internal service fund, which exceeded the net OPEB obligation for September 30, 2014, by \$4.411 million, the amount considered to be “funded” was zero since an irrevocable trust fund was not established.

If the amounts of cash, investments, and interest receivables set aside in the Self-Insurance Internal Service Fund for OPEB were considered “funded,” the actuarial value of plan assets at September 30, 2014 would have been \$17.326 million, which would have led to an unfunded actuarial accrued liability of \$62.939 million, a funded ratio of 21.6%, and an unfunded actuarial accrued liability as a percentage of covered payroll of 12.1%. Although the net OPEB liability was not funded at September 30, 2014, 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, 2014**  
(amounts in thousands)

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 22,651	18,718	54,447	18,251
Investments	95,276	78,735	--	--
Accounts receivable, net	51	4,156	52	20
Interest receivable	172	142	--	--
Delinquent ad valorem taxes receivable	795	328	--	--
Due from other funds	36,391	10,502	916	14
Due from other governmental units	168	1	426	25
Inventories	735	1,145	--	--
Prepaid charges	5	--	39	--
Total assets	<u>156,244</u>	<u>113,727</u>	<u>55,880</u>	<u>18,310</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	4,110	1,566	4,191	190
Accrued liabilities	2,272	2,995	17,242	743
Due to other funds	1,182	80	33,971	16,119
Due to other governmental units	2,624	--	6	839
Unearned revenues	--	--	--	419
Deposits held	33	--	337	--
Total liabilities	<u>10,221</u>	<u>4,641</u>	<u>55,747</u>	<u>18,310</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	3,243	1,790	--	--
Total deferred inflows of resources	<u>3,243</u>	<u>1,790</u>	<u>--</u>	<u>--</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories and prepaid items	740	1,145	39	--
Assigned to:				
BOCC resolutions/other purposes	--	--	94	--
Unassigned	142,040	106,151	--	--
Total fund balances	<u>142,780</u>	<u>107,296</u>	<u>133</u>	<u>--</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 156,244</u>	<u>113,727</u>	<u>55,880</u>	<u>18,310</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
673	--	4,056	118,796
--	--	--	174,011
--	--	--	4,279
--	--	--	314
--	--	--	1,123
--	610	85	48,518
--	--	322	942
--	--	--	1,880
--	--	--	44
<u>673</u>	<u>610</u>	<u>4,463</u>	<u>349,907</u>
--	539	858	11,454
408	71	1,392	25,123
221	--	1,871	53,444
44	--	342	3,855
--	--	--	419
--	--	--	370
<u>673</u>	<u>610</u>	<u>4,463</u>	<u>94,665</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>5,033</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>5,033</u>
--	--	--	1,924
--	--	--	94
<u>--</u>	<u>--</u>	<u>--</u>	<u>248,191</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>250,209</u>
<u>673</u>	<u>610</u>	<u>4,463</u>	<u>349,907</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**General Fund by Category**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
Revenues:				
Taxes--ad valorem property taxes	\$ 353,280	163,944	--	--
Taxes--other	1,358	--	--	--
Licenses, permits, special assessments	486	51	--	--
Intergovernmental--state shared revenues	11,559	16,231	--	--
Intergovernmental--grants	175	--	2,190	--
Charges for services	57,348	20,823	3,419	14,921
Fines and forfeitures	126	3,789	--	--
Interest	808	547	103	13
Miscellaneous	3,970	1,038	494	306
Total revenues	<u>429,110</u>	<u>206,423</u>	<u>6,206</u>	<u>15,240</u>
Expenditures:				
Current:				
General government	77,959	11,973	13,933	26,469
Public safety	7,521	129,725	323,304	--
Physical environment	11,607	7,971	--	--
Transportation	159	17	--	--
Economic environment	15,912	1,124	--	--
Human services	36,541	32	--	--
Culture and recreation	10,755	23,750	--	--
Capital outlay	1,645	110	13,211	2,623
Total expenditures	<u>162,099</u>	<u>174,702</u>	<u>350,448</u>	<u>29,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>267,011</u>	<u>31,721</u>	<u>(344,242)</u>	<u>(13,852)</u>
Other financing sources (uses):				
Transfers in	58,689	93,173	376,694	21,539
Transfers out	(343,174)	(125,477)	(32,864)	(7,687)
Sales of capital assets	569	1	545	--
Total other financing sources (uses)	<u>(283,916)</u>	<u>(32,303)</u>	<u>344,375</u>	<u>13,852</u>
Net change in fund balances	(16,905)	(582)	133	--
Fund balances, beginning of year	159,551	108,200	--	--
Increase (decrease) in nonspendable fund balances	134	(322)	--	--
Fund balances, end of year	<u>\$ 142,780</u>	<u>107,296</u>	<u>133</u>	<u>--</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
--	--	--	517,224
--	--	--	1,358
--	--	--	537
--	--	--	27,790
--	--	1,195	3,560
2,102	--	5,594	104,207
--	--	--	3,915
1	--	(30)	1,442
16	--	--	5,824
<u>2,119</u>	<u>--</u>	<u>6,759</u>	<u>665,857</u>
12,458	7,761	22,859	173,412
--	--	--	460,550
--	--	--	19,578
--	--	--	176
--	--	--	17,036
--	--	--	36,573
--	--	--	34,505
30	135	1,994	19,748
<u>12,488</u>	<u>7,896</u>	<u>24,853</u>	<u>761,578</u>
<u>(10,369)</u>	<u>(7,896)</u>	<u>(18,094)</u>	<u>(95,721)</u>
10,590	11,466	18,878	591,029
(221)	(3,570)	(784)	(513,777)
--	--	--	1,115
<u>10,369</u>	<u>7,896</u>	<u>18,094</u>	<u>78,367</u>
--	--	--	(17,354)
--	--	--	267,751
--	--	--	(188)
<u>--</u>	<u>--</u>	<u>--</u>	<u>250,209</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, 2014**  
**(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	\$ 368,686	368,686	353,280	(15,406)
Taxes--other	1,446	1,446	1,358	(88)
Licenses, permits, special assessments	556	556	486	(70)
Intergovernmental--state shared revenues	10,665	10,665	11,559	894
Intergovernmental--grants	157	223	175	(48)
Charges for services	57,834	57,834	57,348	(486)
Fines and forfeitures	59	59	126	67
Interest	1,374	1,375	808	(567)
Miscellaneous	4,061	4,061	3,970	(91)
Total revenues	<u>444,838</u>	<u>444,905</u>	<u>429,110</u>	<u>(15,795)</u>
Expenditures:				
Current:				
General government	82,114	81,778	77,959	3,819
Public safety	7,447	7,612	7,521	91
Physical environment	12,364	12,350	11,607	743
Transportation	186	186	159	27
Economic environment	20,866	21,013	15,912	5,101
Human services	40,346	40,333	36,541	3,792
Culture and recreation	10,725	10,730	10,755	(25)
Capital outlay	2,080	2,025	1,645	380
Total expenditures	<u>176,128</u>	<u>176,027</u>	<u>162,099</u>	<u>13,928</u>
Excess (deficiency) of revenues over (under) expenditures	<u>268,710</u>	<u>268,878</u>	<u>267,011</u>	<u>(1,867)</u>
Other financing sources (uses):				
Transfers in	43,957	43,957	58,689	14,732
Transfers out	(349,540)	(350,662)	(343,174)	7,488
Sales of capital assets	302	302	569	267
Budgetary reserves	(95,351)	(94,397)	--	94,397
Budget allowance	(23,310)	(23,310)	--	23,310
Total other financing sources (uses)	<u>(423,942)</u>	<u>(424,110)</u>	<u>(283,916)</u>	<u>140,194</u>
Net change in fund balances	(155,232)	(155,232)	(16,905)	138,327
Fund balances, beginning of year	155,232	155,232	159,551	4,319
Increase (decrease) in nonspendable fund balances	--	--	134	134
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>142,780</u>	<u>142,780</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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes--ad valorem property taxes	\$ 171,249	171,249	163,944	(7,305)
Licenses, permits, special assessments	37	37	51	14
Intergovernmental--state shared revenues	14,571	14,571	16,231	1,660
Charges for services	18,323	18,323	20,823	2,500
Fines and forfeitures	4,017	4,017	3,789	(228)
Interest	832	832	547	(285)
Miscellaneous	723	722	1,038	316
Total revenues	209,752	209,751	206,423	(3,328)
Expenditures:				
Current:				
General government	15,839	15,558	11,973	3,585
Public safety	130,335	131,085	129,725	1,360
Physical environment	9,000	9,000	7,971	1,029
Transportation	50	50	17	33
Economic environment	2,538	2,538	1,124	1,414
Human services	--	29	32	(3)
Culture and recreation	25,090	25,178	23,750	1,428
Capital outlay	13	166	110	56
Total expenditures	182,865	183,604	174,702	8,902
Excess (deficiency) of revenues over (under) expenditures	26,887	26,147	31,721	5,574
Other financing sources (uses):				
Transfers in	91,961	92,675	93,173	498
Transfers out	(125,809)	(125,809)	(125,477)	332
Sales of capital assets	--	--	1	1
Budgetary reserves	(89,597)	(89,571)	--	89,571
Budget allowance	(10,853)	(10,853)	--	10,853
Total other financing sources (uses)	(134,298)	(133,558)	(32,303)	101,255
Net change in fund balances	(107,411)	(107,411)	(582)	106,829
Fund balances, beginning of year	107,411	107,411	108,200	789
Increase (decrease) in nonspendable fund balances	--	--	(322)	(322)
Fund balances, end of year	\$ --	--	107,296	107,296

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**General Fund - Sheriff (Budgetary Basis)**  
**For the fiscal year ended September 30, 2014**  
**(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	\$ --	--	1,122	1,122
Interest	--	--	104	104
Miscellaneous	--	--	494	494
Total revenues	<u>--</u>	<u>--</u>	<u>1,720</u>	<u>1,720</u>
Expenditures:				
Current:				
General government	14,976	14,971	13,933	1,038
Public safety	349,885	344,700	320,496	24,204
Capital outlay	11,713	17,023	11,863	5,160
Total expenditures	<u>376,574</u>	<u>376,694</u>	<u>346,292</u>	<u>30,402</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(376,574)</u>	<u>(376,694)</u>	<u>(344,572)</u>	<u>32,122</u>
Other financing sources (uses):				
Transfers in	376,574	376,694	376,694	--
Transfers out	--	--	(32,647)	(32,647)
Sales of capital assets	--	--	525	525
Total other financing sources (uses)	<u>376,574</u>	<u>376,694</u>	<u>344,572</u>	<u>(32,122)</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>
Fund balances, end of year				
Add intergovernmental grants			2,190	
Add contract-related charges for services			2,296	
Add proceeds from the sale of capital assets			20	
Increase public safety and general government expenditures			(2,808)	
Increase capital outlay			(1,348)	
Distribution of excess revenues to the Board of County Commissioners			(217)	
Fund balances, end of year--GAAP basis			<u>\$ 133</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, 2014**  
**(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	\$ 13,678	13,678	14,921	1,243
Interest	15	15	13	(2)
Miscellaneous	220	220	306	86
Total revenues	<u>13,913</u>	<u>13,913</u>	<u>15,240</u>	<u>1,327</u>
Expenditures:				
Current:				
General government	26,927	26,564	25,626	938
Capital outlay	2,261	2,624	2,623	1
Total expenditures	<u>29,188</u>	<u>29,188</u>	<u>28,249</u>	<u>939</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,275)</u>	<u>(15,275)</u>	<u>(13,009)</u>	<u>2,266</u>
Other financing sources (uses):				
Transfers in	22,735	22,735	21,539	(1,196)
Transfers out	(6,714)	(6,714)	(7,687)	(973)
Distribution of excess fees	(746)	(746)	(843)	(97)
Total other financing sources (uses)	<u>15,275</u>	<u>15,275</u>	<u>13,009</u>	<u>(2,266)</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>
Fund balances, end of year				
Reduce distribution of excess fees			843	
Increase general government expenditures			(843)	
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 - Property Appraiser (Budgetary Basis)**  
**For the fiscal year ended September 30, 2014**  
**(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	\$ 808	1,116	990	(126)
Interest	--	--	1	1
Miscellaneous	--	--	16	16
Total revenues	<u>808</u>	<u>1,116</u>	<u>1,007</u>	<u>(109)</u>
Expenditures:				
Current:				
General government	11,098	11,376	11,302	74
Capital outlay	--	30	30	--
Total expenditures	<u>11,098</u>	<u>11,406</u>	<u>11,332</u>	<u>74</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,290)</u>	<u>(10,290)</u>	<u>(10,325)</u>	<u>(35)</u>
Other financing sources (uses):				
Transfers in	10,290	10,290	10,590	300
Transfers out	--	--	(221)	(221)
Distribution of excess fees	--	--	(44)	(44)
Total other financing sources (uses)	<u>10,290</u>	<u>10,290</u>	<u>10,325</u>	<u>35</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 of GAAP basis:				
Reduce distribution of excess fees			44	
Increase general government expenditures			(44)	
Revenues from certain governments not budgeted			1,112	
Expenditures from certain governments not budgeted			(1,112)	
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 - Supervisor of Elections**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ 9,727	7,761	7,761	--
Capital outlay	1,739	135	135	--
Total expenditures	11,466	7,896	7,896	--
Excess (deficiency) of revenues over (under) expenditures	(11,466)	(7,896)	(7,896)	--
Other financing sources (uses):				
Transfers in	11,466	11,466	11,466	--
Transfers out	--	(3,570)	(3,570)	--
Total other financing sources (uses)	11,466	7,896	7,896	--
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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental--grants	\$ 1,344	1,344	1,195	(149)
Charges for services	6,622	6,622	5,594	(1,028)
Interest	157	205	(30)	(235)
Total revenues	8,123	8,171	6,759	(1,412)
Expenditures:				
Current:				
General government	24,573	23,995	22,859	1,136
Capital outlay	1,097	2,001	1,994	7
Total expenditures	25,670	25,996	24,853	1,143
Excess (deficiency) of revenues over (under) expenditures	(17,547)	(17,825)	(18,094)	(269)
Other financing sources (uses):				
Transfers in	18,879	18,879	18,878	(1)
Transfers out	(1,332)	(1,054)	(784)	270
Total other financing sources (uses)	17,547	17,825	18,094	269
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	\$ --	--	--	--

**HILLSBOROUGH COUNTY, FLORIDA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**September 30, 2014**  
(amounts in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 35,328	6,280	19,611	61,219
Investments	64,409	26,415	82,486	173,310
Accounts receivable, net	843	--	--	843
Interest receivable	116	47	147	310
Delinquent ad valorem taxes receivable	78	10	--	88
Due from other funds	934	67	--	1,001
Due from other governmental units	3,934	--	--	3,934
Inventories	137	--	--	137
Total assets	<u>105,779</u>	<u>32,819</u>	<u>102,244</u>	<u>240,842</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	3,544	45	4,243	7,832
Accrued liabilities	1,260	--	--	1,260
Due to other funds	860	30	--	890
Due to other governmental units	4,257	--	--	4,257
Total liabilities	<u>9,921</u>	<u>75</u>	<u>4,243</u>	<u>14,239</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	376	45	--	421
Total deferred inflows of resources	<u>376</u>	<u>45</u>	<u>--</u>	<u>421</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories and prepaid items	137	--	--	137
Restricted for:				
Debt service	--	32,729	624	33,353
Grant programs and projects	399	--	--	399
Federal and state law	55,017	--	--	55,017
Impact fees	12,709	--	--	12,709
Bond covenants	--	--	20,749	20,749
Other purposes	4,935	--	--	4,935
Committed to:				
BOCC ordinance/other purposes	18,683	--	--	18,683
Assigned to:				
Capital projects	--	--	76,628	76,628
Major maintenance & repair projects	3,602	--	--	3,602
Unassigned	--	(30)	--	(30)
Total fund balances	<u>95,482</u>	<u>32,699</u>	<u>98,001</u>	<u>226,182</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 105,779</u>	<u>32,819</u>	<u>102,244</u>	<u>240,842</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
Revenues:				
Taxes--ad valorem property taxes	\$ 33,075	4,708	--	37,783
Taxes--other	26,516	--	--	26,516
Licenses, permits, special assessments	13,458	--	--	13,458
Intergovernmental--state shared revenues	1,094	--	--	1,094
Intergovernmental--grants	6,938	--	932	7,870
Charges for services	38,624	479	--	39,103
Fines and forfeitures	7,655	--	--	7,655
Interest	343	83	76	502
Miscellaneous	357	167	579	1,103
Total revenues	<u>128,060</u>	<u>5,437</u>	<u>1,587</u>	<u>135,084</u>
Expenditures:				
Current:				
General government	37,504	9	2,881	40,394
Public safety	26,011	--	3	26,014
Physical environment	2,103	--	835	2,938
Economic environment	--	--	6,060	6,060
Culture and recreation	34,837	--	3,324	38,161
Capital outlay	18,890	--	16,525	35,415
Debt service:				
Principal	--	30,566	--	30,566
Interest and fiscal charges	--	24,062	--	24,062
Total expenditures	<u>119,345</u>	<u>54,637</u>	<u>29,628</u>	<u>203,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,715</u>	<u>(49,200)</u>	<u>(28,041)</u>	<u>(68,526)</u>
Other financing sources (uses):				
Transfers in	8,400	49,039	16,475	73,914
Transfers out	(29,963)	(154)	(10,290)	(40,407)
Face amount of long-term debt issued	--	--	6,000	6,000
Sales of capital assets	36	--	--	36
Total other financing sources (uses)	<u>(21,527)</u>	<u>48,885</u>	<u>12,185</u>	<u>39,543</u>
Net change in fund balances	(12,812)	(315)	(15,856)	(28,983)
Fund balances, beginning of year	108,376	33,014	113,857	255,247
Increase (decrease) in nonspendable fund balances	(82)	--	--	(82)
Fund balances, end of year	<u>\$ 95,482</u>	<u>32,699</u>	<u>98,001</u>	<u>226,182</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, and to fund inmate programs.

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

**Other Purposes Fund** – To account for the revenues and expenditures related to construction of the Sheriff's 9/11 Memorial and overtime incurred for activities to prevent underage drinking.

### SUPERVISOR OF ELECTIONS:

**Grants Fund** – To account for federal, state, or other grants received by the Supervisor of Elections for programs including voter education and equipment as well as the recruiting and training of poll workers.

### 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 court-ordered sales of property, as well as runs 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 public records per Florida Statute 28.24(12)(d). Public Records Court Technology Trust Fund to operate/support an integrated computer system for judicial agencies and support state court system operations per Florida Statute 28.24(12)(e)(1). Foreclosure Public Education Fund to educate the public of their rights in foreclosure proceedings per Florida Statute 45.035(2)(a), and Public Records Court Operations Trust Fund for Clerk court-related operational needs and program enhancements per Florida Statute 28.37(2).

**HILLSBOROUGH COUNTY, FLORIDA**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**September 30, 2014**  
(amounts in thousands)

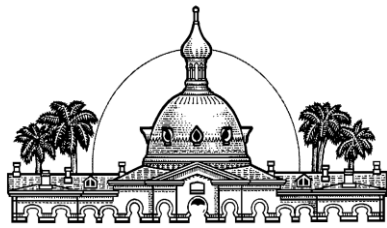
	<b>BOARD OF COUNTY COMMISSIONERS</b>		
	<b>Unincorporated Area Special Purpose</b>	<b>Library</b>	<b>Civil Service Board</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 7,567	7,741	5
Investments	31,829	32,560	20
Accounts receivable, net	1	153	29
Interest receivable	57	59	--
Delinquent ad valorem taxes receivable	5	73	--
Due from other funds	92	443	--
Due from other governmental units	3,914	--	--
Inventories	--	137	--
Total assets	<u>43,465</u>	<u>41,166</u>	<u>54</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	1,287	1,252	6
Accrued liabilities	208	400	48
Due to other funds	13	--	--
Due to other governmental units	--	--	--
Total liabilities	<u>1,508</u>	<u>1,652</u>	<u>54</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	66	310	--
Total deferred inflows of resources	<u>66</u>	<u>310</u>	<u>--</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventories and prepaid items	--	137	--
Restricted for:			
Grant programs and projects	--	--	--
Federal and state law	6,897	39,067	--
Impact fees	12,709	--	--
Other purposes	--	--	--
Committed to:			
BOCC ordinance/other purposes	18,683	--	--
Assigned to:			
Major maintenance & repair projects	3,602	--	--
Total fund balances	<u>41,891</u>	<u>39,204</u>	<u>--</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 43,465</u>	<u>41,166</u>	<u>54</u>

**SHERIFF**

<u>Child Protection Investigations</u>	<u>Special Use</u>	<u>Jail Inmate Canteen</u>	<u>Communications 911</u>
2,666	917	4,524	45
--	--	--	--
--	--	660	--
--	--	--	--
--	--	--	--
--	20	--	--
--	--	--	--
<u>2,666</u>	<u>937</u>	<u>5,184</u>	<u>45</u>
38	90	249	3
--	--	--	--
--	847	--	--
143	--	--	--
<u>181</u>	<u>937</u>	<u>249</u>	<u>3</u>
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
2,485	--	--	42
--	--	--	--
--	--	4,935	--
--	--	--	--
--	--	--	--
<u>2,485</u>	<u>--</u>	<u>4,935</u>	<u>42</u>
<u>2,666</u>	<u>937</u>	<u>5,184</u>	<u>45</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet (Continued)**  
**September 30, 2014**  
(amounts in thousands)

	<u>SUPERVISOR</u> Supervisor of Elections Grants	<u>CLERK</u> Court Operations & Public Records	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ --	11,863	35,328
Investments	--	--	64,409
Accounts receivable, net	--	--	843
Interest receivable	--	--	116
Delinquent ad valorem taxes receivable	--	--	78
Due from other funds	399	--	934
Due from other governmental units	--	--	3,934
Inventories	--	--	137
Total assets	<u>399</u>	<u>11,863</u>	<u>105,779</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	--	619	3,544
Accrued liabilities	--	604	1,260
Due to other funds	--	--	860
Due to other governmental units	--	4,114	4,257
Total liabilities	<u>--</u>	<u>5,337</u>	<u>9,921</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	--	--	376
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>376</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventories and prepaid items	--	--	137
Restricted for:			
Grant programs and projects	399	--	399
Federal and state law	--	6,526	55,017
Impact fees	--	--	12,709
Other purposes	--	--	4,935
Committed to:			
BOCC ordinance/other purposes	--	--	18,683
Assigned to:			
Major maintenance & repair projects	--	--	3,602
Total fund balances	<u>399</u>	<u>6,526</u>	<u>95,482</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 399</u>	<u>11,863</u>	<u>105,779</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, 2014**  
**(amounts in thousands)**

	<b>BOARD OF COUNTY COMMISSIONERS</b>		
	<b>Unincorporated Area Special Purpose</b>	<b>Library</b>	<b>Civil Service Board</b>
Revenues:			
Taxes--ad valorem property taxes	\$ --	33,075	--
Taxes--other	26,516	--	--
Licenses, permits, special assessments	13,458	--	--
Intergovernmental--state shared revenues	1,094	--	--
Intergovernmental--grants	--	975	--
Charges for services	1,843	265	206
Fines and forfeitures	86	456	--
Interest	122	185	--
Miscellaneous	178	89	--
Total revenues	<u>43,297</u>	<u>35,045</u>	<u>206</u>
Expenditures:			
Current:			
General government	2,610	2	2,625
Public safety	9,760	--	--
Physical environment	2,103	--	--
Culture and recreation	1,566	33,271	--
Capital outlay	6,292	8,493	4
Total expenditures	<u>22,331</u>	<u>41,766</u>	<u>2,629</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,966</u>	<u>(6,721)</u>	<u>(2,423)</u>
Other financing sources (uses):			
Transfers in	2,757	163	2,423
Transfers out	(27,584)	(938)	--
Sales of capital assets	--	--	--
Total other financing sources (uses)	<u>(24,827)</u>	<u>(775)</u>	<u>2,423</u>
Net change in fund balances	(3,861)	(7,496)	--
Fund balances, beginning of year	45,752	46,782	--
Increase (decrease) in nonspendable fund balances	--	(82)	--
Fund balances, end of year	<u>\$ 41,891</u>	<u>39,204</u>	<u>--</u>

SHERIFF				
Child Protection Investigations	Special Use	Jail Inmate Canteen	Communication 911	Other Purposes
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
5,321	--	--	517	--
8,535	55	2,555	--	--
--	469	--	--	--
2	--	5	1	--
35	54	1	--	--
<u>13,893</u>	<u>578</u>	<u>2,561</u>	<u>518</u>	<u>--</u>
--	--	--	--	--
12,338	2,138	1,256	514	5
--	--	--	--	--
--	--	--	--	--
258	23	3	--	246
<u>12,596</u>	<u>2,161</u>	<u>1,259</u>	<u>514</u>	<u>251</u>
1,297	(1,583)	1,302	4	(251)
--	2,988	--	--	--
--	(1,441)	--	--	--
--	36	--	--	--
--	<u>1,583</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,297	--	1,302	4	(251)
1,188	--	3,633	38	251
--	--	--	--	--
<u>2,485</u>	<u>--</u>	<u>4,935</u>	<u>42</u>	<u>--</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, 2014**  
(amounts in thousands)

	<u>SUPERVISOR</u> Supervisor of Elections Grants	<u>CLERK</u> Court Operations & Public Records	<u>Total</u>
Revenues:			
Taxes--ad valorem property taxes	\$ --	--	33,075
Taxes--other	--	--	26,516
Licenses, permits, special assessments	--	--	13,458
Intergovernmental--state shared revenues	--	--	1,094
Intergovernmental--grants	125	--	6,938
Charges for services	--	25,165	38,624
Fines and forfeitures	--	6,644	7,655
Interest	1	27	343
Miscellaneous	--	--	357
Total revenues	<u>126</u>	<u>31,836</u>	<u>128,060</u>
Expenditures:			
Current:			
General government	5	32,262	37,504
Public safety	--	--	26,011
Physical environment	--	--	2,103
Culture and recreation	--	--	34,837
Capital outlay	--	3,571	18,890
Total expenditures	<u>5</u>	<u>35,833</u>	<u>119,345</u>
Excess (deficiency) of revenues over (under) expenditures	<u>121</u>	<u>(3,997)</u>	<u>8,715</u>
Other financing sources (uses):			
Transfers in	69	--	8,400
Transfers out	--	--	(29,963)
Sales of capital assets	--	--	36
Total other financing sources (uses)	<u>69</u>	<u>--</u>	<u>(21,527)</u>
Net change in fund balances	190	(3,997)	(12,812)
Fund balances, beginning of year	209	10,523	108,376
Increase (decrease) in nonspendable fund balances	--	--	(82)
Fund balances, end of year	<u>\$ 399</u>	<u>6,526</u>	<u>95,482</u>



**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, 2014**  
**(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	\$ 25,195	25,195	26,516	1,321
Licenses, permits, special assessments	8,331	8,331	5,745	(2,586)
Intergovernmental--state shared revenues	1,000	1,000	1,094	94
Charges for services	1,214	1,214	1,033	(181)
Fines and forfeitures	288	288	86	(202)
Interest	51	51	22	(29)
Miscellaneous	180	180	179	(1)
Total revenues	<u>36,259</u>	<u>36,259</u>	<u>34,675</u>	<u>(1,584)</u>
Expenditures:				
Current:				
General government	2,062	2,062	2,135	(73)
Public safety	10,922	10,922	9,332	1,590
Physical environment	2,547	2,547	1,997	550
Culture and recreation	115	115	101	14
Capital outlay	68	533	480	53
Total expenditures	<u>15,714</u>	<u>16,179</u>	<u>14,045</u>	<u>2,134</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,545</u>	<u>20,080</u>	<u>20,630</u>	<u>550</u>
Other financing sources (uses):				
Transfers in	1,444	1,444	122	(1,322)
Transfers out	(24,160)	(24,160)	(24,160)	--
Budgetary reserves	(6,538)	(6,073)	--	6,073
Budget allowance	(1,809)	(1,809)	--	1,809
Total other financing sources (uses)	<u>(31,063)</u>	<u>(30,598)</u>	<u>(24,038)</u>	<u>6,560</u>
Net change in fund balances	(10,518)	(10,518)	(3,408)	7,110
Fund balances, beginning of year	10,518	10,518	9,820	(698)
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>6,412</u>	<u>6,412</u>
Add end of year fund balances from non-annually appropriated projects			<u>35,479</u>	
Fund balances, end of year--GAAP basis			<u>\$ 41,891</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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes--ad valorem property taxes	\$ 34,491	34,491	33,075	(1,416)
Charges for services	270	270	265	(5)
Fines and forfeitures	490	490	456	(34)
Interest	314	314	185	(129)
Miscellaneous	81	81	88	7
Total revenues	35,646	35,646	34,069	(1,577)
Expenditures:				
Current:				
General government	--	--	3	(3)
Culture and recreation	32,807	32,647	31,156	1,491
Capital outlay	2,071	2,231	2,044	187
Total expenditures	34,878	34,878	33,203	1,675
Excess (deficiency) of revenues over (under) expenditures	768	768	866	98
Other financing sources (uses):				
Transfers in	129	129	163	34
Transfers out	(4,051)	(4,051)	(938)	3,113
Budgetary reserves	(17,991)	(17,991)	--	17,991
Budget allowance	(1,740)	(1,740)	--	1,740
Total other financing sources (uses)	(23,653)	(23,653)	(775)	22,878
Net change in fund balances	(22,885)	(22,885)	91	22,976
Fund balances, beginning of year	22,885	22,885	23,431	546
Fund balances, end of year--budgetary basis	\$ --	--	23,522	23,522
Add end of year fund balances from non-annually appropriated projects			15,682	
Fund balances, end of year--GAAP basis			\$ 39,204	

**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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 242	242	206	(36)
Total revenues	242	242	206	(36)
Expenditures:				
Current:				
General government	3,239	3,199	2,625	574
Capital outlay	--	40	4	36
Total expenditures	3,239	3,239	2,629	610
Excess (deficiency) of revenues over (under) expenditures	(2,997)	(2,997)	(2,423)	574
Other financing sources:				
Transfers in	3,009	3,009	2,423	(586)
Budget allowance	(12)	(12)	--	12
Total other financing sources	2,997	2,997	2,423	(574)
Net change in fund balances	--	--	--	--
Fund balances, end of year	\$ --	--	--	--

**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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ --	--	55	55
Fines and forfeitures	--	--	469	469
Miscellaneous	--	--	54	54
Total revenues	--	--	578	578
Expenditures:				
Current:				
Public safety	2,714	2,714	2,138	576
Capital outlay	274	274	23	251
Total expenditures	2,988	2,988	2,161	827
Excess (deficiency) of revenues over (under) expenditures	(2,988)	(2,988)	(1,583)	1,405
Other financing sources (uses):				
Transfers in	2,988	2,988	2,988	--
Transfers out	--	--	(1,441)	(1,441)
Sales of capital assets	--	--	36	36
Total other financing sources (uses)	2,988	2,988	1,583	(1,405)
Net change in fund balances	--	--	--	--
Fund balances, end of year	\$ --	--	--	--

**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, 2014**  
**(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	\$ 27,326	27,326	25,165	(2,161)
Fines and forfeitures	6,878	6,878	6,644	(234)
Interest	10	10	27	17
Total revenues	<u>34,214</u>	<u>34,214</u>	<u>31,836</u>	<u>(2,378)</u>
Expenditures:				
Current:				
General government	32,997	34,950	32,262	2,688
Capital outlay	3,696	5,335	3,571	1,764
Total expenditures	<u>36,693</u>	<u>40,285</u>	<u>35,833</u>	<u>4,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,479)</u>	<u>(6,071)</u>	<u>(3,997)</u>	<u>2,074</u>
Other financing sources (uses):				
Budget allowance	2,479	6,071	--	(6,071)
Total other financing sources (uses)	<u>2,479</u>	<u>6,071</u>	<u>--</u>	<u>(6,071)</u>
Net change in fund balances	--	--	(3,997)	(3,997)
Fund balances, beginning of year	10,523	10,523	10,523	--
Fund balances, end of year	<u>\$ 10,523</u>	<u>10,523</u>	<u>6,526</u>	<u>(3,997)</u>

## NONMAJOR DEBT SERVICE FUNDS

### BOARD OF COUNTY COMMISSIONERS:

**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.

**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 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).

**2005 Tampa Bay Arena 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.

**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 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.

**2006A 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 Investment 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 Capital Improvement Non-Ad Valorem Refunding Revenue Bonds Fund** – To account for the sinking fund requirements of the 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.

## **NONMAJOR DEBT SERVICE FUNDS (Continued)**

**2009 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.

**2012 Community Investment Tax Refunding Revenue Bonds Fund** – To account for the annual debt service requirements on the Community Investment Tax Refunding Revenue Bonds, Series 2012A and 2012B. Interest and principal payments are due through final maturity in November 2025. Debt service is secured by a pledge of the Community Investment Tax revenues and related investment earnings.

**2012 Capital Improvement Program Revenue Bonds Fund** – To account for the annual debt service requirements on the Capital Improvement Program Revenue Bonds, Series 2012. Interest and principal payments are due through final maturity in November 2025. Debt service is payable solely from a pledge of the local government half-cent sales tax revenues.

**Commercial Paper Program (M2Gen, Arena, etc.)** – To account for commercial paper notes for the arena as well as 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” the M2Gen liability over the 30 year life of the project.

**Communications Services Tax Revenue Bonds** – To accumulate funds to pay debt service on the County’s pending issuance of Communication Services Tax Revenue Bonds.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Nonmajor Debt Service Funds**  
**Combining Balance Sheet**  
**September 30, 2014**  
(amounts in thousands)

	<b>2002 Parks and Recreation</b>	<b>2004 CIT</b>	<b>2005 Court Facilities</b>	<b>2005 Arena Refunding</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 40	395	330	205
Investments	167	1,663	1,384	863
Interest receivable	--	3	2	2
Delinquent ad valorem taxes receivable	2	--	--	--
Due from other funds	16	--	--	--
<b>Total assets</b>	<b>225</b>	<b>2,061</b>	<b>1,716</b>	<b>1,070</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	--	--	--	--
Due to other funds	--	--	--	--
<b>Total liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	10	--	--	--
<b>Total deferred inflows of resources</b>	<b>10</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>FUND BALANCES</b>				
Restricted for:				
Debt service	215	2,061	1,716	1,070
Unassigned	--	--	--	--
<b>Total fund balances</b>	<b>215</b>	<b>2,061</b>	<b>1,716</b>	<b>1,070</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 225</b>	<b>2,061</b>	<b>1,716</b>	<b>1,070</b>



<b>2006 Capital Improvement Program</b>	<b>2006 4th Cent Tourist Development Tax</b>	<b>2006 5th Cent Tourist Development Tax</b>	<b>2007 CIT</b>	<b>2008 Capital Improvement Program</b>	<b>2009 ELAPP</b>
732	170	243	2,193	68	114
3,079	718	1,023	9,225	285	478
6	1	2	17	1	1
--	--	--	--	--	8
--	--	--	--	--	51
<u>3,817</u>	<u>889</u>	<u>1,268</u>	<u>11,435</u>	<u>354</u>	<u>652</u>
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	35
--	--	--	--	--	35
3,817	889	1,268	11,435	354	617
--	--	--	--	--	--
<u>3,817</u>	<u>889</u>	<u>1,268</u>	<u>11,435</u>	<u>354</u>	<u>617</u>
<u>3,817</u>	<u>889</u>	<u>1,268</u>	<u>11,435</u>	<u>354</u>	<u>652</u>

(continued)

**HILLSBOROUGH COUNTY, FLORIDA**  
**Nonmajor Debt Service Funds**  
**Combining Balance Sheet (Continued)**  
**September 30, 2014**  
(amounts in thousands)

	2012 CIT	2012 Capital Improvement Program	Commercial Paper (M2Gen, Arena, etc)
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 2	--	1,420
Investments	10	--	5,971
Interest receivable	--	--	10
Delinquent ad valorem taxes receivable	--	--	--
Due from other funds	--	--	--
Total assets	<u>12</u>	<u>--</u>	<u>7,401</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	--	--	45
Due to other funds	--	30	--
Total liabilities	<u>--</u>	<u>30</u>	<u>45</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>
<b>FUND BALANCES</b>			
Restricted for:			
Debt service	12	--	7,356
Unassigned	--	(30)	--
Total fund balances	<u>12</u>	<u>(30)</u>	<u>7,356</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12</u>	<u>--</u>	<u>7,401</u>

<u>Communications Services Tax</u>	<u>Total</u>
368	6,280
1,549	26,415
2	47
--	10
--	67
<u>1,919</u>	<u>32,819</u>
--	45
--	30
<u>--</u>	<u>75</u>
--	45
<u>--</u>	<u>45</u>
1,919	32,729
<u>--</u>	<u>(30)</u>
<u>1,919</u>	<u>32,699</u>
<u>1,919</u>	<u>32,819</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, 2014**  
**(amounts in thousands)**

	<u>2002 Parks and Recreation</u>	<u>2004 CIT</u>	<u>2005 Court Facilities</u>	<u>2005 Arena Refunding</u>
Revenues:				
Taxes--ad valorem property taxes	\$ 971	--	--	--
Charges for services	--	--	--	377
Interest	2	3	3	1
Miscellaneous	--	--	--	--
Total revenues	<u>973</u>	<u>3</u>	<u>3</u>	<u>378</u>
Expenditures:				
Current:				
General government	--	--	--	--
Debt service:				
Principal	810	3,560	1,270	730
Interest and fiscal charges	523	237	1,263	579
Total expenditures	<u>1,333</u>	<u>3,797</u>	<u>2,533</u>	<u>1,309</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(360)</u>	<u>(3,794)</u>	<u>(2,530)</u>	<u>(931)</u>
Other financing sources (uses):				
Transfers in	430	4,196	2,531	650
Transfers out	(38)	--	--	--
Total other financing sources (uses)	<u>392</u>	<u>4,196</u>	<u>2,531</u>	<u>650</u>
Net change in fund balances	32	402	1	(281)
Fund balances, beginning of year	183	1,659	1,715	1,351
Fund balances, end of year	<u>\$ 215</u>	<u>2,061</u>	<u>1,716</u>	<u>1,070</u>

<b>2006 Capital Improvement Program</b>	<b>2006 4th Cent Tourist Development Tax</b>	<b>2006 5th Cent Tourist Development Tax</b>	<b>2007 CIT</b>	<b>2008 Capital Improvement Program</b>
--	--	--	--	--
102	--	--	--	--
14	1	1	17	2
99	--	--	--	68
<u>215</u>	<u>1</u>	<u>1</u>	<u>17</u>	<u>70</u>
--	--	--	--	6
2,045	520	685	8,860	785
1,199	655	1,091	7,302	653
<u>3,244</u>	<u>1,175</u>	<u>1,776</u>	<u>16,162</u>	<u>1,444</u>
<u>(3,029)</u>	<u>(1,174)</u>	<u>(1,775)</u>	<u>(16,145)</u>	<u>(1,374)</u>
2,946	1,176	1,799	16,331	1,367
--	--	--	--	--
<u>2,946</u>	<u>1,176</u>	<u>1,799</u>	<u>16,331</u>	<u>1,367</u>
(83)	2	24	186	(7)
3,900	887	1,244	11,249	361
<u>3,817</u>	<u>889</u>	<u>1,268</u>	<u>11,435</u>	<u>354</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, 2014**  
**(amounts in thousands)**

	<u>2009 ELAPP</u>	<u>2012 CIT</u>	<u>2012 Capital Improvement Program</u>
Revenues:			
Taxes--ad valorem property taxes	\$ 3,737	--	--
Charges for services	--	--	--
Interest	10	(1)	6
Miscellaneous	--	--	--
Total revenues	<u>3,747</u>	<u>(1)</u>	<u>6</u>
Expenditures:			
Current:			
General government	1	2	--
Debt service:			
Principal	1,335	2,265	3,700
Interest and fiscal charges	3,213	4,056	3,079
Total expenditures	<u>4,549</u>	<u>6,323</u>	<u>6,779</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(802)</u>	<u>(6,324)</u>	<u>(6,773)</u>
Other financing sources (uses):			
Transfers in	1,216	4,793	6,777
Transfers out	(116)	--	--
Total other financing sources (uses)	<u>1,100</u>	<u>4,793</u>	<u>6,777</u>
Net change in fund balances	298	(1,531)	4
Fund balances, beginning of year	319	1,543	(34)
Fund balances, end of year	<u>\$ 617</u>	<u>12</u>	<u>(30)</u>

<u>Commercial Paper (M2Gen, Arena, etc.)</u>	<u>Communications Services Tax</u>	<u>Total</u>
--	--	4,708
--	--	479
19	5	83
--	--	167
<u>19</u>	<u>5</u>	<u>5,437</u>
--	--	9
4,001	--	30,566
212	--	24,062
<u>4,213</u>	<u>--</u>	<u>54,637</u>
<u>(4,194)</u>	<u>5</u>	<u>(49,200)</u>
4,827	--	49,039
--	--	(154)
<u>4,827</u>	<u>--</u>	<u>48,885</u>
633	5	(315)
6,723	1,914	33,014
<u>7,356</u>	<u>1,919</u>	<u>32,699</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**2002 Parks and Recreation Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes--ad valorem property taxes	\$ 1,015	1,015	971	(44)
Interest	2	2	2	--
Total revenues	1,017	1,017	973	(44)
Expenditures:				
Debt service:				
Principal	810	810	810	--
Interest and fiscal charges	523	523	523	--
Total expenditures	1,333	1,333	1,333	--
Excess (deficiency) of revenues over (under) expenditures	(316)	(316)	(360)	(44)
Other financing sources (uses):				
Transfers in	433	433	430	(3)
Transfers out	(46)	(46)	(38)	8
Budgetary reserves	(154)	(154)	--	154
Budget allowance	(58)	(58)	--	58
Total other financing sources (uses)	175	175	392	217
Net change in fund balances	(141)	(141)	32	173
Fund balances, beginning of year	141	141	183	42
Fund balances, end of year	\$ --	--	215	215



**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, 2014**  
**(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	\$ 4	4	3	(1)
Total revenues	<u>4</u>	<u>4</u>	<u>3</u>	<u>(1)</u>
Expenditures:				
Debt service:				
Principal	3,560	3,560	3,560	--
Interest and fiscal charges	237	237	237	--
Total expenditures	<u>3,797</u>	<u>3,797</u>	<u>3,797</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,793)</u>	<u>(3,793)</u>	<u>(3,794)</u>	<u>(1)</u>
Other financing sources (uses):				
Transfers in	4,196	4,196	4,196	--
Budgetary reserves	(1,988)	(1,988)	--	1,988
Total other financing sources (uses)	<u>2,208</u>	<u>2,208</u>	<u>4,196</u>	<u>1,988</u>
Net change in fund balances	(1,585)	(1,585)	402	1,987
Fund balances, beginning of year	1,585	1,585	1,659	74
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>2,061</u>	<u>2,061</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, 2014**  
**(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	1	1	--	1
Debt service:				
Principal	1,270	1,270	1,270	--
Interest and fiscal charges	1,263	1,263	1,263	--
Total expenditures	<u>2,534</u>	<u>2,534</u>	<u>2,533</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,531)</u>	<u>(2,531)</u>	<u>(2,530)</u>	<u>1</u>
Other financing sources (uses):				
Transfers in	2,531	2,531	2,531	--
Budgetary reserves	(1,639)	(1,639)	--	1,639
Total other financing sources (uses)	<u>892</u>	<u>892</u>	<u>2,531</u>	<u>1,639</u>
Net change in fund balances	(1,639)	(1,639)	1	1,640
Fund balances, beginning of year	1,639	1,639	1,715	76
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,716</u>	<u>1,716</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**2005 Tampa Bay Arena Refunding Revenue Bonds Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 375	375	377	2
Interest	2	2	1	(1)
Total revenues	377	377	378	1
Expenditures:				
Current:				
General government	8	8	--	8
Debt service:				
Principal	730	730	730	--
Interest and fiscal charges	542	579	579	--
Total expenditures	1,280	1,317	1,309	8
Excess (deficiency) of revenues over (under) expenditures	(903)	(940)	(931)	9
Other financing sources (uses):				
Transfers in	650	650	650	--
Budgetary reserves	(1,040)	(1,003)	--	1,003
Budget allowance	(19)	(19)	--	19
Total other financing sources (uses)	(409)	(372)	650	1,022
	--			
Net change in fund balances	(1,312)	(1,312)	(281)	1,031
Fund balances, beginning of year	1,312	1,312	1,351	39
Fund balances, end of year	\$ --	--	1,070	1,070

**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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 115	115	102	(13)
Interest	17	17	14	(3)
Miscellaneous	100	100	99	(1)
Total revenues	232	232	215	(17)
Expenditures:				
Current:				
General government	3	3	--	3
Debt service:				
Principal	2,045	2,045	2,045	--
Interest and fiscal charges	1,199	1,199	1,199	--
Total expenditures	3,247	3,247	3,244	3
Excess (deficiency) of revenues over (under) expenditures	(3,015)	(3,015)	(3,029)	(14)
Other financing sources (uses):				
Transfers in	2,946	2,946	2,946	--
Budgetary reserves	(3,829)	(3,829)	--	3,829
Budget allowance	(12)	(12)	--	12
Total other financing sources (uses)	(895)	(895)	2,946	3,841
Net change in fund balances	(3,910)	(3,910)	(83)	3,827
Fund balances, beginning of year	3,910	3,910	3,900	(10)
Fund balances, end of year	\$ --	--	3,817	3,817

**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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 3	3	1	(2)
Total revenues	3	3	1	(2)
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	520	520	520	--
Interest and fiscal charges	655	655	655	--
Total expenditures	1,180	1,180	1,175	5
Excess (deficiency) of revenues over (under) expenditures	(1,177)	(1,177)	(1,174)	3
Other financing sources (uses):				
Transfers in	1,176	1,176	1,176	--
Budgetary reserves	(853)	(853)	--	853
Total other financing sources (uses)	323	323	1,176	853
Net change in fund balances	(854)	(854)	2	856
Fund balances, beginning of year	854	854	887	33
Fund balances, end of year	\$ --	--	889	889

**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, 2014**  
**(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	1	--
Total revenues	<u>1</u>	<u>1</u>	<u>1</u>	<u>--</u>
Expenditures:				
Current:				
General government	3	3	--	3
Debt service:				
Principal	685	685	685	--
Interest and fiscal charges	1,091	1,091	1,091	--
Total expenditures	<u>1,779</u>	<u>1,779</u>	<u>1,776</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,778)</u>	<u>(1,778)</u>	<u>(1,775)</u>	<u>3</u>
Other financing sources (uses):				
Transfers in	1,799	1,799	1,799	--
Budgetary reserves	(1,250)	(1,250)	--	1,250
Total other financing sources (uses)	<u>549</u>	<u>549</u>	<u>1,799</u>	<u>1,250</u>
Net change in fund balances	(1,229)	(1,229)	24	1,253
Fund balances, beginning of year	1,229	1,229	1,244	15
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,268</u>	<u>1,268</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, 2014**  
**(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	\$ 20	20	17	(3)
Total revenues	<u>20</u>	<u>20</u>	<u>17</u>	<u>(3)</u>
Expenditures:				
Current:				
General government	5	5	--	5
Debt service:				
Principal	8,860	8,860	8,860	--
Interest and fiscal charges	7,302	7,302	7,302	--
Total expenditures	<u>16,167</u>	<u>16,167</u>	<u>16,162</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,147)</u>	<u>(16,147)</u>	<u>(16,145)</u>	<u>2</u>
Other financing sources (uses):				
Transfers in	16,331	16,331	16,331	--
Budgetary reserves	(11,320)	(11,320)	--	11,320
Budget allowance	(1)	(1)	--	1
Total other financing sources (uses)	<u>5,010</u>	<u>5,010</u>	<u>16,331</u>	<u>11,321</u>
Net change in fund balances	(11,137)	(11,137)	186	11,323
Fund balances, beginning of year	11,137	11,137	11,249	112
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>11,435</u>	<u>11,435</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**2008 Warehouse and Sheriff's Capital Improvement Non-Ad Valorem Revenue Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(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	\$ 2	2	2	--
Miscellaneous	69	69	68	(1)
Total revenues	<u>71</u>	<u>71</u>	<u>70</u>	<u>(1)</u>
Expenditures:				
Current:				
General government	3	3	6	(3)
Debt service:				
Principal	785	785	785	--
Interest and fiscal charges	653	653	653	--
Total expenditures	<u>1,441</u>	<u>1,441</u>	<u>1,444</u>	<u>(3)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,370)</u>	<u>(1,370)</u>	<u>(1,374)</u>	<u>(4)</u>
Other financing sources (uses):				
Transfers in	1,367	1,367	1,367	--
Budgetary reserves	(359)	(359)	--	359
Budget allowance	(4)	(4)	--	4
Total other financing sources (uses)	<u>1,004</u>	<u>1,004</u>	<u>1,367</u>	<u>363</u>
Net change in fund balances	(366)	(366)	(7)	359
Fund balances, beginning of year	366	366	361	(5)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>354</u>	<u>354</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, 2014**  
**(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	\$ 3,892	3,892	3,737	(155)
Interest	11	11	10	(1)
Miscellaneous	125	125	--	(125)
Total revenues	<u>4,028</u>	<u>4,028</u>	<u>3,747</u>	<u>(281)</u>
Expenditures:				
Current:				
General government	43	43	1	42
Debt service:				
Principal	1,335	1,335	1,335	--
Interest and fiscal charges	3,213	3,213	3,213	--
Total expenditures	<u>4,591</u>	<u>4,591</u>	<u>4,549</u>	<u>42</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(563)</u>	<u>(563)</u>	<u>(802)</u>	<u>(239)</u>
Other financing sources (uses):				
Transfers in	1,211	1,211	1,216	5
Transfers out	(135)	(135)	(116)	19
Budgetary reserves	(746)	(746)	--	746
Budget allowance	(200)	(200)	--	200
Total other financing sources (uses)	<u>130</u>	<u>130</u>	<u>1,100</u>	<u>970</u>
Net change in fund balances	(433)	(433)	298	731
Fund balances, beginning of year	433	433	319	(114)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>617</u>	<u>617</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**2012 Community Investment Tax Revenue Bonds Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(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:				
Interest	\$ 4	4	(1)	(5)
Total revenues	<u>4</u>	<u>4</u>	<u>(1)</u>	<u>(5)</u>
Expenditures:				
Current:				
General government	10	10	2	8
Debt service:				
Principal	2,265	2,265	2,265	--
Interest and fiscal charges	4,056	4,056	4,056	--
Total expenditures	<u>6,331</u>	<u>6,331</u>	<u>6,323</u>	<u>8</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,327)</u>	<u>(6,327)</u>	<u>(6,324)</u>	<u>3</u>
Other financing sources (uses):				
Transfers in	4,793	4,793	4,793	--
Total other financing sources (uses)	<u>4,793</u>	<u>4,793</u>	<u>4,793</u>	<u>--</u>
Net change in fund balances	(1,534)	(1,534)	(1,531)	3
Fund balances, beginning of year	1,534	1,534	1,543	9
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>12</u>	<u>12</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**2012 Capital Improvement Non-Ad Valorem Revenue Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

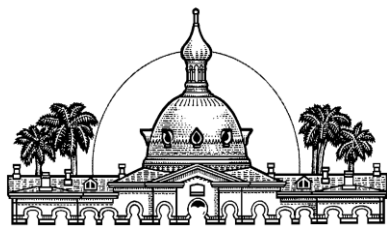
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 5	5	6	1
Total revenues	<u>5</u>	<u>5</u>	<u>6</u>	<u>1</u>
Expenditures:				
Current:				
General government	3	3	--	3
Debt service:				
Principal	3,700	3,700	3,700	--
Interest and fiscal charges	3,079	3,079	3,079	--
Total expenditures	<u>6,782</u>	<u>6,782</u>	<u>6,779</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,777)</u>	<u>(6,777)</u>	<u>(6,773)</u>	<u>4</u>
Other financing sources (uses):				
Transfers in	6,777	6,777	6,777	--
Total other financing sources (uses)	<u>6,777</u>	<u>6,777</u>	<u>6,777</u>	<u>--</u>
Net change in fund balances	--	--	4	4
Fund balances, beginning of year	--	--	(34)	(34)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>(30)</u>	<u>(30)</u>

**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, 2014**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 6	6	19	13
Total revenues	6	6	19	13
Expenditures:				
Current:				
General government	7	7	--	7
Debt service:				
Principal	5,001	5,001	4,001	1,000
Interest and fiscal charges	380	380	212	168
Total expenditures	5,388	5,388	4,213	1,175
Excess (deficiency) of revenues over (under) expenditures	(5,382)	(5,382)	(4,194)	1,188
Other financing sources (uses):				
Transfers in	4,827	4,827	4,827	--
Budgetary reserves	(7,050)	(7,050)	--	7,050
Total other financing sources (uses)	(2,223)	(2,223)	4,827	7,050
Net change in fund balances	(7,605)	(7,605)	633	8,238
Fund balances, beginning of year	7,605	7,605	6,723	(882)
Fund balances, end of year	\$ --	--	7,356	7,356

**HILLSBOROUGH COUNTY, FLORIDA**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**Communication Services Tax Debt Service Fund**  
**For the fiscal year ended September 30, 2014**  
**(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:				
Interest	\$ 7	7	5	(2)
Total revenues	<u>7</u>	<u>7</u>	<u>5</u>	<u>(2)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7</u>	<u>7</u>	<u>5</u>	<u>(2)</u>
Other financing sources (uses):				
Budgetary reserves	(1,919)	(1,919)	--	1,919
Total other financing sources (uses)	<u>(1,919)</u>	<u>(1,919)</u>	<u>--</u>	<u>1,919</u>
Net change in fund balances	(1,912)	(1,912)	5	1,917
Fund balances, beginning of year	1,912	1,912	1,914	2
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,919</u>	<u>1,919</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.

**Emergency Operations Center Project Fund** – To account for a capital project to construct a new emergency operations center.

**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, 2014**  
**(amounts in thousands)**

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non-CIT</u>	<u>EOC Project</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,989	621	120	1
Investments	16,780	2,612	503	5
Interest receivable	30	5	1	--
Total assets	<u>20,799</u>	<u>3,238</u>	<u>624</u>	<u>6</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	50	--	--	5
Total liabilities	<u>50</u>	<u>--</u>	<u>--</u>	<u>5</u>
<b>FUND BALANCES</b>				
Restricted for:				
Debt service	--	--	624	--
Bond covenants	20,749	--	--	--
Assigned to:				
Capital projects	--	3,238	--	1
Total fund balances	<u>20,749</u>	<u>3,238</u>	<u>624</u>	<u>1</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,799</u>	<u>3,238</u>	<u>624</u>	<u>6</u>

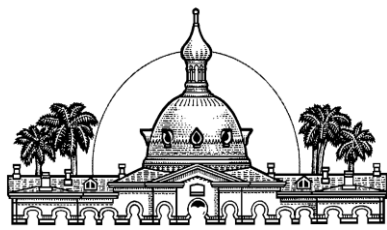


<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Total</u>
10,399	4,481	19,611
43,740	18,846	82,486
78	33	147
<u>54,217</u>	<u>23,360</u>	<u>102,244</u>
2,551	1,637	4,243
<u>2,551</u>	<u>1,637</u>	<u>4,243</u>
--	--	624
--	--	20,749
<u>51,666</u>	<u>21,723</u>	<u>76,628</u>
<u>51,666</u>	<u>21,723</u>	<u>98,001</u>
<u>54,217</u>	<u>23,360</u>	<u>102,244</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, 2014**  
**(amounts in thousands)**

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non-CIT</u>	<u>EOC Project</u>	<u>Countywide</u>
Revenues:					
Intergovernmental--grants	\$ 932	--	--	--	--
Interest	66	9	2	(1)	--
Miscellaneous	579	--	--	--	--
Total revenues	<u>1,577</u>	<u>9</u>	<u>2</u>	<u>(1)</u>	<u>--</u>
Expenditures:					
Current:					
General government	--	--	--	--	2,881
Public safety	--	--	--	--	--
Physical environment	835	--	--	--	--
Economic environment	--	--	6,060	--	--
Culture and recreation	--	--	--	--	1,976
Capital outlay	4,026	15	--	859	6,037
Total expenditures	<u>4,861</u>	<u>15</u>	<u>6,060</u>	<u>859</u>	<u>10,894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,284)</u>	<u>(6)</u>	<u>(6,058)</u>	<u>(860)</u>	<u>(10,894)</u>
Other financing sources (uses):					
Transfers in	--	--	--	903	5,548
Transfers out	(1,260)	--	--	--	--
Face amount of long-term debt issued	--	--	6,000	--	--
Total other financing sources (uses)	<u>(1,260)</u>	<u>--</u>	<u>6,000</u>	<u>903</u>	<u>5,548</u>
Net change in fund balances	(4,544)	(6)	(58)	43	(5,346)
Fund balances, beginning of year	25,293	3,244	682	(42)	57,012
Fund balances, end of year	<u>\$ 20,749</u>	<u>3,238</u>	<u>624</u>	<u>1</u>	<u>51,666</u>

<u>Unincorporated</u>	<u>Total</u>
--	932
--	76
--	579
<u>--</u>	<u>1,587</u>
--	2,881
3	3
--	835
--	6,060
1,348	3,324
<u>5,588</u>	<u>16,525</u>
<u>6,939</u>	<u>29,628</u>
<u>(6,939)</u>	<u>(28,041)</u>
10,024	16,475
(9,030)	(10,290)
--	6,000
<u>994</u>	<u>12,185</u>
(5,945)	(15,856)
27,668	113,857
<u>21,723</u>	<u>98,001</u>



## INTERNAL SERVICE FUNDS

### BOARD OF COUNTY COMMISSIONERS:

**Self-Insurance Fund** – To account for the revenues and expenses of the County's risk management, employee group health insurance, and Other Postemployment Benefits (OPEB) 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 employer contributions and employee payroll deductions. The OPEB program consists of collecting assessments from County departments to set aside funds for the actuarial liability associated with the implicit subsidy resulting from providing insurance to retirees and certain other former employees, as well as a limited stipend program for regular retired employees from ages 62 to 65 and special risk retired employees from ages 55 to 65.

**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, General Liability, and Medical Plan Self-Insurance Fund** – To account for the revenues and expenses of the Sheriff's workers' compensation and general liability self-insured risk management programs as well as the medical plan for Sheriff's employees. 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 Position**  
**September 30, 2014**  
(amounts in thousands)

	<b>BOCC</b>		<b>Sheriff</b>	<b>Total</b>
	<b>Self- Insurance</b>	<b>Fleet Management</b>	<b>Risk Management</b>	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 40,613	6,348	21,920	68,881
Investments	170,826	26,702	--	197,528
Accounts receivable, net	489	31	210	730
Interest receivable	307	48	--	355
Due from other funds	7,544	--	--	7,544
Due from other governmental units	1	--	--	1
Inventories	--	301	--	301
Prepaid charges	3,155	--	--	3,155
Total unrestricted current assets	<u>222,935</u>	<u>33,430</u>	<u>22,130</u>	<u>278,495</u>
Total current assets	<u>222,935</u>	<u>33,430</u>	<u>22,130</u>	<u>278,495</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Buildings	--	3	--	3
Building improvements	--	268	--	268
Equipment	--	31,211	--	31,211
Intangibles	--	121	--	121
Construction in progress	--	12	--	12
Total capital assets, net	<u>--</u>	<u>31,615</u>	<u>--</u>	<u>31,615</u>
Total noncurrent assets	<u>--</u>	<u>31,615</u>	<u>--</u>	<u>31,615</u>
Total assets	<u>222,935</u>	<u>65,045</u>	<u>22,130</u>	<u>310,110</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	2,329	1,148	18	3,495
Accrued liabilities	27	92	--	119
Due to other funds	--	--	6,647	6,647
Unearned revenues	293	--	--	293
Insurance claims payable, current	11,283	--	10,394	21,677
Compensated absences, current	81	165	--	246
Total unrestricted current liabilities	<u>14,013</u>	<u>1,405</u>	<u>17,059</u>	<u>32,477</u>
Noncurrent liabilities:				
Insurance claims payable	8,091	--	5,071	13,162
Compensated absences payable	12	--	--	12
Net OPEB obligation	12,915	--	--	12,915
Total noncurrent liabilities	<u>21,018</u>	<u>--</u>	<u>5,071</u>	<u>26,089</u>
Total liabilities	<u>35,031</u>	<u>1,405</u>	<u>22,130</u>	<u>58,566</u>
<b>NET POSITION</b>				
Net investment in capital assets	--	31,615	--	31,615
Unrestricted	187,904	32,025	--	219,929
Total net position	<u>\$ 187,904</u>	<u>63,640</u>	<u>--</u>	<u>251,544</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

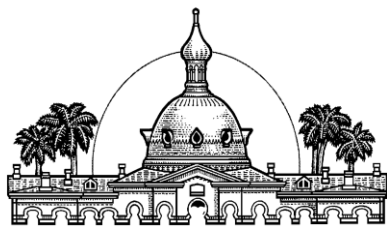
	<b>BOCC</b>		<b>SHERIFF</b>	<b>Total</b>
	<b>Self- Insurance</b>	<b>Fleet Management</b>	<b>Risk Management</b>	
Operating revenues:				
Charges for services	\$ 83,345	24,311	47,896	155,552
Total operating revenues	<u>83,345</u>	<u>24,311</u>	<u>47,896</u>	<u>155,552</u>
Operating expenses:				
Personnel services	2,808	3,449	--	6,257
Contractual services	3,320	2,008	--	5,328
Repairs and maintenance	45	201	--	246
Utilities	3	133	--	136
Rentals and leases	--	9	--	9
Supplies	7	--	--	7
Depreciation and amortization	--	8,834	--	8,834
Costs of services provided	68,048	12,653	41,255	121,956
Other operating expenses	8,752	110	--	8,862
Annual OPEB expense	455	--	--	455
Total operating expenses	<u>83,438</u>	<u>27,397</u>	<u>41,255</u>	<u>152,090</u>
Operating income (loss)	<u>(93)</u>	<u>(3,086)</u>	<u>6,641</u>	<u>3,462</u>
Nonoperating revenues (expenses):				
State shared revenue	584	--	--	584
Interest revenue	610	126	6	742
Gain on disposal of capital assets	--	1,608	--	1,608
Other revenues	--	33	--	33
Total nonoperating revenues (expenses)	<u>1,194</u>	<u>1,767</u>	<u>6</u>	<u>2,967</u>
Income before contributions and transfers	1,101	(1,319)	6,647	6,429
Transfers in	6,647	--	--	6,647
Transfers out	--	--	(6,647)	(6,647)
Change in net position	<u>7,748</u>	<u>(1,319)</u>	<u>--</u>	<u>6,429</u>
Net position, beginning of year	180,156	64,959	--	245,115
Net position, end of year	<u>\$ 187,904</u>	<u>63,640</u>	<u>--</u>	<u>251,544</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Totals</u>
	<u>Self- Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 83,287	24,292	47,811	155,390
Payments to suppliers	(79,714)	(17,515)	(2,886)	(100,115)
Payments to employees	(3,675)	(3,388)	--	(7,063)
Cash paid for claims	--	--	(39,150)	(39,150)
Cash from other sources	--	33	1,244	1,277
Net cash provided by (used for) operating activities	<u>(102)</u>	<u>3,422</u>	<u>7,019</u>	<u>10,339</u>
<b>Cash flows from noncapital financing activities:</b>				
State shared revenues	584	--	--	584
Transfers in from other funds	6,647	--	--	6,647
Transfers out to other funds	--	--	(1,757)	(1,757)
Net cash provided by (used for) noncapital financing activities	<u>7,231</u>	<u>--</u>	<u>(1,757)</u>	<u>5,474</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	--	(14,361)	--	(14,361)
Proceeds from sale of capital assets	--	1,780	--	1,780
Net cash used for capital and related financing activities	<u>--</u>	<u>(12,581)</u>	<u>--</u>	<u>(12,581)</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments	196,182	30,666	--	226,848
Purchase of investment securities	(201,856)	(23,317)	--	(225,173)
Interest and dividends received	730	165	6	901
Net cash provided by (used for) investing activities	<u>(4,944)</u>	<u>7,514</u>	<u>6</u>	<u>2,576</u>
Net change in cash and cash equivalents	2,185	(1,645)	5,268	5,808
Cash and cash equivalents, beginning of year	<u>38,428</u>	<u>7,993</u>	<u>16,652</u>	<u>63,073</u>
Cash and cash equivalents, end of year	<u>\$ 40,613</u>	<u>6,348</u>	<u>21,920</u>	<u>68,881</u>



	<b>BOCC</b>		<b>SHERIFF</b>	
	<b>Self- Insurance</b>	<b>Fleet Management</b>	<b>Risk Management</b>	<b>Totals</b>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ (93)	(3,086)	6,641	3,462
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization expense	--	8,834	--	8,834
Miscellaneous non-operating revenues	--	33	--	33
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(58)	(19)	3	(74)
(Increase) decrease in inventories	--	106	--	106
Increase (decrease) in accounts and contracts payable	913	(2,507)	(177)	(1,771)
Increase (decrease) in accrued and other liabilities	(833)	30	--	(803)
Increase (decrease) in compensated absences payable	(34)	31	--	(3)
Increase (decrease) in insurance claims payable	(452)	--	552	100
Increase (decrease) in net OPEB obligation	455	--	--	455
Total adjustments	<u>(9)</u>	<u>6,508</u>	<u>378</u>	<u>6,877</u>
Net cash provided by (used for) operating activities	<u>\$ (102)</u>	<u>3,422</u>	<u>7,019</u>	<u>10,339</u>



## 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, 2014**  
**(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>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 6,997	2,691	2,823	9,509
Investments	29,429	--	--	--
Accounts receivable, net	--	44	61	994
Interest receivable	53	--	--	--
Due from other governmental units	--	23	--	63
Total assets	<u>36,479</u>	<u>2,758</u>	<u>2,884</u>	<u>10,566</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and contracts payable	2	--	30	2,723
Accrued liabilities	7,154	--	--	--
Due to other governmental units	25,388	--	2,854	7,716
Deposits held	3,935	2,758	--	127
Total liabilities	<u>\$ 36,479</u>	<u>2,758</u>	<u>2,884</u>	<u>10,566</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>
17,672	24,757	68	146	64,663
--	--	--	--	29,429
97	--	5	--	1,201
--	--	--	--	53
--	--	--	--	86
<u>17,769</u>	<u>24,757</u>	<u>73</u>	<u>146</u>	<u>95,432</u>
--	--	--	--	2,755
--	--	--	--	7,154
4,676	--	--	137	40,771
13,093	24,757	73	9	44,752
<u>17,769</u>	<u>24,757</u>	<u>73</u>	<u>146</u>	<u>95,432</u>

**HILLSBOROUGH COUNTY, FLORIDA**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Balance October 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2014</u>
<b>BOCC General Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 2,147	38,631	33,781	6,997
Investments	9,189	162,489	142,249	29,429
Accounts receivable, net	1	1	2	--
Interest receivable	24	292	263	53
Total assets	<u>11,361</u>	<u>201,413</u>	<u>176,295</u>	<u>36,479</u>
<b>Liabilities:</b>				
Accounts and contracts payable	112	153,755	153,865	2
Accrued liabilities	6,910	7,154	6,910	7,154
Due to other governments	--	25,388	--	25,388
Deposits held	4,339	25,490	25,894	3,935
Total liabilities	<u>11,361</u>	<u>211,787</u>	<u>186,669</u>	<u>36,479</u>
<b>Sheriff General Agency:</b>				
<b>Assets:</b>				
Cash and cash equivalents	2,257	16,876	16,442	2,691
Accounts receivable, net	46	3,488	3,490	44
Due from other governmental units	12	243	232	23
Total assets	<u>2,315</u>	<u>20,607</u>	<u>20,164</u>	<u>2,758</u>
<b>Liabilities:</b>				
Accounts and contracts payable	--	1,220	1,220	--
Due to other funds	--	2,818	2,818	--
Due to other governmental units	--	2,443	2,443	--
Deposits held	2,315	9,097	8,654	2,758
Total liabilities	<u>\$ 2,315</u>	<u>15,578</u>	<u>15,135</u>	<u>2,758</u>

	Balance October 1, 2013	Increases	Decreases	Balance September 30, 2014
<b>Tax Collector Motor Vehicle:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 3,005	281,246	281,428	2,823
Investments	--	--	--	--
Accounts receivable, net	53	241	233	61
Total assets	<u>3,058</u>	<u>281,487</u>	<u>281,661</u>	<u>2,884</u>
<b>Liabilities:</b>				
Accounts and contracts payable	26	7,600	7,596	30
Due to other governmental units	2,948	167,982	168,076	2,854
Deposits held	84	1,718	1,802	--
Total liabilities	<u>3,058</u>	<u>177,300</u>	<u>177,474</u>	<u>2,884</u>

**Tax Collector Tax and License:**

<b>Assets:</b>				
Cash and cash equivalents	13,984	2,898,379	2,902,854	9,509
Accounts receivable, net	13	24,947	23,966	994
Due from other governmental units	9	63	9	63
Total assets	<u>14,006</u>	<u>2,923,389</u>	<u>2,926,829</u>	<u>10,566</u>
<b>Liabilities:</b>				
Accounts and contracts payable	2,546	951,861	951,684	2,723
Due to other governmental units	11,460	2,109,119	2,112,863	7,716
Due to fiduciary funds	--	--	--	--
Deposits held	--	353	226	127
Total liabilities	<u>\$ 14,006</u>	<u>3,061,333</u>	<u>3,064,773</u>	<u>10,566</u>

(continued)

**HILLSBOROUGH COUNTY, FLORIDA**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds (Continued)**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Balance October 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2014</u>
<b>Clerk General Agency:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 16,794	322,271	321,393	17,672
Accounts receivable, net	107	10,395	10,405	97
Total assets	<u>16,901</u>	<u>332,666</u>	<u>331,798</u>	<u>17,769</u>
<b>Liabilities:</b>				
Accounts and contracts payable	89	18,532	18,621	--
Due to other governmental units	7,452	145,607	148,383	4,676
Deposits held	9,360	170,921	167,188	13,093
Total liabilities	<u>16,901</u>	<u>335,060</u>	<u>334,192</u>	<u>17,769</u>
<b>Clerk Registry of the Court:</b>				
<b>Assets:</b>				
Cash and cash equivalents	41,596	176,826	193,665	24,757
Total assets	<u>41,596</u>	<u>176,826</u>	<u>193,665</u>	<u>24,757</u>
<b>Liabilities:</b>				
Accounts and contracts payable	386	197,581	197,967	--
Deposits held	41,210	184,172	200,625	24,757
Total liabilities	<u>\$ 41,596</u>	<u>381,753</u>	<u>398,592</u>	<u>24,757</u>



	<b>Balance October 1, 2013</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance September 30, 2014</b>
<b>Clerk Support Collections:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 64	4,672	4,668	68
Accounts receivable, net	14	376	385	5
Total assets	<u>78</u>	<u>5,048</u>	<u>5,053</u>	<u>73</u>
<b>Liabilities:</b>				
Accounts and contracts payable	--	1	1	--
Deposits held	78	9,868	9,873	73
Total liabilities	<u>78</u>	<u>9,869</u>	<u>9,874</u>	<u>73</u>
<b>Clerk Jury and Witness:</b>				
<b>Assets:</b>				
Cash and cash equivalents	115	540	509	146
Total assets	<u>115</u>	<u>540</u>	<u>509</u>	<u>146</u>
<b>Liabilities:</b>				
Accounts and contracts payable	--	508	508	--
Due to other governmental units	98	524	485	137
Deposits	17	21	29	9
Total liabilities	<u>\$ 115</u>	<u>1,053</u>	<u>1,022</u>	<u>146</u>

(continued)

**HILLSBOROUGH COUNTY, FLORIDA**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds (Continued)**  
**For the fiscal year ended September 30, 2014**  
**(amounts in thousands)**

	<u>Balance October 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2014</u>
<b>Total All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 79,962	3,739,441	3,754,740	64,663
Investments	9,189	162,489	142,249	29,429
Accounts receivable, net	234	39,448	38,481	1,201
Interest receivable	24	292	263	53
Due from other governmental units	21	306	241	86
Total assets	<u>89,430</u>	<u>3,941,976</u>	<u>3,935,974</u>	<u>95,432</u>
<b>Liabilities:</b>				
Accounts and contracts payable	3,159	1,331,058	1,331,462	2,755
Accrued liabilities	6,910	7,154	6,910	7,154
Due to other governmental units	21,958	2,451,063	2,432,250	40,771
Deposits held	57,403	401,640	414,291	44,752
Total liabilities	<u>\$ 89,430</u>	<u>4,190,915</u>	<u>4,184,913</u>	<u>95,432</u>

# Statistical Section

## Library Services - 100 Years of Service

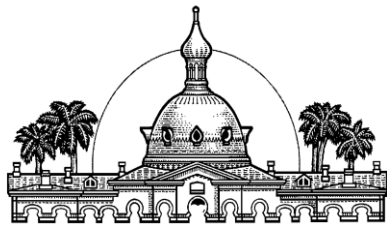
### Celebrate The Centennial



In 2014 the Tampa-Hillsborough County Public Library celebrated its centennial through a series of system-wide community engagement events intended to reflect the library's diverse roles in both the past and future. Throughout the year, the library explored its rich history and showcased the innovative resources that will continue to impact future generations in Hillsborough County.



Continuing  
Excellent  
Service For  
The Next  
100 Years



## **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 Position by Category**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting, amounts in thousands)*

	<b>2014</b>	<b>Restated 2013</b>	<b>2012*</b>	<b>2011*</b>	<b>2010*</b>	<b>2009*</b>	<b>2008*</b>	<b>2007*</b>	<b>2006*</b>	<b>2005*</b>
Governmental activities										
Net investment in capital assets	\$ 6,413,436	6,314,284	6,287,766	6,260,660	6,156,071	5,998,004	5,980,845	5,882,780	5,717,299	5,526,044
Restricted	399,668	427,578	381,756	346,463	391,546	602,376	693,380	526,257	482,338	424,072
Unrestricted	640,909	670,208	696,598	709,332	689,055	561,108	424,029	487,610	378,476	290,271
Total governmental activities net position	<u>7,454,013</u>	<u>7,412,070</u>	<u>7,366,120</u>	<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>
Business-type activities										
Net investment in capital assets	856,586	805,361	818,656	845,037	886,677	917,333	820,188	617,091	547,359	502,022
Restricted	89,624	89,984	86,487	94,647	69,850	50,841	72,064	154,917	172,824	75,258
Unrestricted	467,637	468,680	425,135	356,075	322,976	302,044	331,199	383,294	345,520	383,835
Total business-type activities net position	<u>1,413,847</u>	<u>1,364,025</u>	<u>1,330,278</u>	<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>
Primary government										
Net investment in capital assets	7,270,022	7,119,645	7,106,422	7,105,697	7,042,748	6,915,337	6,801,033	6,499,871	6,264,658	6,028,066
Restricted	489,292	517,562	468,243	441,110	461,396	653,217	765,444	681,174	655,162	499,330
Unrestricted	1,108,546	1,138,888	1,121,733	1,065,407	1,012,031	863,152	755,228	870,904	723,996	674,106
Total primary government net position	<u>\$ 8,867,860</u>	<u>8,776,095</u>	<u>8,696,398</u>	<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>

\*Fiscal year 2012 and prior were not restated for implementation of GASB Statement No. 65

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

	<u>2014</u>	<u>Restated 2013</u>	<u>2012*</u>	<u>2011*</u>	<u>2010*</u>	<u>2009*</u>	<u>2008*</u>	<u>2007*</u>	<u>2006*</u>	<u>2005*</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 352,645	290,531	294,159	274,082	287,687	339,355	346,789	364,827	337,932	309,072
Public safety	520,563	517,923	522,532	510,743	518,781	508,057	507,077	487,314	462,143	434,901
Physical environment	29,923	27,134	26,221	29,862	35,814	35,513	37,198	42,287	49,009	39,781
Transportation	90,240	95,115	100,029	73,344	74,223	106,577	146,348	99,930	75,975	73,268
Economic environment	52,949	55,706	52,580	71,282	79,857	84,919	78,566	88,005	66,001	57,360
Human services	202,978	201,603	211,136	226,941	244,703	252,993	240,989	214,925	205,302	216,167
Culture and recreation	80,080	70,113	71,169	80,580	90,026	110,591	115,802	109,891	97,209	94,356
Interest on long-term debt	22,394	23,668	25,495	25,638	25,899	29,898	25,394	29,040	23,888	23,216
Total governmental activities expenses	1,351,772	1,281,793	1,303,321	1,292,472	1,356,990	1,467,903	1,498,163	1,436,219	1,317,459	1,248,121
Business-type activities										
Water Enterprise	203,155	192,998	192,311	196,836	190,042	206,430	209,244	196,818	181,808	175,707
Solid Waste Enterprise	98,197	104,574	103,234	104,865	99,140	93,590	79,455	85,854	77,643	74,308
Total business-type activities expenses	301,352	297,572	295,545	301,701	289,182	300,020	288,699	282,672	259,451	250,015
Total primary government expenses	1,653,124	1,579,365	1,598,866	1,594,173	1,646,172	1,767,923	1,786,862	1,718,891	1,576,910	1,498,136
<b>Program revenues</b>										
Governmental activities:										
Charges for services:										
General government	71,611	43,054	35,198	30,763	50,504	79,840	90,857	92,164	101,734	88,254
Public safety	90,034	90,568	90,251	90,249	58,057	59,148	57,280	54,238	52,690	50,849
Physical environment	5,987	3,923	4,558	4,511	7,693	5,522	5,687	5,941	5,838	5,862
Transportation	10,648	13,434	12,329	11,264	11,899	13,168	12,555	12,355	11,222	12,130
Economic environment	2,536	2,675	2,840	2,470	5,032	4,872	4,876	5,210	8,149	6,320
Human services	21,102	28,712	21,990	21,216	25,486	24,594	21,196	26,475	28,943	26,909
Culture and recreation	7,444	7,555	7,026	8,534	14,164	11,905	11,258	11,311	11,574	12,965
Operating grants and contributions	94,436	96,652	89,908	110,996	111,736	98,644	90,045	87,802	83,538	87,282
Capital grants and contributions	70,056	41,086	47,924	44,705	32,445	31,976	72,083	90,130	102,142	172,935
Total governmental activities program revenues	\$ 373,854	327,659	312,024	324,708	317,016	329,669	365,837	385,626	405,830	463,506

(continued)

	<u>2014</u>	<u>Restated 2013</u>	<u>2012*</u>	<u>2011*</u>	<u>2010*</u>	<u>2009*</u>	<u>2008*</u>	<u>2007*</u>	<u>2006*</u>	<u>2005*</u>
Business-type activities										
Charges for services:										
Water Enterprise	\$ 205,716	205,197	202,198	196,512	177,315	175,692	180,715	188,386	188,120	173,094
Solid Waste Enterprise	103,728	100,744	101,515	98,613	97,793	94,840	91,966	84,138	81,651	77,562
Capital grants and contributions	32,019	19,925	15,330	9,770	7,847	56,007	55,063	58,713	58,141	46,509
Restricted interest	6,325	7,885	10,401	10,542	12,828	17,724	26,168	39,302	29,791	16,126
Total business-type activities program revenues	<u>347,788</u>	<u>333,751</u>	<u>329,444</u>	<u>315,437</u>	<u>295,783</u>	<u>344,263</u>	<u>353,912</u>	<u>370,539</u>	<u>357,703</u>	<u>313,291</u>
Total primary government program revenues	<u>721,642</u>	<u>661,410</u>	<u>641,468</u>	<u>640,145</u>	<u>612,799</u>	<u>673,932</u>	<u>719,749</u>	<u>756,165</u>	<u>763,533</u>	<u>776,797</u>
<b>Net (expenses) revenues</b>										
Governmental activities	(977,918)	(954,134)	(991,297)	(967,764)	(1,039,974)	(1,138,234)	(1,132,326)	(1,050,593)	(911,629)	(784,615)
Business-type activities	46,436	36,179	33,899	13,736	6,601	44,243	65,213	87,867	98,252	63,276
Total primary government net expense	<u>\$ (931,482)</u>	<u>(917,955)</u>	<u>(957,398)</u>	<u>(954,028)</u>	<u>(1,033,373)</u>	<u>(1,093,991)</u>	<u>(1,067,113)</u>	<u>(962,726)</u>	<u>(813,377)</u>	<u>(721,339)</u>
<b>General revenues &amp; other changes in net position</b>										
Governmental activities										
Taxes										
Ad valorem property taxes	\$ 556,249	530,615	546,263	561,081	631,103	724,210	771,688	783,043	674,094	591,069
Fuel taxes	31,413	30,605	30,710	31,081	31,566	31,395	31,546	32,537	32,541	32,351
Discretionary sales surtaxes	211,762	200,035	191,926	183,326	176,232	177,663	195,484	208,752	214,409	200,171
Other taxes	49,810	47,245	48,662	47,159	44,558	47,089	51,044	49,042	44,477	43,050
Intergovernmental--state shared revenues	152,267	166,335	165,797	161,095	156,514	143,207	146,748	148,285	157,081	148,596
Investment earnings	3,708	5,073	11,045	11,317	24,796	31,622	49,596	70,540	49,569	22,046
Gain (loss) on disposal of capital assets	1,929	2,777	2,208	3,029	3,141	1,222	--	1,111	1,298	863
Miscellaneous	16,138	21,891	44,476	49,649	55,778	45,373	87,827	75,817	75,936	72,862
Transfers	--	406	(125)	(190)	(467)	--	--	--	(50)	(2,603)
Special item - cash defeasance	--	--	--	--	(8,063)	--	--	--	--	--
Business-type activities										
Gain (loss) on disposal of capital assets	149	143	(1,759)	1,013	649	218	551	889	1,428	--
Miscellaneous	3,237	2,077	2,254	1,317	1,568	2,512	2,385	1,733	2,200	6,243
Transfers	--	(406)	125	190	467	--	--	--	50	2,603
Total business-type activities	<u>3,386</u>	<u>1,814</u>	<u>620</u>	<u>2,520</u>	<u>2,684</u>	<u>2,730</u>	<u>2,936</u>	<u>2,622</u>	<u>3,678</u>	<u>8,846</u>
Total primary government	<u>1,026,662</u>	<u>1,006,796</u>	<u>1,041,582</u>	<u>1,050,067</u>	<u>1,117,842</u>	<u>1,204,511</u>	<u>1,336,869</u>	<u>1,371,749</u>	<u>1,253,033</u>	<u>1,117,251</u>
<b>Change in net position</b>										
Governmental activities	45,358	50,848	49,665	79,783	75,184	63,547	201,607	318,534	337,726	323,790
Business-type activities	49,822	37,993	34,519	16,256	9,285	46,973	68,149	90,489	101,930	72,122
Total primary government	<u>\$ 95,180</u>	<u>88,841</u>	<u>84,184</u>	<u>96,039</u>	<u>84,469</u>	<u>110,520</u>	<u>269,756</u>	<u>409,023</u>	<u>439,656</u>	<u>395,912</u>

(continued)



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

	<u>2014</u>	<u>Restated 2013</u>	<u>2012*</u>	<u>2011*</u>	<u>2010*</u>	<u>2009*</u>	<u>2008*</u>	<u>2007*</u>	<u>2006*</u>	<u>2005*</u>
<b>Reconciliation of change in net position of total primary government</b>										
Net position, beginning of year, as previously reported	\$ 8,772,680	8,696,398	8,612,214	8,516,175	8,431,706	8,321,705	8,051,949	7,643,816	7,201,502	6,807,228
Adjustments to net position, beginning of year:										
Restatement for error correction	-	(3,415)	-	-	-	-	-	-	-	-
Restatement for Law Library moving to primary government per county ordinance	--	143	--	--	--	--	--	--	--	--
Restatement for implementation of GASB Statement 65	--	(9,287)	--	--	--	--	--	--	--	--
Restatement for (over) under recorded contributions in prior years	--	--	--	--	--	--	--	--	2,658	--
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 position, beginning of year, as restated	8,772,680	8,683,839	8,612,214	8,516,175	8,431,706	8,321,186	8,051,949	7,642,926	7,204,160	6,805,590
Change in net position during the fiscal year	95,180	88,841	84,184	96,039	84,469	110,520	269,756	409,023	439,656	395,912
Net position, end of year	<u>\$ 8,867,860</u>	<u>8,772,680</u>	<u>8,696,398</u>	<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>

\*Fiscal year 2012 and prior were not restated for implementation of GASB Statement No. 65

**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>
General Fund					
Reserved	\$ 3,763	4,175	6,709	9,136	9,332
Unreserved	203,713	225,446	223,698	168,194	121,516
Total general fund	<u>207,476</u>	<u>229,621</u>	<u>230,407</u>	<u>177,330</u>	<u>130,848</u>
Other governmental funds					
Reserved	154,312	159,274	112,200	142,874	97,076
Unreserved reported in:					
Special revenue funds	279,178	542,192	261,713	359,797	353,363
Capital projects funds	342,846	142,788	283,507	83,193	69,782
Total other governmental funds	<u>\$ 776,336</u>	<u>844,254</u>	<u>657,420</u>	<u>585,864</u>	<u>520,221</u>

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund					
Nonspendable	\$ 1,924	2,068	1,373	1,645	1,316
Assigned	94	--	--	--	--
Unassigned	248,191	265,683	247,227	248,293	217,061
Total general fund	<u>250,209</u>	<u>267,751</u>	<u>248,600</u>	<u>249,938</u>	<u>218,377</u>
Other governmental funds					
Nonspendable	4,228	4,917	5,778	5,018	5,808
Restricted	466,767	405,158	392,874	381,752	392,420
Committed	29,163	45,276	51,539	255,755	308,417
Assigned	140,906	205,360	228,418	--	--
Unassigned	(30)	(34)	--	--	--
Total other governmental funds	<u>\$ 641,034</u>	<u>660,677</u>	<u>678,609</u>	<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)*

<b>Fiscal Year</b>	<b>Local Government Half-Cent Sales Tax</b>	<b>State Revenue Sharing Proceeds</b>	<b>Constitutional Fuel Tax</b>	<b>County Fuel Tax</b>	<b>Other State Shared Revenues</b>	<b>Total</b>
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
2012	80,163	25,964	10,899	4,718	43,886	165,630
2013	84,497	27,614	10,724	4,733	38,811	166,379
2014	96,394	29,573	11,010	4,749	17,994	159,720

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>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>Revenues</b>										
Taxes--ad valorem property	\$ 555,007	530,615	546,263	561,081	631,103	724,210	771,688	783,043	674,094	591,069
Taxes--fuel	33,956	30,454	31,104	30,933	31,511	31,384	31,535	32,626	32,666	32,122
Taxes--discretionary sales surtaxes	226,472	199,521	191,549	183,060	176,148	178,057	196,732	209,795	214,184	198,650
Taxes--other	53,255	47,752	47,987	47,187	44,338	47,405	49,043	49,140	44,325	42,922
Licenses and permits	42,891	48,144	39,425	35,537	34,515	27,203	15,925	15,015	19,708	22,545
Intergovernmental--state shared revenues	159,720	166,379	165,630	160,557	155,806	143,072	147,462	148,026	156,775	148,212
Intergovernmental--grants	110,366	107,312	121,738	135,252	139,281	108,750	104,469	108,375	104,467	103,883
Charges for services	153,177	133,153	128,016	128,095	132,100	150,295	159,700	164,822	170,756	157,664
Fines and forfeitures	12,587	9,912	7,933	7,179	8,614	15,873	15,747	16,331	19,029	12,858
Special assessments	--	--	--	--	--	7,715	13,291	12,837	12,470	12,030
Interest	2,966	4,065	8,427	8,576	20,045	25,891	43,427	61,016	43,338	18,938
Miscellaneous	19,878	22,369	22,056	23,986	31,273	31,530	63,878	51,406	58,981	54,807
<b>Total revenues</b>	<b>1,370,275</b>	<b>1,299,676</b>	<b>1,310,128</b>	<b>1,321,443</b>	<b>1,404,734</b>	<b>1,491,385</b>	<b>1,612,897</b>	<b>1,652,432</b>	<b>1,550,793</b>	<b>1,395,700</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	337,184	272,405	282,329	258,817	268,637	323,251	334,184	319,683	314,747	292,152
Public safety	499,626	496,191	479,898	484,637	488,070	479,636	476,544	459,650	430,164	404,541
Physical environment	28,974	27,153	26,357	28,208	34,057	33,486	34,873	39,947	44,484	36,770
Transportation	56,392	69,338	57,045	58,908	42,406	67,570	122,266	75,731	64,070	62,579
Economic environment	50,295	53,219	50,149	67,335	75,261	80,624	74,068	83,326	63,344	54,723
Human services	192,806	192,604	201,363	214,373	230,600	240,201	227,237	203,458	197,023	206,230
Culture and recreation	73,679	64,143	64,683	72,387	80,823	98,931	105,260	98,741	89,032	85,954
Capital outlay	120,162	110,953	109,359	150,462	173,325	176,878	240,092	239,635	171,857	142,973
<b>Debt service:</b>										
Principal	35,566	37,066	74,789	259,788	228,001	212,223	113,720	107,301	66,195	77,415
Interest/fiscal charges	25,645	26,897	26,253	26,529	30,255	31,191	27,093	21,870	20,010	21,119
<b>Total expenditures</b>	<b>1,420,329</b>	<b>1,349,969</b>	<b>1,372,225</b>	<b>1,621,444</b>	<b>1,651,435</b>	<b>1,743,991</b>	<b>1,755,337</b>	<b>1,649,342</b>	<b>1,460,926</b>	<b>1,384,456</b>
<b>Other financing sources (uses):</b>										
Transfers in	760,012	787,175	727,734	743,812	813,419	1,004,568	1,086,476	968,021	925,927	934,258
Transfers out	(760,012)	(767,990)	(727,587)	(739,121)	(778,585)	(1,004,568)	(1,116,705)	(981,093)	(932,514)	(922,309)
Face amount of long-term debt issued	16,037	30,464	172,200	261,330	253,760	162,679	329,005	133,170	131,730	118,290
Payment to refunded bond escrow agent	--	--	(102,450)	--	(103,106)	--	--	--	(105,325)	(45,590)
Premiums on long-term debt issued	--	--	25,775	--	772	--	9,776	248	2,203	361
Discounts on long-term debt issued	--	--	--	--	(3)	--	--	--	--	--
Face amount of refunding bonds issued	--	--	--	--	--	--	19,195	--	--	--
Sales of capital assets	1,151	1,257	1,372	1,809	904	--	--	--	--	--
<b>Total other financing sources</b>	<b>17,188</b>	<b>50,906</b>	<b>97,044</b>	<b>267,830</b>	<b>187,161</b>	<b>162,679</b>	<b>327,747</b>	<b>120,346</b>	<b>22,021</b>	<b>85,010</b>
<b>Net change in fund balances</b>	<b>\$ (32,866)</b>	<b>613</b>	<b>34,947</b>	<b>(32,171)</b>	<b>(59,540)</b>	<b>(89,927)</b>	<b>185,307</b>	<b>123,436</b>	<b>111,888</b>	<b>96,254</b>
Debt service as a percentage of noncapital expenditures*	4.7%	5.2%	8.0%	19.5%	17.5%	15.5%	9.3%	9.2%	6.7%	7.9%

\* 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 (b)			Exemptions (c)			Assessed Value (d)			Total Taxable Assessed Value	Total Direct Tax Rate (g)
	Real Property	Tangible Personal Property (e)	Centrally Assessed Property (f)	Real Property	Tangible Personal Property (e)	Centrally Assessed Property (f)	Real Property	Tangible Personal Property (e)	Centrally Assessed Property (f)		
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
2012	74,037	9,073	94	20,466	2,153	2	53,571	6,920	92	60,583	10.756
2013	77,492	9,048	99	20,700	2,093	2	56,792	6,955	97	63,844	10.755
2014	81,578	9,839	102	20,939	2,213	2	60,639	7,626	100	68,365	10.754

- (a) Assessed values shown for fiscal year 2014 on the chart above will be the basis of property taxes collected during fiscal year 2015, starting in November 2014.
- (b) 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 as Estimated Actual Value.
- (c) 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.
- (d) Assessed value is the estimated actual value less exemptions.
- (e) 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.
- (f) 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.
- (g) 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)*

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Countywide (BOCC):</b>										
BOCC General Revenue	5.734	5.736	5.737	5.739	5.741	5.742	5.744	5.745	6.520	6.926
BOCC Library Service	0.558	0.558	0.558	0.558	0.558	0.558	0.558	0.608	0.692	0.692
Environmentally sensitive lands (voted)	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.067	0.084
Total millage	<u>6.353</u>	<u>6.354</u>	<u>6.355</u>	<u>6.357</u>	<u>6.359</u>	<u>6.360</u>	<u>6.362</u>	<u>6.413</u>	<u>7.279</u>	<u>7.702</u>
Maximum millage per statute (a)	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.067</u>	<u>10.084</u>
<b>Unincorporated Area (BOCC):</b>										
BOCC Municipal Service Taxing Unit	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.376	4.995	5.162
Parks and Recreation (voted)	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.029	0.036
Total millage	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.402</u>	<u>5.024</u>	<u>5.198</u>
Maximum millage per statute (a)	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.029</u>	<u>10.036</u>
<b>Countywide (Other):</b>										
Tampa Port Authority	0.165	0.175	0.185	0.190	0.190	0.193	0.195	0.198	0.220	0.260
Southwest Florida Water Management District	0.366	0.382	0.393	0.393	0.377	0.387	0.387	0.387	0.422	0.422
School Board	7.353	7.690	7.877	7.913	7.592	7.692	7.777	7.523	7.823	7.937
Children's Board	0.459	0.483	0.500	0.500	0.500	0.500	0.500	0.463	0.500	0.500
<b>Unincorporated Area (Other)</b>										
Southwest Florida Water Management District (b):										
Alafia River Basin	--	--	--	0.216	0.216	0.216	0.216	0.216	0.240	0.240
Hillsborough River Basin	--	--	--	0.230	0.230	0.242	0.255	0.255	0.285	0.285
NW Hillsborough Basin	--	--	--	--	--	--	0.242	0.242	0.268	0.268
Transit Authority	0.500	0.500	0.500	0.500	0.468	0.468	0.468	0.450	0.500	0.500
<b>Municipalities:</b>										
Tampa	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	6.408	6.539
Temple Terrace	6.305	6.430	6.430	6.150	5.950	5.283	4.569	4.569	4.700	4.910
Plant City	4.716	4.716	4.716	4.716	4.716	4.716	4.165	4.165	4.910	4.700
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	19.596	19.985	20.211	20.254	20.103	20.217	20.306	20.052	22.008	22.759

(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.

Source: Hillsborough County Tax Collector, [www.hillsborough.county-taxes.com](http://www.hillsborough.county-taxes.com)

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

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2013</u>			<u>2004</u>		
		<u>Taxes Levied</u> in thousands	<u>Rank</u>	<u>Percentage of Total Taxes Levied</u>	<u>Taxes Levied</u> in thousands	<u>Rank</u>	<u>Percentage of Total Taxes Levied</u>
Tampa Electric Company	Electric utility	\$ 39,268	1	2.6	\$ 34,257	1	2.4
Verizon Communications Inc.	Telecommunications	16,861	2	1.1	22,823	2	1.6
Hillsborough County Aviation Authority	Airport	10,862	3	0.7	9,711	3	0.7
Camden Operating LP	Real estate	5,637	4	0.4	5,074	6	0.4
Highwoods/Florida Holding LP	Real estate management	5,183	5	0.3	6,945	5	0.5
Post Apartment Homes LP	Real estate	5,028	6	0.3	4,826	7	0.3
Westfield	Shopping malls	4,802	7	0.3	--	--	--
Mosaic Company	Mining, fertilizer minerals	4,795	8	0.3	7,379	4	0.5
Wal-Mart	Retail stores	4,350	9	0.3	4,113	9	0.3
Liberty Property	Property management	3,887	10	0.3	--	--	--
Busch Entertainment	Entertainment	--	--	--	2,956	10	0.2
Glimcher Limited Partnership	Real estate	--	--	--	4,579	8	0.3
		<u>\$ 100,673</u>		<u>6.6%</u>	<u>\$ 102,663</u>		<u>7.2%</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 \$1,529,976,000 for 2013 and \$1,432,533,000 for 2004.

Since 2014 property tax rolls were not opened for collections until November 1, 2014, final data for the 2014 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 2013 were actually received in fiscal year 2014.

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
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
2012	562,933	557,341	99.0	1,306	558,647	99.2
2013	550,006	544,073	98.9	1,983	546,056	99.3
2014	577,539	573,890	99.4	3,196	577,086	99.9
	(b)	(c)		(d)		

- (a) Since 2014 property tax rolls were not opened for collections until November 1, 2014, final data for the 2014 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 2013 were actually received in fiscal year 2014.
- (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			
2005	\$ 16,134	27,085	412,443	41,905	27,435	198,904	2,640	726,546	50.7	655
2006	15,556	23,002	401,695	27,075	26,775	172,267	2,700	669,070	60.0	587
2007	14,967	18,750	433,608	52,589	--	302,067	1,343	823,324	52.9	702
2008	14,356	14,314	611,795	122,537	--	282,035	--	1,045,037	43.2	867
2009	13,728	9,714	581,479	107,473	--	231,978	--	944,372	48.0	771
2010	73,166	4,952	451,032	109,802	--	214,202	--	853,154	51.8	691
2011	72,346	--	431,028	136,379	--	347,497	--	987,250	48.1	803
2012	70,323	--	489,904	98,380	--	328,548	--	987,155	50.1	797
2013	68,163	--	463,198	109,249	--	340,180	--	980,790	52.5	786
2014	65,957	--	438,293	116,248	--	317,262	--	937,760	56.0	720
	(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.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

*(amounts in thousands, except per capita)*

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Limited Ad Valorem Bonds</b>	<b>Less: Amount Available in Debt Service Funds</b>	<b>Total Net General Bonded Debt</b>	<b>Ratio of Debt to Assessed Property Values</b>	<b>General Bonded Debt per Capita</b>
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	--	(262)	72,084	0.12	59
2012	70,323	--	(574)	69,749	0.12	56
2013	68,163	--	(502)	67,661	0.11	54
2014	65,957	--	(833)	65,124	0.10	50

(a)

(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, 2014**

*(amounts in thousands)*

<b>Governmental Unit</b>	<b>Outstanding Debt</b>	<b>Percentage Applicable</b>	<b>Direct and Overlapping Debt</b>
Direct debt of Hillsborough County:			
General obligation bonds	\$ 65,957	100%	<u>65,957</u>
Total direct and overlapping debt			<u><u>65,957</u></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	Available Pledged	Debt Service
			Service	Revenue	Coverage
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
2012	19,855	19,547	39,402	238,257	6.05
2013	23,850	20,808	44,658	261,520	5.86
2014	26,795	22,264	49,059	291,302	5.94
			(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	
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
2012	318,907	218,466	100,441	18,985	14,937	33,922	2.96
2013	317,228	222,844	94,384	13,460	13,485	26,945	3.50
2014	319,155	224,529	94,626	17,345	15,830	33,175	2.85
	(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**

<b>Calendar Year</b>	<b>Population</b>	<b>Personal Income</b> <i>(in thousands)</i>	<b>Personal Income</b> <b>Per Capita</b>	<b>Median Age</b>	<b>Public High School Graduation Rates (%)</b>	<b>Total Public School Enrollment</b>	<b>Unemployment Rate (%)</b>
2004	1,108,435	\$ 36,197,043	\$ 32,656	36	79.3	197,500	4.3
2005	1,131,546	39,259,887	34,696	36	79.5	193,669	3.7
2006	1,164,425	42,674,390	36,648	36	77.3	193,480	3.2
2007	1,192,861	44,394,128	37,217	36	79.1	193,180	4.0
2008	1,200,541	45,385,156	37,804	36	80.0	191,965	6.3
2009	1,196,892	43,600,982	36,429	36	84.6	192,260	10.4
2010	1,229,226	47,339,654	38,512	36	86.0	193,244	11.5
2011	1,238,951	49,671,035	40,091	36	86.4	200,074	10.3
2012	1,256,118	51,109,828	40,689	36	86.4	202,000	8.6
2013	1,276,410	52,541,062	41,163	36	86.8	203,431	7.0
	(a) (b)	(c)	(c)	(a)	(b)	(d)	(e)

Source: (a) Hillsborough County City-County Planning Commission  
(b) US Department of Commerce, US Census Bureau  
(c) US Department of Commerce, Bureau of Economic Analysis  
(d) Florida Department of Education (EIAS databases)  
(e) Florida Agency for Workforce Innovation, Labor Market Statistics

**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>2014</u>			<u>2005</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	26,000	4.2	1	24,000	4.4	1
University of South Florida	Education services	16,189	2.6	2	7,667	1.4	3
MacDill Air Force Base	Military base	14,500	2.3	3	5,532	1.0	6
Hillsborough County Government	Government	10,268	1.7	4	10,214	1.9	2
Tampa International Airport	International airport	7,500	1.2	5	6,500	1.2	5 (b)
Publix Super Markets, Inc.	Supermarkets	6,964	1.1	6	4,843	0.9	7
Tampa General Hospital	Medical facilities	6,900	1.1	7	4,500	0.8	9
Baycare Health System	Medical facilities	5,664	0.9	8	4,485	0.8	10
Florida Hospital	Medical facilities	5,179 *	0.8	9	3,018	0.6	14 (c)
James A. Haley VA Hospital	Veterans hospital	4,700 *	0.8	10	3,300	0.6	13
City of Tampa	Government	4,364	0.7	11	4,700	0.9	8
H. Lee Moffit Cancer Center	Medical facilities	4,187 *	0.7	12	--	--	--
Busch Entertainment Corporation	Tourist attraction	3,737 *	0.6	13	2,854	0.5	15
HCA West Florida Division	Medical facilities	3,500	0.6	14	--	--	-- (d)
US Postal Service	Postal services	3,284	0.5	15	3,364	0.6	12
Hillsborough Community College	Education services	2,569 *	0.4	16	2,069	0.4	18
Tampa Electric Company	Electric utility	2,515	0.4	17	2,372	0.4	17
Bank of America	Banks	--	--	--	3,658	0.7	11
Brandon Regional Hospital	Medical facilities	--	--	--	1,543	0.3	19 (e)
The Tampa Tribune Company	Newspaper publisher	--	--	--	1,214	0.2	20
Verizon Communications Inc.	Telecommunications	--	--	--	7,200	1.3	4
SweetBay Supermarkets	Supermarket	--	--	--	2,754	0.5	16
<b>Total</b>		<u>128,020</u>	<u>20.7</u>		<u>105,787</u>	<u>19.5</u>	

- (a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2014 was 617,272. Total Hillsborough County employment for 2005 was 543,712.
- (b) Tampa International Airport includes employees of Hillsborough County Aviation Authority, Transportation Security Administration and other federal agencies, as well as airline and subcontractors.
- (c) Formerly known as University Community Hospital
- (d) Comprised of St. Joseph's Hospitals and South Florida Baptist Hospital
- (e) Comprised of Brandon Regional Hospital, South Bay Hospital, Memorial Hospital and Tampa Community Hospital
- \* Estimated using the prior year's figure because the entity contacted chose not to provide the information requested.

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**

<b>Full-Time Equivalent Employees at Fiscal Year-End</b>										
<b>Function</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
General government	2,079	2,019	1,990	1,973	2,079	2,265	2,544	2,434	2,469	2,493
Public safety	4,394	4,315	4,015	4,316	4,458	4,449	4,504	4,454	4,543	4,264
Physical environment	146	269	250	270	267	312	346	410	398	402
Transportation	310	323	348	331	355	392	410	476	456	484
Economic environment	59	55	60	58	73	66	79	68	71	65
Human services	747	770	783	854	989	1,030	1,010	966	957	962
Culture and recreation	661	781	714	749	901	893	746	829	826	828
Water Resource Services	680	660	682	678	667	645	663	574	570	574
Solid Waste	128	114	111	99	141	142	140	142	139	142
<b>Total</b>	<b>9,204</b>	<b>9,306</b>	<b>8,953</b>	<b>9,328</b>	<b>9,930</b>	<b>10,194</b>	<b>10,442</b>	<b>10,353</b>	<b>10,429</b>	<b>10,214</b>

Sources: Hillsborough County Clerk of Circuit Court Systems Support Department  
Hillsborough County Civil Service Board

**HILLSBOROUGH COUNTY, FLORIDA**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Fiscal Year:</b>									
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
<b>Public safety</b>										
Calls to Fire Rescue Department	85,571	80,958	80,100	80,076	80,573	81,704	80,100	78,217	72,636	71,678
Number of 9-1-1 calls	749,959	863,211	831,565	838,054	864,880	888,613	933,056	937,440	919,059	884,852
<b>Physical environment</b>										
Compliance inspections conducted per year, air management	1,769	1,488	1,614	1,475	1,820	1,805	1,703	1,844	1,975	1,900
Water stations monitored per month	263	213	213	213	144	139	142	140	131	97
<b>Transportation</b>										
Infrastructure condition (a)	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair	≥ fair
Paved roadway condition (a)	73.9	75.1	75.1	78.9	78.4	≥ 62.5	≥ 6 to 7	≥ 6 to 7	≥ 6 to 7	≥ 6 to 7
New traffic signs per year	24,892	11,334	11,000	14,566	11,000	12,477	13,976	14,742	12,691	13,474
<b>Economic environment</b>										
Corporate business development incentivized jobs	5,406	679	1,726	1,204	1,486	554	1,906	3,160	3,397	--
Number of corporate projects/contacts	28	25	40	39	43	39	54	48	49	46
<b>Human services</b>										
Elderly clients served - in home care	1,857	1,213	1,429	1,638	1,615	2,398	2,073	1,881	1,379	1,271
Head Start-funded enrollment	3,474	3,474	3,474	3,474	3,071	3,071	3,071	3,017	2,956	2,956
<b>Culture and recreation</b>										
Registered library borrowers	595,048	554,912	570,382	575,651	552,646	864,935	834,417	767,154	698,191	674,014
Number regional park visits	2,215,302	>2,100,000	2,106,838	2,291,338	4,441,011	4,100,000	3,950,000	3,800,501	3,412,563	2,991,286
<b>Water Enterprise</b>										
Annual water consumption (thousands of gallons)	16,970	17,099	17,566	16,461	16,379	17,014	18,137	17,971	15,633	15,262
Water accounts at year-end	148,740	147,379	144,317	141,988	141,615	141,690	141,355	139,609	135,033	128,080
Annual wastewater flow (thousands of gallons)	13,131	13,145	13,007	12,508	12,641	12,434	12,303	12,473	11,873	11,277
Wastewater accounts at year-end	136,375	135,240	133,979	134,904	131,588	131,890	132,420	130,821	126,308	119,483
Reclaimed water accounts at year-end	15,262	15,593	15,376	15,302	15,115	14,774	14,804	13,733	13,245	12,822
<b>Solid Waste Enterprise</b>										
Total tons collected (residential)	424,986	409,158	296,033	326,015	325,426	365,686	357,885	355,045	375,611	344,913
Number of residents receiving collection service	267,187	256,637	254,891	252,068	255,826	251,298	233,563	234,189	225,546	216,570
Revenue from Resource Recovery plant's electric production	\$ 17,538,707	16,948,432	16,566,286	15,965,489	18,726,396	18,822,720	17,129,464	16,542,004	14,920,700	13,871,234

(a) Minimum conditions required are "at or above fair" on a range from failed, poor, fair, and good to excellent and 55 on a 100-point scale (formerly 6 to 7 on a 10-point scale)

Sources: Hillsborough County Business Support Services Department - Adopted Budget  
Hillsborough County Annual Financial Report Water Resource Division Enterprise Fund

Fiscal year 2014 statistics not available.

**HILLSBOROUGH COUNTY, FLORIDA**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year:									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Public safety</b>										
Number of fire and rescue stations (a)	43	43	42	43	43	43	43	43	42	41
Sheriff's marked and unmarked patrol vehicles (b)	1,441	1,477	1,406	1,256	766	771	827	839	941	818
<b>Transportation</b>										
Traffic lane-miles (c)	7,016	7,016	6,999	7,006	6,994	6,993	6,920	6,863	6,785	6,271
Traffic signs (c)	149,226	124,334	113,000	113,000	101,323	101,281	119,247	118,935	118,564	96,808
<b>Human services</b>										
Number of Sunshine Line buses (d)	60	60	60	68	67	68	70	70	70	68
<b>Culture and recreation</b>										
Number of libraries (e)	27	27	27	25	25	25	25	25	25	25
Number of building square feet maintained, excluding picnic shelters, estimated (f)	976,702	976,702	976,702	744,201	740,723	745,000	738,500	583,200	550,200	495,813
<b>Water Enterprise</b>										
Transmission lines (estimated miles) (g)	2,253	2,214	2,399	2,391	2,336	2,255	2,227	2,187	2,050	2,010
Number of pumping or lift stations (g)	744	721	709	703	699	690	682	674	641	620
Number of major water treatment plants (g)	4	4	4	4	4	4	3	3	3	3
Number of major wastewater treatment plants (g)	7	7	7	7	7	7	7	7	7	7
<b>Solid Waste Enterprise</b>										
Solid Waste tonnage buried in the landfill (h)	223,617	213,210	230,263	256,122	258,815	393,653	517,024	573,296	506,269	568,452
Yard and wood waste tonnage processed (h)	116,335	119,522	120,786	129,622	138,083	152,720	172,397	198,867	200,924	212,805

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/locations](http://www.hcplc.org/hcplc/locations)  
(f) Hillsborough County Business and Support Services - Adopted Biennial Budget  
(g) Hillsborough County Water Enterprise Fund Annual Reports  
(h) Solid Waste Enterprise Fund Annual Financial Reports

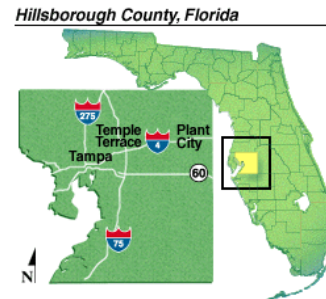


**HILLSBOROUGH COUNTY, FLORIDA**  
**Miscellaneous Data and Statistics**  
**September 30, 2014**

**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 2014 was estimated to be 1,301,887, an increase of 5.9% from 2010. A majority of the County's 2014 population (872,600) resides in the unincorporated part of the county. Population in unincorporated Hillsborough County grew 4.6 percent from 2010. Communities in southern unincorporated Hillsborough County saw the biggest increases in population growth. The median age for Hillsborough County in 2014 was 36 years.

	<b>Population</b>	<b>Increase (Decrease)</b>
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
2011 (b)	1,238,951	0.8
2012 (b)	1,256,118	1.4
2013 (b)	1,276,410	1.6
2014 (b)	1,301,887	2.0

Sources: (a) US Census Bureau and (b) Florida Office of Economic Demographics & Research database

## 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 2014, there were approximately 9,249 employees of Hillsborough County, Florida. County organizations and their employees were as follows: Sheriff – 3,175, Tax Collector - 314, Property Appraiser - 121, Clerk of Circuit Court - 717, Supervisor of Elections - 37, Board of County Commissioners - 4,840 and discretely presented component units - 45. Several categories of employees are represented by labor unions.

Source: Hillsborough County Civil Service Board  
Hillsborough County Clerk of Circuit Court System Support Department

### EMPLOYMENT INDICATORS

Hillsborough County has a diversified economic base, including large services, manufacturing and retail trade sectors. Hillsborough County's largest industrial sectors include: education and health services; trade, transportation and utilities; professional and business services; leisure and hospitality; and wholesale and retail trade. 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 2014.

<b>Employment by Industry</b>	<b>Employees</b>
Natural resources and mining	10,322
Construction	31,094
Manufacturing	25,606
Wholesale trade	28,594
Retail trade	70,395
Utilities	2,724
Transportation and warehousing	15,235
Information	16,108
Financial activities	61,543
Professional and business services	109,458
Educational and health services	83,548
Leisure and hospitality	68,974
Other services	17,374
Federal government	14,085
State government	12,319
Local government	49,636
Unclassified	<u>257</u>
Total	<u><u>617,272</u></u>

Source: Florida Department of Economic Opportunity

## 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		
2004	565,184	540,761	24,423	4.3%	4.7%	5.5%
2005	565,617	544,731	20,886	3.7	3.8	5.1
2006	578,731	559,983	18,748	3.2	3.3	4.6
2007	597,472	573,816	23,656	4.0	4.0	4.6
2008	598,657	560,753	37,904	6.3	6.3	5.8
2009	597,220	534,961	62,259	10.4	10.4	9.3
2010	604,896	535,621	69,275	11.5	11.3	9.6
2011	620,466	557,138	63,328	10.2	10.3	8.9
2012	629,444	576,055	53,389	8.5	8.6	8.1
2013	634,531	589,954	44,577	7.0	7.2	7.4

Source: Florida Agency for Workforce Innovation, Labor Market Statistics  
Bureau of Labor Statistics, Florida Department of Economic Opportunity  
Bureau of Labor Market Statistics, LAUS Program

### BANKING AND FINANCE

A total of 309 commercial and savings bank offices were located in Hillsborough County as of June 30, 2014. The following table presents commercial bank and savings institutions deposits each year since 2005:

Calendar Year	Commercial Bank Deposits	Savings Bank Deposits	Total Deposits
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	20,346,000,000	1,093,000,000	21,439,000,000
2011	22,524,000,000	556,000,000	23,080,000,000
2012	23,079,000,000	433,000,000	23,512,000,000
2013	25,193,000,000	474,000,000	25,667,000,000
2014	25,149,000,000	451,000,000	25,600,000,000

Source: Federal Deposit Insurance Corporation

## **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. The district operates with more than 203,000 students, 25,000 employees, and a \$2.8 billion budget. Educational opportunities include: Head Start and adult education programs, pre-k through 12<sup>th</sup> grade traditional schools, magnet schools, career centers, technical education, exceptional student education, single gender middle schools, International Baccalaureate schools, and charter schools. The district is fully accredited.

Hillsborough County also has several universities and colleges. The University of South Florida serves more than 48,000 students (including campuses outside of Hillsborough County) and is the fourth largest university in the southeast and the tenth 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	<a href="http://www.tampabay.org">www.tampabay.org</a>
	Hillsborough County School Board	<a href="http://www.sdhc.k12.fl.us/">www.sdhc.k12.fl.us/</a>
	Hillsborough Community College	<a href="http://www.hccfl.edu">www.hccfl.edu</a>
	The University of Tampa	<a href="http://www.ut.edu">www.ut.edu</a>
	University of South Florida	<a href="http://www.usf.edu">www.usf.edu</a>

#### **MEDICAL FACILITIES**

There are seventeen general, specialty, and military hospitals in Hillsborough County with approximately 4,152 hospital beds and 3,932 nursing home beds. The County's medical resources include more than 4,478 physicians, with specialists in all types of medicine and surgery, and 835 dentists.

Source: Florida Department of Health  
Florida Agency for Health Care Administration

#### **COMMUNICATION**

Six television stations, along with twenty-seven radio stations serve the County. Daily newspapers include La Gaceta, The Tampa Tribune, Tampa Bay Times, and tbt\*. There are also three other weekly newspapers. Verizon and Brighthouse Networks are the primary providers for telecommunications and cable services, respectively. There are 38 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, 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 56 national and international destinations, including London, Toronto, Halifax, Panama City, Ottawa, San Juan, Zurich and Grand Cayman. Passenger enplanements at TIA for the fiscal year ended September 30, 2014, totaled 8,673,887, an increase of 1.97% from the prior fiscal year. For fiscal year 2014, the top three airlines, in terms of market share were: Southwest with 35.35%, Delta with 17.23%, and United with 10.64%.

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 this 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](http://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/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 USF Health Byrd Alzheimer’s Institute. In March 2012, USF Health opened its \$38 million Center for Advanced Medical Learning and Simulation (CAMLs) in downtown Tampa. CAMLS combines cutting-edge simulation with research and innovation to move the latest advances in healthcare into practice. Hillsborough County is also home to major health care plan developers and providers such as Wellcare.

#### **Port / 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 2<sup>nd</sup> largest number of farms of any county in the state of Florida and 28<sup>th</sup> highest in the country. Diversity is one of the keys to the success of Hillsborough County agriculture. In addition to major commodities, a variety of specialty crops contributed to sale of \$832 million of products in 2011. Hillsborough County ranks as the 4<sup>th</sup> largest producer of agricultural products in the state (out of 67 counties) and 59<sup>th</sup> in the United States (out of 3,076 counties). Hillsborough County is in the top 2% of agricultural counties in the country. In 2011, an estimated 255,532 acres were utilized for agriculture production; this represents approximately 39% of the county's land area.

Annual commodity sales and acreage for 2011 are estimated as follows:

Commodity	Acreage	Annual Sales
Aquaculture	876	\$ 23,546,112
Beef cattle/pasture	91,904	18,934,207
Bees/honey production	45	598,767
Blueberries	591	5,500,000
Citrus	10,750	18,893,572
Dairy	1,500	6,433,206
Forestry	108,634	1,000,000
Goats	518	154,177
Hay	6,035	2,374,195
Ornamental plants	3,977	139,232,407
Poultry	22	18,701,100
Sod	2,286	7,438,855
Strawberries	11,625	388,125,702
Vegetables	13,092	150,000,000
Miscellaneous	3,677	51,478,000
<b>Total</b>	<u><u>255,532</u></u>	<u><u>\$ 832,410,300</u></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. Most agriculture goods produced in Hillsborough County are sold outside of county. According to a study completed in 2005, for every dollar of agriculture goods sold outside of the county, an estimated \$1.86 is added to the local economy as a result of indirect and induced benefits. This study also calculated that agriculturalists contribute four times more in revenue (taxes, fees, transfer payments, etc.) to local government than they require in government services, effectively subsidizing government services for the urban residential population.

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 35 million tons of cargo and 875,611 cruise passengers during FY 2011. The Port of Tampa has an economic impact of \$15 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 one of the premier ship repair facilities 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.

Source: Tampa Port Authority, [www.tampaport.com](http://www.tampaport.com)  
Tampa Bay Partnership, [www.tampabay.org](http://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 6<sup>th</sup> Air Mobility Fueling Wing, which uses KC-135R Stratotankers and a C-37A Gulfstream aircraft 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 15 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 Amalie Arena, 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 Amalie Arena 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 newly renovated University of South Florida Sun Dome is a multipurpose 10,411-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	<a href="http://www.buschgardens.com">www.buschgardens.com</a>
	Adventure Island	<a href="http://www.adventureisland.com">www.adventureisland.com</a>
	City of Tampa	<a href="http://www.tampagov.net">www.tampagov.net</a>
	Raymond James Stadium	<a href="http://www.raymondjames.com/stadium/">www.raymondjames.com/stadium/</a>
	Tampa Bay Buccaneers	<a href="http://www.buccaneers.com">www.buccaneers.com</a>
	Tampa Sports Authority	<a href="http://www.tampasportsauthority.com">www.tampasportsauthority.com</a>
	USF Sun Dome	<a href="http://usfweb2.usf.edu/Sundome/">http://usfweb2.usf.edu/Sundome/</a>

## 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. In 2014 the Lowry Park Zoo won a Travelers' Choice award from tripadvisor.com and came in at #14 in the top 25 list of zoos in the United States according to tripadvisor.com. Natural outdoor exhibits covering 60 acres for more than 1,700 animals from Florida and similar habitats include a Florida Manatee and Aquatic Center, Asian Gardens, Primate World, Free-Flight Aviaries, Wallaroo Station, and Safari Africa. The Zoo also features rides, shows and hands-on interactive exhibits. The Florida Environmental Education Center (Zoo School) serves more than 203,000 children annually. Programs offered are summer and holiday camps, daycare, preschool, and kindergarten. The 205,000 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 Florida Aquarium's Center for Conservation combines research and rehabilitation programs to give much needed support to animals in distress or imminent danger and ecosystems faced with both natural and man-made threats. This includes, but is not limited to propagating corals in Florida's Keys, rescuing endangered sea turtles and threatened river otters, assisting with dolphin and manatee rescues, assessing stress levels in sharks, documenting underwater cultural assets (a.k.a. shipwrecks) and raising awareness of sustainable seafood issues.

The Straz Center for the Performing Arts is located on a nine-acre site along the east bank of the Hillsborough River. As the second largest performing arts complex in the southeast after the Arsht Center in Miami, 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 Bay Times Forum hosted 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. In unincorporated Hillsborough County, there are the Carrollwood Cultural Center, the Firehouse Cultural Center in Ruskin and Center Place Fine Arts Center in Brandon. All three are multi-disciplinary centers with performances, classes, workshops and exhibitions.

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 5<sup>th</sup> 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.

## HILLSBOROUGH COUNTY, FLORIDA Miscellaneous Data and Statistics

Graphicstudio at the University of South Florida is one of the world's premier 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. Graphicstudio's editions continue to be acquired by leading museums and collectors including the Museum of Modern Art, the Whitney Museum of American Art, the New York Public Library and the Centre Pompidou in Paris.

Source:	Straz Center for the Performing Arts	<a href="http://www.strazcenter.org">www.strazcenter.org</a>
	City of Tampa	<a href="http://www.tampagov.net">www.tampagov.net</a>
	Museum of Science and Industry	<a href="http://www.MOSI.org">www.MOSI.org</a>
	Arts Council of Hillsborough County	<a href="http://www.tampaarts.com">www.tampaarts.com</a>
	Lowry Park Zoo	<a href="http://www.lowryparkzoo.com">www.lowryparkzoo.com</a>
	Florida Aquarium	<a href="http://www.flaquarium.org">www.flaquarium.org</a>
	Tampa Bay History Center	<a href="http://www.tampabayhistorycenter.org">www.tampabayhistorycenter.org</a>