

2024

HILLSBOROUGH COUNTY

CITIZENS' REPORT



FINANCIAL SUMMARY REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2023

PREPARED BY CINDY STUART, CLERK OF COURT & COMPTROLLER

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The Government Finance Officers Association of the United States and Canada has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Hillsborough County, Florida for its Financial Summary Report for the Fiscal Year Ended September 30, 2022. This prestigious national award recognizes conformance with the highest standards for the preparation of state and local government popular reports. To receive this award a government must publish a Popular Annual Financial Report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for only one year. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements and we are submitting it to the Government Finance Officers Association for review.



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**Hillsborough County
Florida**

For its Annual Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morvill
Executive Director/CEO

A MESSAGE FROM



“ Dear Hillsborough County Residents,

I am pleased to provide you with the Hillsborough County, Florida Financial Summary Report for the Fiscal Year Ended September 30, 2023.

The Financial Summary Report was derived from the Hillsborough County, Florida Annual Comprehensive Financial Report (ACFR). The ACFR consists of over 230 pages of detailed financial statements, notes, schedules, and reports.

For your convenience, the report is available across multiple platforms. You can access the ACFR digitally at [Hillsclerk.com](https://www.hillsclerk.com), in print at the County Finance Department (County Center Building 12th Floor, 601. E Kennedy Blvd, Tampa, FL 33602), or over the phone by calling (813) 307-7026. The Financial Summary Report presents the financial information of all County government operations, including those of the Board of County Commissioners, Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector, but excludes discretely presented component units. Since the Financial Summary Report contains simplified information, it does not conform to Generally Accepted Accounting Principles (GAAP) for governmental entities.

As the Chief Financial Officer of Hillsborough County, I am fully responsible for the accuracy of these financial reports.

My office looks forward to continuing to serve Hillsborough County with equity, transparency, and independence.

Sincerely,

Cindy Stuart, Clerk of Court & Comptroller ”

Cindy Stuart



ABOUT OUR OFFICE

CLERK OF THE CIRCUIT COURT & COMPTROLLER

The Florida Constitution established the Clerk of the Circuit Court & Comptroller as a public trustee, independently elected to safeguard your public records and public funds. Nearly every payment, court document, and public record in Hillsborough County passes through our office. The Hillsborough Clerk of Court & Comptroller serves many roles including Chief Financial Officer, Treasurer and Accountant for the Board of County Commissioners, Clerk of the Court, County Recorder, and County Auditor.

CHIEF FINANCIAL OFFICER, TREASURER, BOARD OF COUNTY COMMISSIONERS



- Prepare County financial reports for state and federal governments, bondholders, and the public
- Pre-audit all County expenditures and pay all County bills
- Manage the County's investments to earn investment income on taxpayer funds
- Document and maintain minutes, records, and activities of County government meetings

CLERK OF THE COURT



- Process and file all civil and criminal court documents for Circuit and County courts
- Protect evidence
- Provide the public with access to court records on paper and online
- Manage the County's jury system

COUNTY AUDITOR



- Assist management in achieving efficient and effective administration of their areas of responsibility
- Make recommendations to management to improve internal controls and mitigate risks
- Monitor management's corrective action plans
- Offer training to County staff on internal controls and fraud prevention

COUNTY RECORDER



- Maintain official County records
- Record documents such as mortgages, deeds, liens, judgments, and marriage licenses

COUNTY GOVERNMENT

BOARD OF COUNTY COMMISSIONERS

Hillsborough County's Legislative body consists of a seven-member Board of County Commissioners (BOCC) elected by the voters. Board members at fiscal year-end were:

Chair | Ken Hagan

Vice-Chair | Gwen Myers

Chaplain | Donna Cameron Cepeda

District 1 | Harry Cohen

District 2 | Ken Hagan

District 3 | Gwen Myers

District 4 | Michael Owen

District 5 | Countywide: Donna Cameron Cepeda

District 6 | Pat Kemp

District 7 | Countywide: Joshua Wostal

APPOINTED OFFICIALS

County Administrator | Bonnie M. Wise

County Attorney | Christine M. Beck



**Hillsborough
County Florida**

hcflgov.net

CONSTITUTIONAL OFFICERS

Constitutional Officers are elected officials responsible for functions of the County government specified in the Florida Constitution. Constitutional Officers at fiscal year-end were:

**CLERK OF THE
CIRCUIT COURT &
COMPTROLLER**

**PROPERTY
APPRAISER**

SHERIFF

**SUPERVISOR OF
ELECTIONS**

TAX COLLECTOR



Cindy Stuart

Bob Henriquez

Chad Chronister

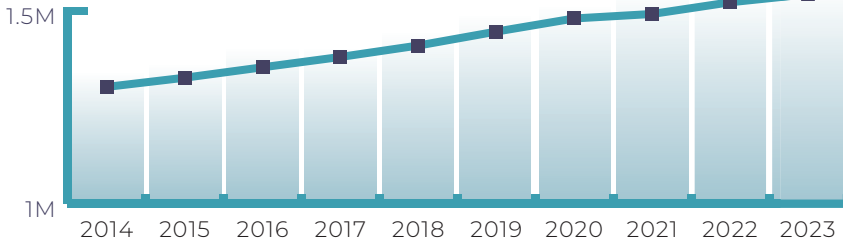
Craig Latimer

Nancy C. Millan

HILLSBOROUGH COUNTY

POPULATION

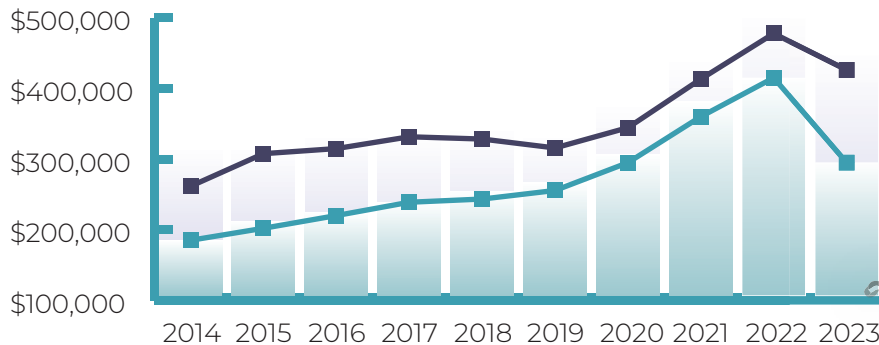
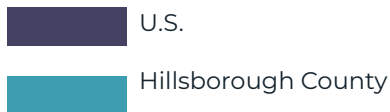
Hillsborough County's population has increased by 239,644 or 15.8% in the last ten years from 1,301,887 in 2014 to 1,541,531 in 2023.



Source: Florida Office of Economic Demographics & Research database

MEDIAN SINGLE FAMILY HOME SALES PRICE

Year	Hillsborough County	US
2014	185,000	\$ 261,500
2015	202,000	307,600
2016	220,000	314,800
2017	238,845	331,500
2018	243,373	328,300
2019	255,500	315,700
2020	294,900	344,400
2021	360,000	413,200
2022	415,000	477,700
2023	295,000	426,100



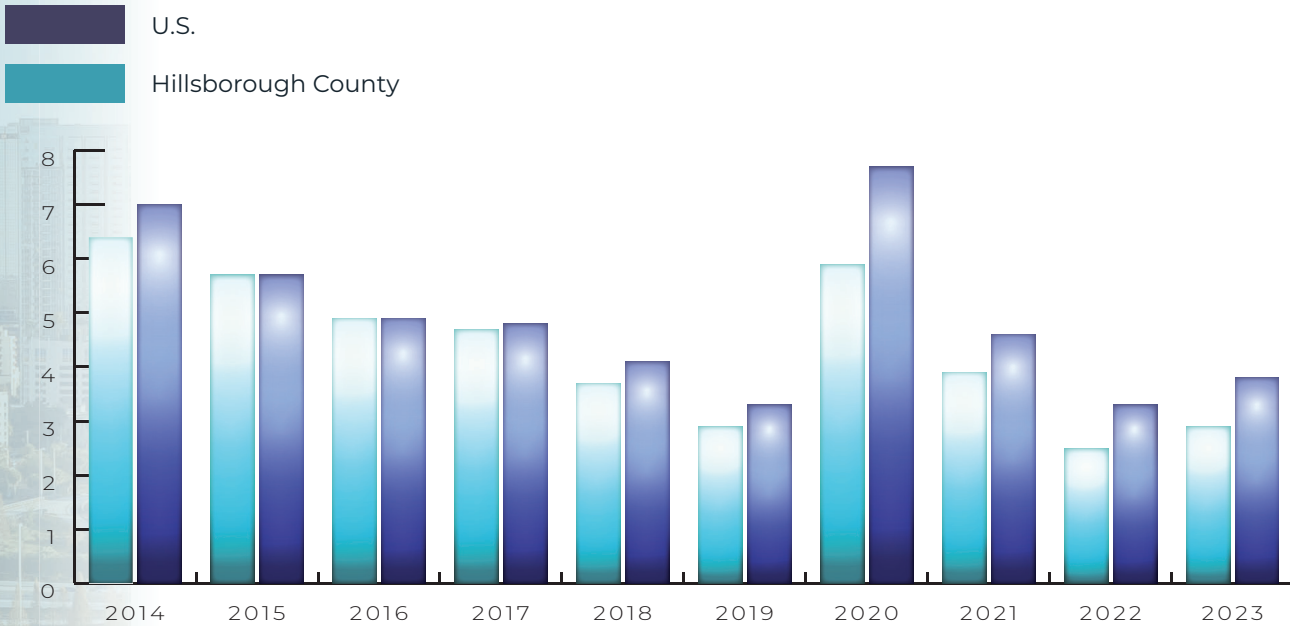
Source: Greater Tampa Realtors, Fed Prime Rate



LOCAL ECONOMY

UNEMPLOYMENT RATE

By September 2023, Hillsborough County's unemployment rate increased slightly from prior year to 2.9%, compared to a U.S. Rate of 3.8% and a prior year County unemployment rate of 2.5%



TOP 5 PROPERTY TAXPAYERS FOR 2023 (TAXES LEVIED)

Tampa Electric Company	\$54.90 M
Hillsborough County Aviation Authority	\$20.10 M
Highwoods / Florida Holding LP	\$8.90 M
Post Apartment Homes LP	\$7.90 M
Mosaic Company	\$7.80 M

Source: Tax Collector of Hillsborough County



TOP 6 HILLSBOROUGH COUNTY EMPLOYERS (EMPLOYEES)

MacDill Air Force Base	31,000
Baycare Health System	29,402
Publix	27,000
Hillsborough County School District	23,750
HCA West Florida Division	17,000
University of South Florida	14,980

Source: Business Development Board of Hillsborough County

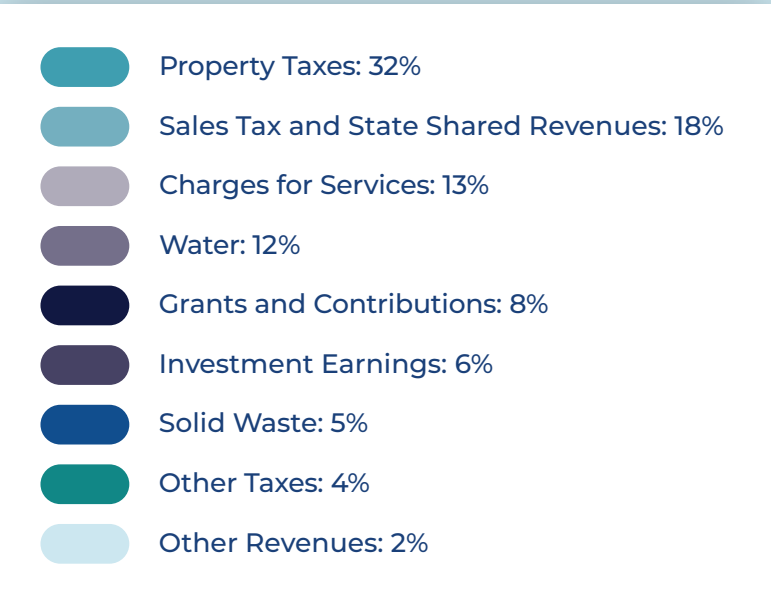
REVENUES

Total revenues increased by \$556 million or 19% from the previous year.

Amounts in Millions	FY 2023	FY 2022	Increase (Decrease)	Percent Change
Governmental Activities:				
Property Taxes	\$ 1,208	\$ 1,056	\$ 152	14%
Sales Taxes and State Shared Revenues	683	655	28	4%
Other Taxes	88	79	9	11%
Investment Earnings	118	(43)	161	-374%
Charges for Services	486	341	145	42.5%
Grants and Contributions	265	341	(76)	-22%
Other Revenues	35	59	(24)	-40.7%
Total Governmental Activities	2,883	2,488	395	16%
Business-Type Activities:				
Water	461	345	116	34%
Solid Waste	205	160	45	28%
Total Business-Type Activities	666	505	161	32%
Total Revenues	\$ 3,549	2,993	556	19%



This chart shows Hillsborough County Governmental and Business-Type Revenues for fiscal year 2023.



CHARGES FOR SERVICES

 **43%**

Charges for services increased \$145.2 million or 42.6% primarily due to the following: The County's charges for Special Assessment Fees increased \$103.3 million and charges for impact/mobility fees increase by approximately \$10.0 million.

OPERATING GRANTS AND CONTRIBUTIONS

 **10%**

Operating grants and contributions decreased \$22.7 million or 9.8%. The decrease is primarily due to a \$169.0 million decrease in ARPA funding. This was offset by an increase of \$192.0 million to the ARPA project funds. Additionally, there was a decrease of approximately \$55.0 million in Emergency Rental Assistance funding.

CAPITAL GRANTS AND CONTRIBUTIONS

 **48%**

Capital grants and contributions decreased \$52.7 million or 48.3%. This was partially due to the absence of the USDOT Build grant of \$25.0 million that was awarded in 2022. There was also a decrease in infrastructure capital contributions of \$75.0 million due to the completion of various projects in 2022.

PROPERTY TAX REVENUES

 **14%**

Property tax revenues increased \$152.3 million or 14.4% due to a \$15.10 billion or 11.5% increase in the taxable assessed value of real property in Hillsborough County for 2022. The change in assessed values of real estate in fiscal year 2022 affected property tax revenues in fiscal year 2023 because there is a lag from the time of assessment to the time taxes are due. This increase in assessed values for fiscal year 2022 was the result of real property market values rising \$18.17 billion, offset by property tax exemptions rising only \$3.07 billion (since market values less exemptions equal assessed values).

SALES TAX REVENUES & STATE SHARED REVENUES

 **4%**

Sales tax revenues and state shared revenues, as a combined category, increased \$27.3 million or 4.2% from the prior year primarily due an increase in discretionary sales tax for local government infrastructure of \$6.7 million. There was also an increase in the state revenue sharing of the local government half-cent sales tax of \$8.05 million.

OTHER TAXES

 **12%**

Other taxes increased \$9.2 million or 11.6%, primarily due to an increase of \$2.7 million in the Local Option Tourist Development tax due to increased use of hotels during the year. There were also an approximate \$1.0 million increase in Communications Services Tax and the Local Business Tax revenues.

OTHER REVENUES

 **61%**

Other revenues decreased \$27.9 million or 60.5% due to various increases in miscellaneous revenues.

INVESTMENT EARNINGS

 **494%**

Investment earnings which is the sum of actual interest and changes in the fair value of the investment portfolio, increased by \$68.7 million or 493.9%. This is primarily due to large increases in interest rates spurred by Federal Reserve action to counter high inflation in 2022. The effect was to lower market value of existing holdings that were purchased in a low rate environment. More favorable market conditions and investments purchased in higher interest rate environments in 2023 increased interest earnings and the fair market value of the portfolio as a whole. Although the fair value of investments fluctuate based on market conditions, the County's overall investment portfolio has a very low duration and investments are generally held until maturity so recorded gains and losses from the investment portfolio should be minimal.

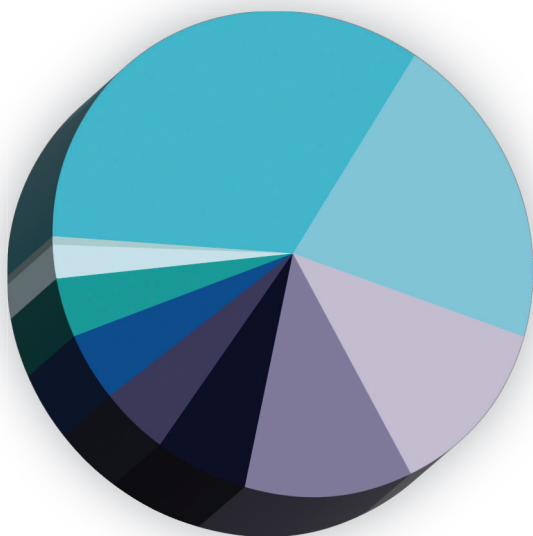
EXPENSES

Total expenses increased \$329 million or 13% from the previous year.

Amounts in Millions	FY 2023	FY 2022	Increase (Decrease)	Percent Change
Governmental Activities:				
General Government	\$ 584	\$ 680	\$ (96)	-14%
Public Safety	985	849	136	16%
Physical Environment	64	61	3	5%
Transportation	127	109	18	17%
Economic Environment	133	86	47	55%
Human Services	370	237	133	56%
Culture and Recreation	166	95	21	22.1%
Interest on Long-term Debt	23	25	(2)	-8%
Total Governmental Activities	2,402	2,142	260	12%
Business-Type Activities:				
Water	358	333	25	8%
Solid Waste	184	140	44	31%
Total Business-Type Activities	542	473	69	15%
Total Expenses	\$ 2,944	2,615	329	13%



This chart shows Hillsborough County Governmental and Business-Type Expenses by Department for fiscal year 2023.



- Public Safety: 33%
- General Government: 20%
- Human Services: 13%
- Water: 12%
- Solid Waste: 6%
- Economic Environment: 5%
- Transportation: 4%
- Culture & Recreation: 4%
- Physical Environment: 2%
- Interest on Long-term Debt: 1%

GENERAL GOVERNMENT

 **14%**

General government expenses decreased by \$96.0 million or 14.1%. There was a \$195.0 million refunding of Transportation Surtax revenues to the Florida Department of Revenue after it was deemed unconstitutional by the Florida Supreme Court in the prior year which inflated the prior year's amount. This was offset partially by a \$26.0 million increase in School Site Impact Fee expenses and various other small increases in general government expenses.

PUBLIC SAFETY

 **16%**

Public safety expenses increased by \$136.2 million or 16.0% in large part due to a \$56.9 million increase in Sheriff personal services and operating services. There was also an increase of \$17.0 million in contractual services relating to the response of Hurricane Idalia.

PHYSICAL ENVIRONMENT

 **4%**

Physical environment expenses increased \$2.5 million or 4.0%, primarily due to a \$4.0 million increase in pension expense allocated to physical environment and offset by various minor expense decreases.

TRANSPORTATION EXPENSES

 **16%**

Transportation expenses increased \$17.2 million or 15.8%. There was a \$13.4 million increase in infrastructure preservation project expenses, a \$2.8 million increase in depreciation expenses allocated to transportation assets, and an \$8.0 million increase in pension expense allocated to transportation.

ECONOMIC ENVIRONMENT

 **54%**

Economic environment expenses increased \$46.3 million or 53.7% primarily due to a \$20.5 million distribution to the City of Tampa for Community Redevelopment spending, a \$5.6 million increase in the Tampa Bay Convention and Visitors Bureau, a \$1.97 million increase in Housing Rehabilitation spending, a \$9.4 million increase in aid to the Tampa Sports Authority for improvements to Amalie Arena, a \$3 million increase to depreciation allocated to economic environment funds, and an \$8.4 million increase in pension expense allocated to economic environment.

HUMAN SERVICES

 **56%**

Human services expenses increased \$133.1 million or 56.1% mostly due to a \$78.8 million increase in medical assistance expenses, a \$5.5 million increase in hospital direct pay program expenses, a \$2.8 million increase in general assistance costs, a \$2 million increase in general assistance-home energy costs, a \$12.6 million increase in contractual services, and a \$23 million increase in pension expense allocated to Human Services.

CULTURE & RECREATION

 **24%**

Culture and recreation expenses increased \$22.6 million or 24.1% largely due to a \$6 million increase in building and facility maintenance, a \$1.5 million increase in Cultural and Attraction based Capital and Infrastructure spending, and a \$7.4 million increase in pension expense allocated to culture and recreation. The remaining amount is attributable to small increases in various areas.

BALANCE SHEET

SEPTEMBER 30, 2023

Amounts in Millions	Governmental 2023 Activities	Business-Type 2023 Activities	Total	Prior Year
ASSETS				
Cash and investments	\$ 3,006	1,052	4,058	3,594
Due from state/federal governments	128	-	128	152
Receivables/other current assets	62	162	224	111
Capital assets, net of depreciation	8,503	1,494	9,997	9,922
Total assets	11,699	2,708	14,407	13,779
DEFERRED OUTFLOW OF RESOURCES				
Bond refunding losses	1	2	3	5
Pensions	259	13	272	274
Postemployment benefits (OPEB)	74	3	77	67
Purchase price in excess of book value	--	5	5	5
Total deferred outflows	334	23	357	351
LIABILITIES				
Accounts payable	122	38	160	195
Accrued payroll liabilities, etc.	34	2	36	34
Unearned revenues	197	2	199	298
Deposits payable	7	19	26	34
Other current liabilities	198	26	224	224
Long-term liabilities	2,067	674	2,741	2,591
Total liabilities	2,625	761	3,386	3,376
DEFERRED INFLOWS OF RESOURCES				
Pensions	68	3	71	83
Postemployment benefits (OPEB)	53	2	55	24
Lease revenue	-	1	1	1
Total deferred inflows	121	6	127	108
NET POSITION (EQUITY)				
Net invested in Capital Assets	7,712	998	8,710	8,513
Restricted	1,154	93	1,247	1,145
Unrestricted	421	873	1,294	988
Total net position	\$ 9,287	1,964	11,251	10,646



BALANCE SHEET

The balance sheet shows the financial position at the end of the fiscal year compared to the prior year. The balance sheet and other statements in this report were summarized from the Hillsborough County, Florida Annual Comprehensive Financial Report. To simplify the presentation, the statements in this Financial Summary Report are not in GAAP format. “Deferred Outflows of Resources” are consumptions of resources, like prepaid expenses, which will be recognized as expenses in the future. “Deferred Inflows of Resources” are acquisitions of resources that will be recognized as revenues in the future. The restricted net position represents equity that may be used only as specified by debt covenants, grantors, laws or regulations, other governments, or other external restrictions. The County had an unrestricted net position of \$421,316,000 and \$873,144,000 for governmental and business-type activities, respectively.

The increase in Total Net Position from \$10,646,250,000 to \$11,251,223,000 indicates the County’s financial position increased by 5.7% from the previous year.



CAPITAL ASSETS

- Infrastructure 51%
- Improvements other than buildings: 19%
- Buildings: 15%
- Land, including rights-of-way: 6%
- Equipment: 5%
- Construction works in progress: 3%
- Intangibles: 1%

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 seven wastewater treatment plants. Water program revenues increased \$76.8 million or 21.2% from the previous year primarily due to water, wastewater, reclaimed water, customer billing charges increased \$40.6 million and nonoperating revenues increased \$44.0 million primarily due to an increase in investment and interest earnings of \$17.9 million. Water program expenses increased by \$25.5 million primarily due to the following: \$5.2 million increase in employee services, \$9.5 million increase in contractual services, and \$9.0 million increase in pension expense offset by \$25.1 million increase in favorable fair market value changes.

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 increased \$51.4 million or 31.7% compared to the prior year due to an increase in residential disposal and collection assessments, municipal disposal fees, electricity generation revenues and franchise hauling revenues of \$47.6 million while commercial disposal fees, recycling, and other general operating revenues decreased by \$2.9 million. Solid Waste program expenses increased \$44.0 million primarily due to an increase in contractual services of \$24.4 million and a \$14.3 million increase in landfill closure and post closure care costs.

LONG-TERM LIABILITIES

At September 30, 2023, the County had 21 bonded debt issues outstanding for a variety of purposes including the construction or acquisition of parks and recreation facilities, court facilities, environmentally sensitive land, solid waste facilities, and water/wastewater treatment systems. Bonded debt outstanding and other long-term liabilities, which include amounts due within one year, at September 30, 2023, were as follows:

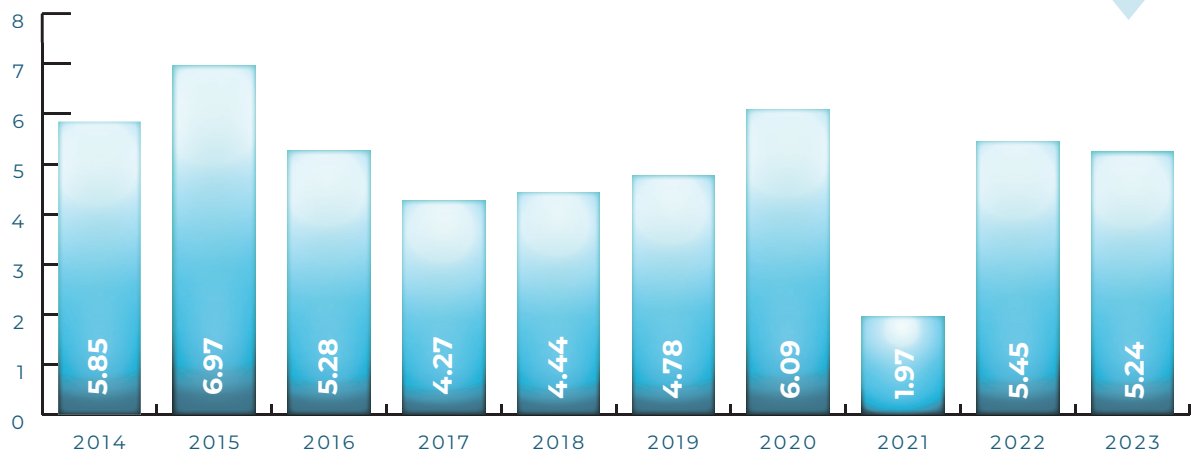
Amounts in Millions		2023	2022	Increase / (Decrease)
General obligation bonds	\$	161	105	56
Revenue bonds		1,169	1,231	(62)
Total bonded debt		1,330	1,336	(6)
Notes payable		24	46	(22)
Direct borrowings and placements		60	63	(3)
Compensated absences payable		90	64	26
Insurance claims payable		42	41	1
Net pension liability		1,212	1,041	171
Total OPEB liability		123	141	(18)
Other long-term debt		44	36	8
Total long-term liabilities	\$	2,925	2,768	157

On September 30, 2023, the County’s general obligation debt was rated Aaa by Moody’s Investors Service, Aaa by Standard & Poor’s, and Aaa by Fitch Ratings. These are the highest attainable credit ratings.

DEBT SERVICE COVERAGE OF GOVERNMENTAL REVENUE BONDS



This chart shows that pledged revenues were 5.24 times greater than the amount needed for debt service on the County’s governmental revenue bonds during fiscal year 2023.



CASH & INVESTMENTS

The County manages its investment portfolio with the primary objectives of safeguarding principal, ensuring liquidity to meet daily cash needs, and maximizing investment earnings within statutory and fiduciary requirements. The Board of County Commissioners Investment Pool has Standard & Poor's highest rating of AA+ . It also had an overall annual rate of return for the fiscal year of 2023 of 3.95% compared to the benchmark rate of 4.48%. On September 30, 2023, the County investment portfolio was invested as shown below:

Cash & Investments	Amounts in Millions	Percentage of Total
Bank accounts	\$ 171	4%
U.S. Treasury securities	2,155	53%
U.S. government sponsored agency securities	759	18%
Corporate notes	75	2%
Municipal bonds	23	1%
State Board of Administration: Florida PRIME	914	22%
Mutual funds	27	0%
Open-end money market mutual funds	12	0%
Total cash and investments	4,136	100%
Less: Amounts held in trust for non-County entities	(78)	
Total Primary Government Cash and Investments	\$ 4,058	

This chart depicts Hillsborough County's Cash and Investments Portfolio by Type of Investment at September 30, 2023.



- U.S. Treasury Securities: 53%
- State Board of Administration: Florida PRIME: 22%
- U.S. Government Sponsored Agency Securities: 18%
- Bank Accounts: 4%
- Corporate Notes: 2%
- Municipal Bonds: 1%



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hillsclerk.com