

Hillsborough County, Florida



COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2016

Hillsborough County Economic Development Department

This year's Comprehensive Annual Finance Report showcases the Economic Development Department (EDD), which is responsible for growing economic prosperity for all residents and businesses. Fiscal Year 2016 accomplishments included:

- Technology and Innovation**
 - The successful *Entrepreneur Collaborative Center (ECC)* delivered access to more than 65 business service providers, as well as resources, mentorship, and specialty training.
 - The *ECC* hosted 554 programs, with nearly 9,000 attendees, including the largest chapter of *1 Million Cups* in the Southeast.
- Entrepreneurial and Small Business Ecosystem**
 - *Entrepreneur Services* provided 2,916 hours of one-on-one consulting to 800 clients, which resulted in 54 businesses started, 220 jobs retained and 74 new jobs created. Clients were awarded \$4.1 million in government contracts and \$2.8 million in business loans from commercial banks.
 - *Entrepreneur Services* conducted 159 workshops throughout the County with nearly 1,400 participants and a satisfaction rating of 4.9 out of 5 stars.
- Competitive Sites and Redevelopment**
 - The EDD's *Targeted Industry Projects* announced 2,271 new jobs, \$91.5 million in annual payroll and \$107 million in private capital investment.
- Infrastructure and Economic Gateways**
 - Minority Business Enterprise (MBE) and Small Business Enterprise (SBE) use in County procurements increased to 17.1% of contract value. In addition participation grew to 616 certified MBE firms and 482 registered SBE firms.
- Quality Places**
 - Adopted the *Redevelopment Pilot Project Area Program* to promote industrial and office projects, job creation and private capital investment in the North Airport, 56th Street/East Lake, University Area, and Palm River areas.
- Targeted Industries**
 - Sponsored agriculture research for growing hops in Florida and harvested the first crop for local craft breweries.
- Conventions, Tourism and Sports**
 - Hillsborough County had a record-breaking tourism year with more than 5.7 million hotel rooms rented and \$29.6 million in Tourist Development Tax collected from visitors.
- Workforce and Knowledge Infrastructure**
 - The *Hillsborough County Manufacturing Alliance*, a partnership between Hillsborough County Public Schools, Hillsborough Community College, the County and the private sector created a continuum of training and a pathway to quality careers, helped 1,301 local students connect with their future.
- Competitive Positioning**
 - Developed the technology and innovation ecosystem by supporting partners for programs that increased mentorship, corporate engagement in building the start-up ecosystem and access to networking opportunities. This resulted in the creation of 877 jobs and 12,628 points of engagement.

To learn more about the Economic Development Department and its services, visit www.hcflgov.net.

Hillsborough County, Florida
Comprehensive Annual
Financial Report

Fiscal Year Ended September 30, 2016

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

HILLSBOROUGH COUNTY, FLORIDA
List of Principal Officials
In Office at September 30, 2016

Board of County Commissioners

Lesley “Les” Miller, Jr., *Chair*
Victor D. Crist, *Vice-Chair*
Stacy White, *Chaplain*
Kevin Beckner
Ken Hagan
Al Higginbotham
Sandra Murman

Constitutional Officers

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

Appointed Officials

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

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INTRODUCTORY SECTION



Targeted Industry Development

The Economic Development Department works to grow Targeted Industries which are industries that expand the economy by providing goods and services to customers outside of the County, thus bringing in new wealth and expanding job opportunities for residents. Targeted Industries include Financial Services, Headquarter Operations, Information Technology, Manufacturing, Life Sciences, Logistics, Defense and Security and Agribusiness.





April 21, 2017

To the Residents of Hillsborough County, Florida:

The Hillsborough County, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016, 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, 2016, 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, 2016, 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 Title 2 US Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); 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 19th county, is located along the west coast of Florida. The County covers 1,266 square miles, of which 215 square miles cover water areas. Hillsborough County's 2016 population of 1,352,797 exceeded the population of each of the following states: Alaska, Delaware, Maine, Montana, New Hampshire, 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 2016, the County's revenues from all sources were approximately \$1.9 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, 2016, 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 financial 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, 2016, the Hillsborough County Primary Government had total cash and investments of \$2.063 billion. Most of this amount, \$1.888 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, 48%; US government sponsored agency securities, 29%; Florida PRIME, the state of Florida's

Local Government Investment Pool, 12%; corporate notes, 5%; commercial paper notes, 3%; municipal bonds, 1%; and cash in demand deposits and money market accounts, 2% in total. At September 30, 2016, the Investment Pool's weighted average maturity was a low 1.06 years.

In 2008 the Investment Pool was rated for the first time and assigned the highest rating of AA+ by Standard & Poor's Ratings Services (S&P). This rating continued each year until 2011, when it was reduced one level to AA+ due to S&P's 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 2016 was 0.76% compared to the benchmark rate of 0.42%, (a weighted average of the Merrill Lynch 3-month US Treasury Bill Index and the Merrill Lynch 1-3 Year US Treasury Note Index). The Investment Pool's rate of return for fiscal year 2015 was 0.63%.

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 \$46.0 million or 7.7% due to a 7.7% 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 2016, the County had \$85.8 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 6% of the County's governmental revenues. The US government also has an indirect effect on other County revenues. For example, 42% 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 mortgage-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, 2016, the Hillsborough County Primary Government held 71% of its investment portfolio in US government or related investments. A total of \$1.460 billion 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, 2016, the Hillsborough County Primary Government also held \$104 million, or 5% of its investment portfolio, in bank deposits, most of which were secured by the FDIC. The rest were secured 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 19 employers in Hillsborough County, MacDill Air Force Base, the James A Haley Veterans Administration Hospital, and US Postal Service together represent 27,379 employees or 20% of the employees at the top 19 employers. See Principal Employers in the Statistical Section of the CAFR for more details. In addition, the residents of Hillsborough County pay significant amounts of income and excise taxes to the US government and also receive significant benefits from the US government including Social Security, Medicare, and unemployment compensation. The reason for highlighting these interactions with the US government is that changes 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 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, 2015. 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-four 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, 2015*. 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 sixteen consecutive years.

Both of these awards are valid for a period of one year. We believe that the County's fiscal year 2016 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



Hillsborough County Florida

COUNTY ADMINISTRATOR

Michael S. Merrill

April 7, 2017

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, 2016.

I am pleased to report that Hillsborough County’s financial position in Fiscal Year 2016 (FY 16) remained strong at a time when other governments still experienced challenging financial positions due the lingering effects of the nation’s recent economic downturn. During FY 16, 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 seven years have improved service delivery while reducing the per capita cost of County government by 10.5% compared to FY 10. Our Board of County Commissioners (BOCC) adopted a FY 17 budget that is balanced without using reserves, reducing our workforce, or impacting 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

Our community has a rich, vibrant history steeped in diverse traditions and cultures. County government fosters community prosperity for all residents by strengthening 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.

The BOCC’s strategic goals focus on 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 can live in high-energy urban

HCFLGOV.NET

BOARD OF COUNTY COMMISSIONERS

- Victor D. Crist
- Ken Hagan
- Al Higginbotham
- Pat Kemp
- Lesley "Les" Miller, Jr.
- Sandra L. Murman
- Stacy R. White

COUNTY ADMINISTRATOR

Michael S. Merrill

COUNTY ATTORNEY

Chip Fletcher

INTERNAL AUDITOR

Peggy Caskey



Hillsborough was established as Florida’s 19th county in 1834.

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

environments, suburban planned communities, or rural landscapes. Notable national and international events – including four Super Bowls, NCAA competitions, the Republican National Convention, the International Indian Film Academy’s 2014 awards, and the 2017 College Football National Championship – 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 BOCC to run the day-to-day operations of County government. My commitment is to foster community prosperity through excellence in meeting the service needs of residents and businesses. In the unincorporated area of the County, those services include construction permitting, water and wastewater service, solid waste collection and disposal, recreational activities, economic development programs, and code enforcement, as well as maintenance of vital infrastructure such as roads and public buildings. In addition, libraries, pet resources, and social services for children, seniors, and low-income residents are provided to over 1.3 million people countywide.

Economic Conditions

The Tampa Metropolitan Statistical Area had an annual gain of 28,400 jobs in 2016. Construction, professional and business services, education and health services, retail, and leisure and hospitality led this broad-based job growth. Tourism in the Tampa Bay region has been exceptionally strong in recent years, with tourist development tax collections increasing 9.5% in FY 16. Nationally, job markets and wage growth showed notable improvement in 2016, and job growth is expected to continue in 2017. This growth supports improved consumer spending and confidence.

The local housing market continues to post gains. Foreclosures fell 19.7%, and home prices rose 10.8% in Hillsborough County during 2016. Existing unsold housing inventory is at its lowest level since 2005. In 2016 home sales were up 5.1% over the previous year. The continued housing recovery supported a fourth consecutive year of property tax revenue growth for FY 17.

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 that support and encourage a comprehensive approach to financial management. These policies are available online in the adopted budget document at HCFLGov.net.



The County’s December 2016 unemployment rate of 4.3% was below the national average of 4.5%.

In FY 15, \$76.3 million in new corporate capital investment helped create 1,512 new jobs.



Consumer spending drove a 6.1% increase in taxable sales in FY 16 amid steady economic growth.



Hillsborough tourist development tax collections rose 9.5% in FY 16 to a record high \$29.6 million.



Housing
In 2016, home sales increased 5.1%, and the average home price rose 10.8%.

Major Initiatives

Hillsborough County is committed to leveraging limited financial resources to solve complex public problems and achieve shared community goals. Through dynamic collaborations, the County continues to foster public-private partnerships that achieve common goals and provide cost-effective solutions to meet growing community service and demands. During FY 16, the BOCC adopted a transportation funding policy that commits \$812 million in new transportation expenditures over the next 10 years. Additionally, other economic development initiatives were funded to further enhance job creation.

The BOCC has consistently stated that our 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; and improving the return-on-investment and metrics associated with the County's support of tourism-related activities.

As companies expand, the characteristics 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 rising prosperity. By making strategic investments, Hillsborough County benefits from 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 sound 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 continue to create a prosperous community that is a great place to grow a family and grow a business.

Sincerely,



Michael S. Merrill
County Administrator

Our desired community goals:

- Safe, clean, attractive communities residents are proud to call home
- Safe and effective transportation options that keeps pace with demand
- Strong and sustainable local economy
- Healthy and enjoyable place to live, work, and play
- Self-sufficiency and quality of life for those who need help
- Reliable, cost-effective, secure and sustainable infrastructure
- Residents who trust County Government and are satisfied with its services
- Responsible and sound financial management practices
- Performance-aligned and managed organization





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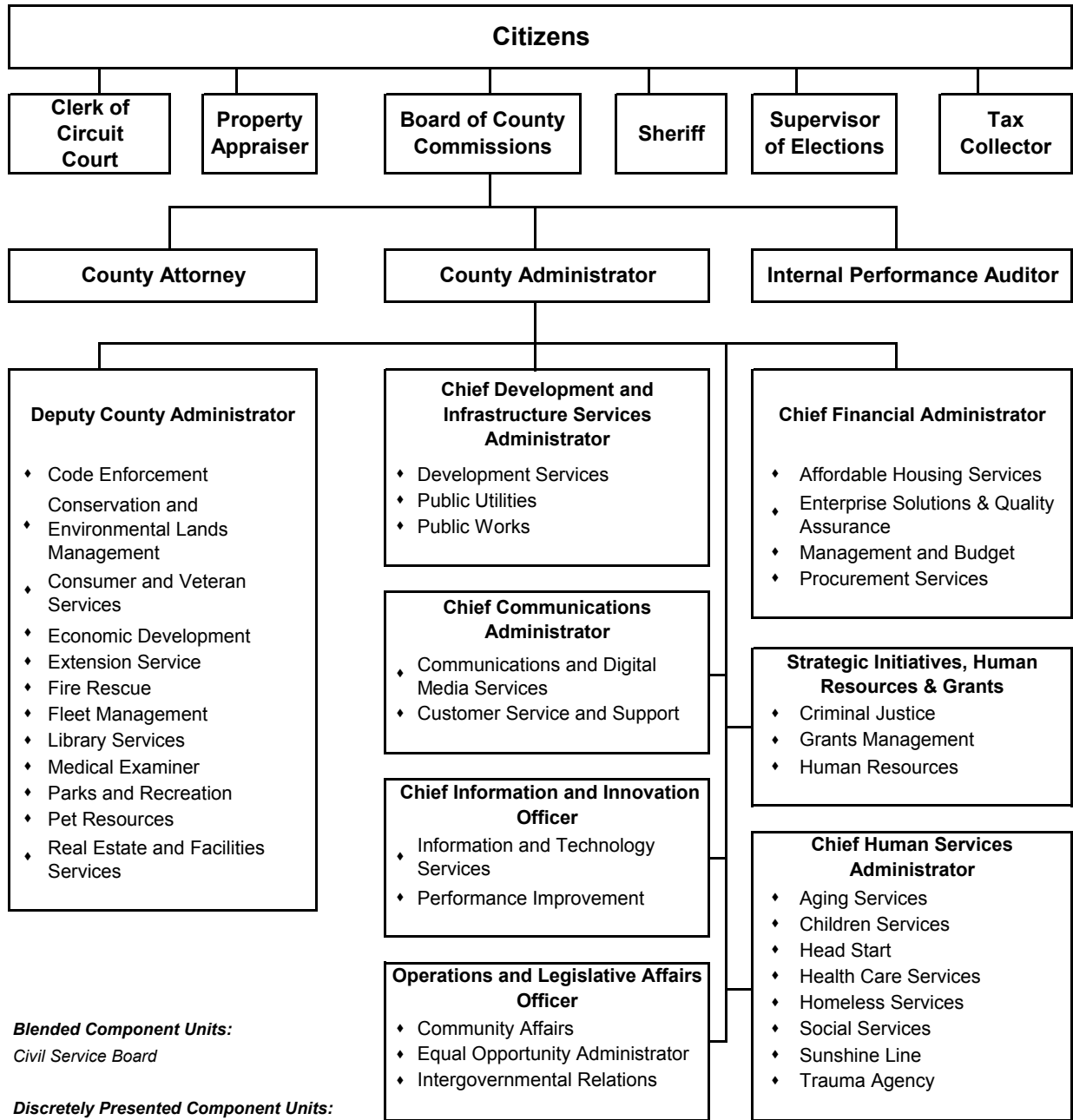
**Hillsborough County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

Hillsborough County, Florida Organization Chart



Blended Component Units:
Civil Service Board

Discretely Presented Component Units:
Housing Finance Authority of Hillsborough County
Hillsborough County City-County Planning Commission

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

FINANCIAL SECTION

ENTREPRENEUR

&

SMALL BUSINESS



Entrepreneur and Small Business Development

Entrepreneurs and small business owners are the backbone of our economy. The Economic Development Department works to connect these important people to resources and information to help them be successful and to create jobs through outreach around the County and the establishment of the Entrepreneur Collaborative Center.



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, 2016, 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 91.3% of the assets, 94.1% of the net position and 23.2% 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, 2016, 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.

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, schedule of funding progress for postemployment benefits other than pensions, schedule of Hillsborough County's proportionate share of the Florida Retirement System net pension liabilities for the pension plan and health insurance subsidy program, and the schedule of contributions Florida Retirement System pension plan and health insurance subsidy program, 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 GASB, 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 basic financial statements as a whole. The introductory section, combining and individual fund statements and schedules, statistical section, and the schedule of receipts and expenditures related to the Deep Water Horizon oil spill 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 and the schedule of receipts and expenditures related to the Deep Water Horizon oil spill 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 and the schedule of receipts and expenditures related to the Deep Water Horizon oil spill 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 21, 2017, 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.

Cherry Bekant LLP

Tampa, Florida
April 21, 2017



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, 2016 using the reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34. The reporting model is described in the following narrative as well as in the Notes to the Financial Statements. We encourage reading this narrative with the transmittal letters starting on the first page of this document.

Financial Highlights

- At September 30, 2016, the County's net position was approximately \$8.692 billion. Net position is defined as "assets and deferred outflows of resources" less "liabilities and deferred inflows of resources." Of this amount, \$7.577 billion was the net investment in capital assets, and \$603 million was restricted by law, grant agreements, debt covenants, or for capital projects. As a result, \$513 million 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 \$69 million decrease from the prior year's unrestricted net position of \$582 million before restatement. This decrease is explained below.
- During the year, the County's net position increased \$117.3 million. Of this amount, governmental activities were responsible for approximately \$67.4 million and business-type activities were responsible for approximately \$49.9 million. Total net invested in capital assets increased \$97.8 million or 1.3% from the prior year.
- At September 30, 2016, the General Fund's fund balance was \$299.7 million, representing an increase of \$20.6 million or 7.4% from the previous year. The County's governmental funds in total, reported a combined fund balance at year-end of \$945.0 million, an increase of \$9.9 million or 1.0% from the previous year.
- The County's Water Enterprise Fund had an increase in net position of \$46.0 million over the beginning balance primarily due to: capital contributions from developers of \$35.0 million; net interest revenues of \$7.1 million; a combination of nonoperating revenues and gain on disposal of capital assets of \$4.7 million, net transfers in of \$3.6 million; partly offset by an operating loss of \$5.6 million. The County's Solid Waste Enterprise Fund had a net increase in net position of \$0.1 million from the previous year primarily due to: operating income of \$3.1 million, transfers in of \$1.5 million; a combination of nonoperating revenues and gain on disposal of capital assets of \$0.9 million; partly offset by net interest expenses of \$5.3 million.
- The County's total liabilities increased by \$0.595 billion, from the September 30, 2015 balance of approximately \$1.851 billion to the September 30, 2016 balance of \$2.446 billion. This change was primarily due to the following: The net pension liability rose \$354.6 million. Bonds payable increased \$135.5 million. Notes payable increased \$55.2 million. Compensated absences payable declined \$7.4 million. Other long-term liabilities declined \$11.4 million, in total. Net increases in other liabilities in the normal course of operations, accounted for an increase of \$68.0 million.
- The County follows GASB Statement No. 68, *Accounting and Financial Reporting for Pensions an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68*. These statements required the County to record its proportionate share of the long-term liability associated with participating in the Florida Retirement System as well as related deferred outflows and inflows of resources. These accounting standards also require the County to record the applicable pension expense (or benefit), which can have significant change from year to year. See Note 8, *Employee Retirement Plans*, for more information.

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>Management's Discussion & Analysis</p> <p>Basic Financial Statement</p> <p>a. Government-wide Financial Statements and Fund Financial Statements</p> <p>b. Notes to the Financial Statements</p> <p>Required Supplementary Information</p> <p>a. Infrastructure Condition and Maintenance Data</p> <p>b. Funding Progress for Postemployment Benefits Other Than Pensions (OPEB)</p> <p>c. Schedule of Hillsborough County's Proportionate Share of the Florida Retirement System Net Pension Liabilities for the Pension Plan and Health Insurance Subsidy Program</p> <p>d. Schedule of Contributions Florida Retirement System Pension Plan and Health Insurance Subsidy Program</p>

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

Government-wide financial statements The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The Statement of Net Position presents information on the assets, deferred outflows of resources, liabilities and deferred inflows of the County as a whole. Assets and deferred outflows of resources less both liabilities and deferred inflows of resources are reported as net position. Changes in net position serves 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. An increase in unused vacation leave is recorded as an expense even though related cash outflows will occur in the future.

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

The government-wide financial statements include not only the County (known as the *primary government*), but also the legally separate entities for which the County is financially accountable (known as *component units*). The 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*, *Schedule of Funding Progress for Postemployment Benefits Other Than Pensions (OPEB)*, *Schedule of Hillsborough County’s Proportionate Share of the Florida Retirement System Net Pension Liabilities for the Pension Plan and Health Insurance Subsidy Program*, and *Schedule of Contributions Florida Retirement System Pension Plan and Health Insurance Subsidy Program* located immediately after the *Notes to the Financial Statements*. In addition, the *Statistical Section* is 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. The Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill is presented in *Other Supplementary Information*.

Government-wide Financial Analysis

Over time, *net position* may serve as the most useful indicator of a government’s financial position. At September 30, 2016, the County’s total net position, i.e. total assets and deferred outflows of resources less liabilities and deferred inflows of resources, was \$8.692 billion. As shown on the chart on the following page, the County reported positive balances at September 30, 2016, in all three categories of net position for governmental activities, business-type activities, and the County as a whole.

A significant portion of the County’s net position (87%) is identified as net investment in capital assets, which is capital assets such as land, buildings, equipment, and infrastructure, less related debt outstanding that was used to acquire or construct those assets. Since the County uses capital assets to provide services to its residents, the net 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 of resources less liabilities and less deferred inflows of resources 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 deferred inflows of resources 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.

**Hillsborough County, Florida
Net Position**

<i>in thousands</i>	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 1,446,655	1,399,827	877,878	669,978	2,324,533	2,069,805
Capital Assets	7,240,075	7,157,148	1,276,197	1,215,476	8,516,272	8,372,624
Total assets	<u>8,686,730</u>	<u>8,556,975</u>	<u>2,154,075</u>	<u>1,885,454</u>	<u>10,840,805</u>	<u>10,442,429</u>
Deferred outflows of resources	438,241	95,547	24,441	6,997	462,682	102,544
Current Liabilities	351,650	363,739	80,447	71,713	432,097	435,452
Long-term liabilities	1,429,129	1,056,315	585,006	359,705	2,014,135	1,416,020
Total liabilities	<u>1,780,779</u>	<u>1,420,054</u>	<u>665,453</u>	<u>431,418</u>	<u>2,446,232</u>	<u>1,851,472</u>
Deferred inflows of resources	156,936	112,601	7,884	5,730	164,820	118,331
Net position:						
Net investment in capital assets	6,619,420	6,589,877	957,661	889,356	7,577,081	7,479,233
Restricted	522,702	429,696	79,968	84,498	602,670	514,194
Unrestricted	45,134	100,294	467,550	481,449	512,684	581,743
Total net position	<u>\$ 7,187,256</u>	<u>7,119,867</u>	<u>1,505,179</u>	<u>1,455,303</u>	<u>8,692,435</u>	<u>8,575,170</u>

Governmental activities There was a \$67.4 million increase in the County’s net position represented by governmental activities. The growth in net position from governmental activities represented 57% of the County’s total growth in net position of \$117.3 million. Governmental revenues rose \$24.4 million from the prior year without considering the special item, which was a loss. Expenses rose \$130.4 million compared to the prior year. The chart on the following page describes changes in net position between the current and prior fiscal years. Key net position changes during fiscal year 2016 are described below. Expense variance explanations are provided on the next few pages.

Governmental Activities

- **Charges for services** increased \$2.7 million or 1.2% primarily due to the following: There was a \$30.9 million comparative decline in in charges for services because the indirect cost allocation was eliminated from charges for services and expenses in fiscal year 2016, whereas it equally increased charges for services and expenses in fiscal year 2015. This decrease was offset by the following: There was a \$7.9 million increase in residential impact fees for schools. There was a \$3.0 million increase in building permits and a \$10.8 million increase in special assessment revenues. The Sheriff’s new Misdemeanor Probation Services Fund had charges for services revenues of \$1.9 million. The Tax Collector had an increase in fees of \$1.4 million. The General Fund (Countywide and Unincorporated Area portions) had \$1.7 million in higher revenues for a variety of different charges for services and fines, such as ambulance and fire protection service charges, as well as code enforcement fees.
- **Operating grants and contributions** increased \$6.7 million or 8.4%. This increase in operating grants and contributions revenue was primarily concentrated in the following areas: Human Services increased \$2.8 million; Transportation increased \$1.3 million; and Culture and Recreation increased \$1.1 million. These changes reflect shifting priorities at federal, state and local granting agencies.
- **Capital grants and contributions** decreased \$36.6 million or 43.7% due to a combination of factors. There was a \$55.5 million decrease in infrastructure contributions from real estate developers. Total infrastructure

contributions for fiscal year 2016 were \$26.3 million, representing long-term investments by real estate development companies. This decrease was partially offset by an increase in capital grant revenues, mostly in the transportation function.

Hillsborough County, Florida Changes in Net Position

<i>in thousands</i>	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for service	\$ 218,440	221,136	323,011	310,497	541,451	531,633
Operating grants and contributions	86,549	79,853	--	--	86,549	79,853
Capital grants and contributions	47,174	83,774	34,996	57,663	82,170	141,437
Restricted investment earnings	--	--	9,452	9,165	9,452	9,165
General revenues:						
Property taxes	640,958	594,937	--	--	640,958	594,937
Sales taxes, state shared revenue	447,890	427,096	--	--	447,890	427,096
Other Taxes	53,248	52,496	--	--	53,248	52,496
Investment earnings	10,803	9,218	--	--	10,803	9,218
Gain (loss) - sales of capital assets	--	1,044	1,069	234	1,069	1,278
Other revenues	26,411	37,538	4,020	4,793	30,431	42,331
Total revenues	<u>1,531,473</u>	<u>1,507,092</u>	<u>372,548</u>	<u>382,352</u>	<u>1,904,021</u>	<u>1,889,444</u>
Expenses						
General government	343,719	343,625	--	--	343,719	343,625
Public safety	561,697	546,182	--	--	561,697	546,182
Physical environment	53,491	29,627	--	--	53,491	29,627
Transportation	96,638	84,476	--	--	96,638	84,476
Economic environment	63,704	52,508	--	--	63,704	52,508
Human services	209,926	214,842	--	--	209,926	214,842
Culture and recreation	72,301	79,726	--	--	72,301	79,726
Pension expense (benefit)	33,641	(35,943)	--	--	33,641	(35,943)
Interest on long-term debt	22,372	12,066	--	--	22,372	12,066
Water Resource Services System	--	--	222,818	210,861	222,818	210,861
Solid Waste Resource Recovery	--	--	104,955	99,673	104,955	99,673
Total Expenses	<u>1,457,489</u>	<u>1,327,109</u>	<u>327,773</u>	<u>310,534</u>	<u>1,785,262</u>	<u>1,637,643</u>
Change in net position before special items & transfers						
& transfers	73,984	179,983	44,775	71,818	118,759	251,801
Transfers	(5,101)	--	5,101	--	--	--
Special item--loss on defeased debt	(1,494)	(9,005)	--	--	(1,494)	(9,005)
Change in net position	<u>67,389</u>	<u>170,978</u>	<u>49,876</u>	<u>71,818</u>	<u>117,265</u>	<u>242,796</u>
Net position, beginning of year	<u>7,119,867</u>	<u>6,948,889</u>	<u>1,455,303</u>	<u>1,383,485</u>	<u>8,575,170</u>	<u>8,332,374</u>
Net position, end of year	<u>\$ 7,187,256</u>	<u>7,119,867</u>	<u>1,505,179</u>	<u>1,455,303</u>	<u>8,692,435</u>	<u>8,575,170</u>

- **Property tax revenues** increased \$46.0 million or 7.7% due to a \$5.17 billion or 8.5% increase in the taxable assessed value of real property in Hillsborough County for 2015. The change in assessed values of real estate in fiscal year 2015 affected property tax revenues in fiscal year 2016 because of the lag from the time of assessment to the time taxes are due. This increase in assessed values for fiscal year 2015 was the result of real property market values rising \$5.8 billion, offset by property tax exemptions rising only \$0.67 billion (since market values less exemptions equal assessed values).

- **Sales tax revenues and state shared revenues**, as a combined category, increased \$20.8 million or 4.9% from the prior year. Most of these revenues increased due to higher retail sales brought about by a stronger economy. The discretionary sales surtax for the healthcare of low-income residents increased \$7.0 million. The Community Investment Tax, a discretionary sales surtax for infrastructure capital projects, increased \$6.9 million. The local government half-cent sales tax, a state shared revenue, increased \$5.5 million. Fuel taxes increased \$1.3 million. Other state shared revenues rose \$1.1 million.
- **Other taxes** increased \$0.8 million or 1.4% primarily due a \$2.6 million increase in tourist development taxes from the greater use of hotels during the year as a result of a stronger economy. This gain was partly offset by a \$1.5 million decline in Communications Services Tax revenues due to a lower rate set by the state of Florida.
- **Investment earnings**, which is the sum of actual interest and changes in the fair value of the investment portfolio, rose \$1.6 million or 17.2% from the previous year. The overall investment portfolio earnings rate rose from 0.63% for fiscal year 2015 to 0.76% for fiscal year 2016. The benchmark interest rate for fiscal year 2016 was 0.42% (a weighted average of the Merrill Lynch 3-month US Treasury Bill Index rate of 0.61% and 1-3 Year US Treasury Note Index rate of 1.14%).
- **Other revenues** declined \$11.1 million or 29.6% due to a combination of factors such as: There was a comparative reduction from the prior year because the County received \$22.78 million in lawsuit proceeds related to the Deepwater Horizon oil spill in fiscal year 2015. The County recorded \$8.5 million of miscellaneous revenues during fiscal year 2016 when the BOCC approved an agreement between the Tampa Sports Authority, the Tampa Bay Buccaneers, the city of Tampa and the County, whereby the Buccaneers relinquished any and all legal rights to the balance of certain funds previously escrowed by the Tampa Sports Authority in connection with a practice area. As a result this contingent liability was removed. In addition, there was a combined \$2.7 million increase in Affordable Housing program-related mortgage/lien repayments.
- **General government** expenses increased \$0.1 million. Although the change was minimal, there was offsetting items of significance. There was a total \$22.4 million increase in the General Fund in a variety of areas including salary increases, professional services, contract personnel, repair and maintenance, and software support agreements. There was a \$22.5 million increase in the Countywide Special Purpose Fund due to payments to the Hillsborough County School Board for new school construction (from impact fees) partially offset by a reduction in building maintenance costs. These increases were offset by the following: A \$34.1 million reduction due to elimination of significantly higher Internal Service Fund healthcare assessments to participating funds. An \$8.4 million reduction due to the elimination of indirect administrative cost allocations. A \$1.6 million reduction in the Sales Tax Revenue Fund due to a reduced amount sent to the Tampa Sports Authority. And a \$1.2 million reduction in Civil Service costs because recruiting responsibilities were transferred from the Civil Service to applicable agencies and personnel were transferred to BOCC departments.
- **Public safety** expenses increased \$15.4 million or 2.8% primarily due to: The Sheriff's portion of the General Fund and special revenue funds had a combined \$11.8 million increase primarily due to the salary increases and the creation of a new Misdemeanor Probation Services Fund. There was a \$11.0 million increase in the Unincorporated Area portion of the General Fund primarily due to salary increases, higher healthcare assessments, other payroll-related costs and higher repair and maintenance expenditures. There was a \$3.2 million increase in the Countywide Special Purpose Fund primarily due to increases in grants to other governments. There was a \$2.1 million increase in the Countywide portion of the General Fund due to salary increases and other payroll-related costs. There was a \$3.9 million comparative increase from the elimination of Internal Service Fund transactions. There was a \$12.5 million reduction from the elimination of indirect administrative cost allocations. The Sheriff also had a reduction in compensated absences liabilities of \$3.4 million.

- **Physical environment** expenses increased \$23.9 million or 80.5% primarily due to: A \$6.0 million increase in infrastructure preservation costs for stormwater maintenance projects. An \$11.4 million loss from disposal of land that was added to expenses in accordance with governmental accounting standards since it was a loss. A \$4.8 million increase in physical environment expenditures in the Intergovernmental Grants Fund such as for stormwater projects in the Unincorporated Area of the County.
- **Transportation** expenses increased \$12.2 million or 14.4% primarily due to: There was a \$7.9 increase in infrastructure preservation costs that are expensed on the Statement of Activities under the modified approach for recording infrastructure assets and a \$4.1 million increase in infrastructure disposals.
- **Economic environment** expenses increased \$11.2 million or 21.3% primarily due to a \$12.5 million payment to the Tampa Sports Authority for improvements to the Amalie Arena using Fifth Cent Tourist Development tax proceeds.
- **Human services** expenses fell \$4.9 million or 2.3% primarily due to a \$3.5 million decrease in the Countywide Special Purpose Fund resulting from decreases in other grants and aids received. In addition there was a \$2.2 million decrease in depreciation allocated to this function.
- **Culture and recreation** expenses decreased \$7.4 million or 9.3% due to a variety of factors such as the following: A \$3.3 million decrease in the Library Fund associated with the winding down of library construction projects. A \$1.3 million reduction in the Unincorporated Area Special Purpose Fund due to a decrease in repair and maintenance expenditures. A \$0.6 million comparative decline in the Infrastructure Surtax Projects Fund due to a contribution to the city of Plant City during fiscal year 2015. And a \$1.0 decrease in depreciation expense allocated to the culture and recreation function.
- **Pension expense** of \$33.6 million was the actuarially determined amount provided by the Florida Retirement System for fiscal year 2016. It was reported separately rather than included in the applicable functions because the comparative \$69.9 million increase from the prior year would have distorted the other expense category comparisons to the prior year.
- **Interest on long-term debt** increased \$10.3 million primarily due a comparative increase in interest expense resulting from a \$9.0 million reduction in interest expense in fiscal year 2015 because the deferred refunding loss from the defeasance of the 2007 CIT Bonds reduced interest expense.
- A **Special item—loss from defeased debt** of \$0.5 million was incurred when the County legally defeased the following bonds: (a) \$26,670,000 of outstanding 2005 Court Facilities Refunding Revenue Bonds were refunded using proceeds from the issuance of the 2015 Court Facilities Refunding Revenue Note and available cash, with \$26,795,000 deposited in an irrevocable trust fund to pay future debt service. (b) \$11,140,000 of outstanding 2005 Tampa Bay Arena Refunding Revenue Bonds were refunded using proceeds from the issuance of the 2015 Tampa Bay Arena Note and available cash, with \$11,239,000 deposited in an irrevocable trust fund to pay future debt service. (c) \$23,885,000 of outstanding 2006 Capital Improvement Program Refunding Revenue Bonds were refunded using proceeds from the issuance of 2016 Capital Improvement Program Refunding Revenue Bonds and available cash, with \$24,418,000 deposited in an irrevocable trust fund to pay future debt service.

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 \$11.3 million or 4.1% from the previous year primarily because charges for services rose \$11.2 million. Water program expenses rose by \$12.0 million primarily due to increases in personnel costs and contractual services.

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 \$1.4 million or 1.4% compared to the prior year due to an increase in residential disposal and collection assessments, franchise haulers and commercial disposal fees. Solid Waste program expenses were up \$5.3 million primarily due to an increase in an increase in contractual services.

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, 2016, the County's governmental funds reported combined ending fund balances of \$945.0 million, a decrease of \$9.9 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 Public Safety Operations Complex (PSOC) Capital Projects Fund decreased \$27.5 million due to an increase in capital outlay for the PSOC project which was completed during fiscal year 2016. The fund balance of the County Transportation Fund fell \$17.1 million due to a large increase in transportation-related capital projects and expenditures. The fund balance of the Sales Tax Revenue fund fell \$7.9 million due to large transfers to the Infrastructure Surtax Trust Fund. These decreases were offset by increases including a \$20.6 million increase in the General Fund due to the interplay of higher ad valorem tax revenues, lawsuit proceeds that were not repeated in fiscal year 2016 and higher expenditures. The fund balance of the Countywide Special Purpose Fund rose \$15.7 million due to a combination of rises in Community Investment Tax, permits and special assessment revenues as well as reductions in net transfers out to other funds. The fund balance of the Library Fund fell by \$5.0 million due to completion of library-related capital projects.

About \$298.3 million, or 31.6% of ending combined fund balances, consisted of unassigned fund balances, which are available for spending at the government's discretion. The remainder of the funding is categorized as nonspendable, restricted, or committed in accordance with the GASB Statement No. 54. See Note 13 for more information.

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

The Water Enterprise Fund's charges for services revenues were \$220.7 million. This was a \$11.2 million or 5.3% increase from fiscal year 2015. At September 30, 2016, unrestricted net position of the Water Enterprise Fund was \$373.5 million, a decrease of \$24.7 million from the prior year.

The Solid Waste Enterprise Fund's charges for services revenues were \$102.3 million. This was a \$1.3 million or 1.3% increase from fiscal year 2015. The revenue increase was primarily due to increases in residential disposal and collection assessments, commercial disposal fees, and other revenues. At September 30, 2016, unrestricted net position of the Solid Waste Enterprise Fund was \$90.8 million, an increase of \$7.0 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 2016, total General Fund expenditures on the budgetary basis budget and actual statement were \$49.0 million higher than the previous year, and \$62.2 million lower than the final budget due to a significantly higher level of 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 2016, supplemental appropriations to the Board of County Commissioners' budget, excluding component units, were approximately \$224.8 million or 4.7% of the original legally adopted budget. During fiscal year 2016, supplemental appropriations to the General Fund budget were approximately \$17.3 million on the budgetary basis.

Capital Assets and Debt Administration

Capital assets At the end of fiscal year 2016, the County's governmental activities had \$7.240 billion invested in a broad range of capital assets, including land, equipment, buildings, construction work in progress, and infrastructure. Infrastructure consists of roads, streets, bridges, sidewalks, stormwater systems, and related assets. See the following table for more information.

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

<i>in thousands</i>	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Primary Government:						
Land	\$ 555,290	559,817	43,150	43,132	598,440	602,949
Building	408,482	394,666	286,728	211,106	695,210	605,772
Building improvements	131,345	128,157	751,052	753,955	882,397	882,112
Equipment	92,909	89,184	22,248	23,857	115,157	113,041
Intangibles	6,180	7,381	6,861	7,283	13,041	14,664
Infrastructure	5,941,280	5,930,300	--	--	5,941,280	5,930,300
Construction in progress	104,589	47,643	166,158	176,143	270,747	223,786
Totals	\$ 7,240,075	7,157,148	1,276,197	1,215,476	8,516,272	8,372,624

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 2016 maintenance expenditures for the preservation of infrastructure were \$102.4 million versus \$200.8 million estimated. Actual fiscal year 2016 maintenance expenditures were 27.8% higher than actual fiscal year 2015 expenditures. The County continued to meet infrastructure preservation goals including goals for paved roadway lane miles. See the *Infrastructure Condition and Maintenance Data* section in the *Required Supplementary Information* section for more information. The \$82.9 million increase in net capital assets of governmental activities during fiscal year 2016 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 \$26.3 million of the increase in capital assets. Contributions from Constitutional Officers, the Planning Commission and others were responsible for \$1.7 million of the increase in capital assets.
- Capital outlay expenditures of \$184.5 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 \$184.5 million, only \$144.9 million of it resulted in capital asset additions because \$39.6 million of capital outlay costs were not capitalized (see next paragraph). Total capital outlay expenditures of \$184.5 million consisted of: County transportation construction projects, \$57.4 million; Public Safety Operations Center capital project, \$27.8 million; Community Investment Tax-funded infrastructure capital projects, \$27.6 million; Sheriff Law Enforcement capital projects, \$17.6 million; unincorporated area special purpose projects, \$17.5 million; countywide capital projects, \$6.3 million; unincorporated area capital projects, \$4.1 million; Library construction, \$4.1 million; General Fund (Countywide and Unincorporated Area), \$3.4 million; intergovernmental grants, \$3.4 million; new Tax Collector facility construction, \$3.3 million; countywide special purpose projects, \$2.6 million; Supervisor of Elections voting equipment, \$2.8 million; Clerk of Circuit Court public records modernization and other projects, \$3.6 million; Next Generation 911 capital projects, \$2.3 million; remaining funds, \$0.7 million. Capital asset acquisitions of the Internal Service Funds accounted for an additional \$10.8 million of the increase in capital assets.
- The \$39.6 million capital outlay expenditures that did not lead to capital asset additions were for infrastructure preservation costs and library books. Infrastructure preservation costs, which totaled \$37.5 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 \$2.1 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 \$77.6 million of the reduction in capital assets. Infrastructure disposals accounted for \$10.6 million of the reduction. Non-infrastructure disposals and other write-offs of capital assets during the year accounted for an additional \$12.6 million of reduction.
- The internal service funds accounted for a total reduction of capital assets of \$1.2 million due to the increase in accumulated depreciation exceeding capital asset additions.

The \$60.7 million increase in net capital assets of business-type activities during fiscal year 2016 was primarily attributed to additions of \$120.4 million and contributions from developers and others of \$17.0 million, offset by depreciation/amortization expense of \$76.6 million. See Note 6, *Capital Assets*, in the *Notes to the Financial Statements* for more information.

Long-term liabilities At September 30, 2016, the County had 18 bonded debt issues outstanding. These issues included \$61.5 million in general obligation bonds, \$471.1 million in revenue bonds and \$513.2 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, 2016, all \$120.4 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 below.

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, 2016, was \$13.5 million.

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

<i>in thousands</i>	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
General obligation bonds, net *	\$ 61,476	63,862	--	--	61,476	63,862
Revenue bonds *	471,105	543,490	513,192	302,858	984,297	846,348
Notes payable	120,346	65,110	--	--	120,346	65,110
Compensated absences payable	51,121	58,388	3,832	4,173	54,953	62,561
Insurance claims payable **	33,561	35,115	--	--	33,561	35,115
Net pension liability	775,286	437,976	44,980	27,713	820,266	465,689
Net OPEB obligation	13,544	13,333	--	--	13,544	13,333
Other long-term debt	-	8,501	36,940	38,448	36,940	46,949
Totals	\$ 1,526,439	1,225,775	598,944	373,192	2,125,383	1,598,967

* 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. The liability of \$4,468,000 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 all 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, 2016 by Moody's Investors Service (Moody's), Standard and Poor's Ratings Services (S&P), and Fitch Ratings are shown below:

Hillsborough County, Florida, Credit Ratings at September 30, 2016

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 a covenant to budget and appropriate legally available non-ad valorem revenue	Aa1	AA+	AA+
Revenue bonds supported by the County's share of the Half-Cent Sales Tax from state of Florida	Aa2	AA+	AA+
Revenue bonds supported by Water and Wastewater System Enterprise System revenue	Aa1	AA+	AAA
Revenue bonds supported by Solid Waste Resource System Enterprise Fund	A1	A	A+
Revenue bonds supported by the County's Fourth Cent Tourist Development Tax	A1	A+	AA-
Revenue bonds supported by the County's Fifth Cent Tourist Development Tax	A2	A	AA-
Revenue bonds supported by the County's Court Surcharge Revenue	A1	AA+	A+
Revenue bonds supported by the County's Communications Services Tax	Aa1	AA	AA+
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, 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 42% of total revenues from governmental activities for fiscal year 2016. 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 \$71.37 billion in 2016, a rise of 33% from its low, due to a strong real estate market.
- The fact that the ten largest property taxpayers in the County represent only 6.0% 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 33% of total revenues from governmental activities for fiscal year 2016. Sales-related taxes and state shared revenues are linked to employment within the County. Hillsborough County's annual average unemployment rate in 2015 was 4.8%, compared to 5.8% in the prior year. The County's 2015 unemployment rate was 0.5 percentage points lower than both the Florida rate of 5.3% and 0.1 percentage points lower than the national rate of 4.9%.
- Hillsborough County also has a diversified employment base. The top 19 employers in the County employ only 20.8% 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 \$1.179 billion is well proportioned between property tax revenues of \$641 million and sales-related revenues of \$501 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 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, 12th Floor
PO Box 1110
Tampa, Florida 33601-1110

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Net Position
September 30, 2016
(amounts in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 205,871	80,404	286,275	7,640
Investments	496,191	331,863	828,054	697
Accounts receivable, net	10,208	24,786	34,994	109
Accounts receivable, long-term, current portion	--	1,173	1,173	--
Interest receivable	1,161	783	1,944	14
Delinquent ad valorem taxes receivable	2,586	115	2,701	--
Due from other governmental units	21,132	--	21,132	1,634
Internal balances - due from (to)	(6,909)	1,112	(5,797)	--
Inventories	1,440	2,480	3,920	--
Prepaid items	3,220	921	4,141	21
Total unrestricted current assets	<u>734,900</u>	<u>443,637</u>	<u>1,178,537</u>	<u>10,115</u>
Restricted current assets:				
Cash and cash equivalents	130,266	57,703	187,969	532
Investments	444,261	238,165	682,426	--
Accounts receivable, net	675	6	681	--
Accounts receivable, long-term, current portion	--	4,976	4,976	--
Interest receivable	1,047	562	1,609	--
Delinquent ad valorem taxes receivable	273	--	273	--
Due from other governmental units	71,357	--	71,357	--
Internal balances - due from (to)	5,679	118	5,797	--
Inventories	3,831	--	3,831	--
Prepaid items	169	--	169	--
Notes and loans receivable	52,681	--	52,681	--
Total restricted current assets	<u>710,239</u>	<u>301,530</u>	<u>1,011,769</u>	<u>532</u>
Total current assets	<u>1,445,139</u>	<u>745,167</u>	<u>2,190,306</u>	<u>10,647</u>
Noncurrent assets:				
Restricted noncurrent assets:				
Notes and loans receivable	--	--	--	8,173
Other assets	1,516	--	1,516	--
Total restricted noncurrent assets	<u>1,516</u>	<u>--</u>	<u>1,516</u>	<u>8,173</u>
Capital assets (net of accumulated depreciation)				
Land	555,290	43,150	598,440	--
Buildings	408,482	286,728	695,210	--
Building improvements	131,345	751,052	882,397	--
Equipment	92,909	22,248	115,157	--
Intangibles	6,180	6,861	13,041	--
Infrastructure	5,941,280	--	5,941,280	--
Construction in progress	104,589	166,158	270,747	--
Total capital assets, net	<u>7,240,075</u>	<u>1,276,197</u>	<u>8,516,272</u>	<u>--</u>
Accounts receivable, long-term	--	132,711	132,711	--
Total noncurrent assets	<u>7,241,591</u>	<u>1,408,908</u>	<u>8,650,499</u>	<u>8,173</u>
Total assets	<u>8,686,730</u>	<u>2,154,075</u>	<u>10,840,805</u>	<u>18,820</u>
DEFERRED OUTFLOWS OF RESOURCES				
Bond refunding losses	8,840	--	8,840	--
Hedging derivatives	--	--	--	29
Pensions	429,401	22,208	451,609	--
Purchase price in excess of book value	--	2,233	2,233	--
Total deferred outflows of resources	<u>\$ 438,241</u>	<u>24,441</u>	<u>462,682</u>	<u>29</u>

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 17,644	20,275	37,919	145
Accrued liabilities	27,063	2,370	29,433	159
Accrued interest payable	9,735	--	9,735	--
Due to other governmental units	5,206	--	5,206	--
Unearned revenues	5,495	19,188	24,683	--
Deposits held	348	--	348	--
Insurance claims payable, current	12,417	--	12,417	--
Notes payable, current	3,435	--	3,435	--
Compensated absences, current	50,483	3,832	54,315	602
Bonds payable, current	30,975	9,882	40,857	--
Other long-term debt, current	--	224	224	--
Total unrestricted current liabilities	<u>162,801</u>	<u>55,771</u>	<u>218,572</u>	<u>906</u>
Current liabilities payable from restricted assets:				
Accounts and contracts payable	107,385	6,731	114,116	79
Accrued Liabilities	4,235	--	4,235	--
Accrued interest payable	--	3,312	3,312	--
Due to other governmental units	16,316	--	16,316	--
Unearned revenues	56,445	47	56,492	--
Deposits held	--	14,586	14,586	--
Insurance claims payable, current	4,468	--	4,468	--
Bonds payable, current	--	--	--	20
Total current liabilities payable from restricted assets	<u>188,849</u>	<u>24,676</u>	<u>213,525</u>	<u>99</u>
Total current liabilities	<u>351,650</u>	<u>80,447</u>	<u>432,097</u>	<u>1,005</u>
Noncurrent liabilities:				
Insurance claims payable	21,144	--	21,144	--
Notes payable, net	116,911	--	116,911	--
Compensated absences	638	--	638	--
Bonds payable, net	501,606	503,310	1,004,916	3,038
Net pension liability	775,286	44,980	820,266	--
Net OPEB obligation	13,544	--	13,544	--
Derivative instrument - hedging	--	--	--	29
Other long-term liabilities	--	36,716	36,716	--
Total noncurrent liabilities	<u>1,429,129</u>	<u>585,006</u>	<u>2,014,135</u>	<u>3,067</u>
Total liabilities	<u>1,780,779</u>	<u>665,453</u>	<u>2,446,232</u>	<u>4,072</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions	156,936	7,884	164,820	--
Total deferred inflows of resources	<u>156,936</u>	<u>7,884</u>	<u>164,820</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	6,619,420	957,661	7,577,081	--
Restricted for:				
Bond covenants, renewal and replacement	36,636	38,683	75,319	4,533
Debt service	52,924	41,285	94,209	--
Grants and similar projects	26,712	--	26,712	--
Statute/ordinance enabled projects	350,137	--	350,137	--
Capital projects	44,767	--	44,767	--
Other purposes	11,526	--	11,526	--
Unrestricted	<u>45,134</u>	<u>467,550</u>	<u>512,684</u>	<u>10,244</u>
Total net position	<u>\$ 7,187,256</u>	<u>1,505,179</u>	<u>8,692,435</u>	<u>14,777</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, 2016
(amounts in thousands)

Function/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	
Primary Government:									
Governmental Activities:									
General government	\$ 343,719	93,099	2,749	1,847	--	(246,024)	--	(246,024)	--
Public safety	561,697	50,513	8,914	1,786	--	(500,484)	--	(500,484)	--
Physical environment	53,491	30,821	4,004	53	--	(18,613)	--	(18,613)	--
Transportation	96,638	8,387	2,205	43,480	--	(42,566)	--	(42,566)	--
Economic environment	63,704	708	9,009	--	--	(53,987)	--	(53,987)	--
Human services	209,926	27,286	58,516	8	--	(124,116)	--	(124,116)	--
Culture and recreation	72,301	7,626	1,152	--	--	(63,523)	--	(63,523)	--
Pension expense	33,641	--	--	--	--	(33,641)	--	(33,641)	--
Interest on long-term debt	22,372	--	--	--	--	(22,372)	--	(22,372)	--
Total governmental activities	<u>1,457,489</u>	<u>218,440</u>	<u>86,549</u>	<u>47,174</u>	<u>--</u>	<u>(1,105,326)</u>	<u>--</u>	<u>(1,105,326)</u>	<u>--</u>
Business-type Activities:									
Water Resource Services System	222,818	220,724	--	34,996	8,085	--	40,987	40,987	--
Solid Waste Resource Recovery	104,955	102,287	--	--	1,367	--	(1,301)	(1,301)	--
Total business-type activities	<u>327,773</u>	<u>323,011</u>	<u>--</u>	<u>34,996</u>	<u>9,452</u>	<u>--</u>	<u>39,686</u>	<u>39,686</u>	<u>--</u>
Total primary government	<u>\$1,785,262</u>	<u>541,451</u>	<u>86,549</u>	<u>82,170</u>	<u>9,452</u>	<u>(1,105,326)</u>	<u>39,686</u>	<u>(1,065,640)</u>	<u>--</u>
Component Units:									
Housing Finance Authority	635	470	600	--	58	--	--	--	493
Planning Commission	4,512	773	4,609	--	-	--	--	--	870
Total component units	<u>\$ 5,147</u>	<u>1,243</u>	<u>5,209</u>	<u>--</u>	<u>58</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,363</u>
General Revenues:									
Ad valorem property taxes						640,958	--	640,958	--
Fuel taxes						34,267	--	34,267	--
Discretionary sales taxes						240,235	--	240,235	--
Other taxes						53,248	--	53,248	--
Intergovernmental state shared revenues, unrestricted						173,388	--	173,388	--
Investment earnings						10,803	--	10,803	24
Gain (loss) on sales of capital assets						--	1,069	1,069	--
Miscellaneous						26,411	4,020	30,431	474
Special item--loss from defeased debt (Note 7)						(1,494)	--	(1,494)	--
Transfers						(5,101)	5,101	--	--
Total general revenues						<u>1,172,715</u>	<u>10,190</u>	<u>1,182,905</u>	<u>498</u>
Change in net position						67,389	49,876	117,265	1,861
Net position - beginning of year						7,119,867	1,455,303	8,575,170	12,916
Net position - end of year						<u>\$ 7,187,256</u>	<u>1,505,179</u>	<u>8,692,435</u>	<u>14,777</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.

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.

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.

DESCRIPTIONS OF MAJOR FUNDS - 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, 2016 (amounts in thousands)

	MAJOR FUNDS			
	General	Countywide Special Purpose	Sales Tax Revenue	Intergovernmental Grants
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 123,485	50,692	7,101	1,293
Investments	220,264	209,232	29,308	5,339
Accounts receivable, net	7,718	1	--	23
Interest receivable	507	493	69	12
Delinquent ad valorem taxes receivable	2,586	--	--	--
Due from other funds	52,419	1,055	3,865	--
Due from other governmental units	1,432	20,752	36,492	13,630
Inventories	1,231	--	--	--
Prepaid items	93	169	--	--
Notes and loans receivable	--	--	--	31,917
Other assets	--	--	--	1,516
Total assets	409,735	282,394	76,835	53,730
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	11,190	84,033	1,050	3,127
Accrued liabilities	26,861	360	12	935
Due to other funds	59,044	5	3,504	32
Due to other governmental units	4,604	--	10,085	--
Unearned revenues	426	--	--	899
Deposits held	348	--	--	--
Insurance claims payable, current	--	4,468	--	--
Total liabilities	102,473	88,866	14,651	4,993
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	7,568	--	--	33,433
Total deferred inflows of resources	7,568	--	--	33,433
FUND BALANCES				
Nonspendable				
Inventories and prepaid items	1,324	169	--	--
Restricted for:				
Bond covenants	--	--	--	--
Debt service	--	--	--	--
Grant programs and projects	--	--	--	15,304
Federal and state law	--	39,111	52,012	--
Impact fees	--	28,683	--	--
Hillsborough Health Care	--	116,010	--	--
Other purposes	--	176	--	--
Committed to:				
BOCC ordinance /other purposes	--	--	10,172	--
Assigned to:				
Capital projects	--	--	--	--
Major maintenance and repair projects	--	6,474	--	--
BOCC resolutions /other purposes	71	2,905	--	--
Unassigned	298,299	--	--	--
Total fund balances	299,694	193,528	62,184	15,304
Total liabilities, deferred inflows of resources and fund balances	\$ 409,735	282,394	76,835	53,730

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.

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

MAJOR FUNDS				
County Transportation	Local Housing Assistance	Infrastructure Surtax Projects	Other Governmental Funds	Total Governmental Funds
20,018	775	2,314	68,870	274,548
82,624	3,198	9,551	190,850	750,366
--	--	--	417	8,159
195	8	23	448	1,755
70	--	--	203	2,859
154	--	3,475	977	61,945
16,804	--	--	3,380	92,490
3,812	--	--	19	5,062
--	--	--	--	262
--	20,764	--	--	52,681
--	--	--	--	1,516
<u>123,677</u>	<u>24,745</u>	<u>15,363</u>	<u>265,164</u>	<u>1,251,643</u>
11,064	271	2,906	8,555	122,196
1,087	55	--	1,798	31,108
1	--	--	589	63,175
350	--	--	5,881	20,920
85	--	--	384	1,794
--	--	--	--	348
--	--	--	--	4,468
<u>12,587</u>	<u>326</u>	<u>2,906</u>	<u>17,207</u>	<u>244,009</u>
159	20,764	--	722	62,646
<u>159</u>	<u>20,764</u>	<u>--</u>	<u>722</u>	<u>62,646</u>
3,812	--	--	19	5,324
--	--	--	16,467	16,467
--	--	1,323	52,984	54,307
6,111	3,655	--	50	25,120
37,634	--	11,134	61,961	201,852
37,097	--	--	10,116	75,896
--	--	--	--	116,010
387	--	--	7,056	7,619
1,301	--	--	28,865	40,338
24,589	--	--	66,661	91,250
--	--	--	3,056	9,530
--	--	--	--	2,976
--	--	--	--	298,299
<u>110,931</u>	<u>3,655</u>	<u>12,457</u>	<u>247,235</u>	<u>944,988</u>
<u>123,677</u>	<u>24,745</u>	<u>15,363</u>	<u>265,164</u>	<u>1,251,643</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, 2016
(amounts in thousands)

Fund balances reported on the Balance Sheet - Governmental Funds		\$ 944,988
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:		
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	7,240,075	
Less: Internal Service Fund capital assets	<u>(34,001)</u>	7,206,074
Other assets or liabilities shown in governmental activities were not financial resources and, therefore, were not reported in the governmental funds:		
Accounts receivable for Build America Bonds interest subsidy from the US Treasury.		238
Elimination of the operating income (loss) earned by the internal service funds through transactions with business-type activities.		(3,257)
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.		8,840
Deferred outflows of resources from pensions are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds.		429,401
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.	241,759	
Less: Internal Service Fund deferred outflows of resources	(2,023)	
Add: Internal Service Fund deferred inflows of resources	<u>712</u>	240,448
Compensated absences of the Planning Commission component unit was offset by amount "due from other governmental units," which corresponded to amount "due to other governmental units" on the governmental activities portion of the Statement of Net Position.		(602)
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	(1,526,439)	
Add: interest payable due to interest accruals	(9,735)	
Less: Internal Service Fund insurance claims payable	33,562	
Less: Internal Service Fund compensated absences	272	
Less: Internal Service Fund net pension liability	3,999	
Less: Internal Service Fund OPEB liability, see Note 9	<u>13,544</u>	(1,484,797)
Deferred inflows of resources from pensions are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds.		(156,936)
There was a deferred inflow of resources for unavailable revenues, offset by an asset for delinquent ad valorem taxes receivable, in the fund financial statements. However, this deferred inflow was not included in the Statement of Net Position because the revenue was recognized in the Statement of Activities.		<u>2,859</u>
Net position reported for governmental activities on the Statement of Net Position		<u><u>\$ 7,187,256</u></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, 2016
(amounts in thousands)

	MAJOR FUNDS			
	General	Countywide Special Purpose	Sales Tax Revenue	Intergovernmental Grants
Revenues:				
Taxes - ad valorem property taxes	\$ 595,485	--	--	--
Taxes - fuel taxes	--	--	--	--
Taxes - discretionary sales surtaxes	--	120,162	120,074	--
Taxes - other	1,532	34	29,611	--
Licenses, permits, special assessments	578	27,178	--	--
Intergovernmental - state shared revenues	32,137	14,415	103,203	106
Intergovernmental - grants	3,040	86	--	76,448
Charges for services	110,718	8,872	--	306
Fines and forfeitures	8,008	744	--	--
Interest	4,717	1,513	293	34
Miscellaneous	7,214	6,561	2	3,035
Total revenues	763,429	179,565	253,183	79,929
Expenditures:				
Current:				
General government	208,180	41,993	60,673	3,917
Public safety	494,635	13,722	--	3,341
Physical environment	21,789	1,217	--	3,793
Transportation	3,348	--	--	--
Economic environment	14,473	--	19,702	7,811
Human services	40,041	103,324	--	61,708
Culture and recreation	35,556	1,232	--	--
Capital outlay	26,687	2,576	--	3,403
Debt service:				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total expenditures	844,709	164,064	80,375	83,973
Excess (deficiency) of revenues over (under) expenditures	(81,280)	15,501	172,808	(4,044)
Other financing sources (uses):				
Transfers in	648,475	23,442	1	5,551
Transfers out	(547,496)	(23,280)	(180,727)	(170)
Face amount of long-term debt issued	--	--	--	--
Discounts on long-term debt issued	--	--	--	--
Face amount of refunding bonds issued	--	--	--	--
Premium on refunding bonds issued	--	--	--	--
Payment to refunded bond escrow agent	--	--	--	--
Sales of capital assets	930	--	--	--
Total other financing sources (uses)	101,909	162	(180,726)	5,381
Net change in fund balances	20,629	15,663	(7,918)	1,337
Fund balances, beginning of year	279,086	177,865	70,102	13,967
Increase (decrease) in nonspendable fund balances	(21)	--	--	--
Fund balances, end of year	\$ 299,694	193,528	62,184	15,304

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

MAJOR FUNDS

County Transportation	Local Housing Assistance	Infrastructure Surtax Projects	Other Governmental Funds	Total Governmental Funds
--	--	--	43,662	639,147
34,267	--	--	--	34,267
--	--	--	--	240,236
--	--	--	22,071	53,248
12,350	--	--	29,954	70,060
17,688	4,626	--	1,038	173,213
14,619	--	--	6,806	100,999
2,940	--	--	39,996	162,832
--	--	--	7,728	16,480
745	15	44	1,605	8,966
3,037	850	--	1,079	21,778
<u>85,646</u>	<u>5,491</u>	<u>44</u>	<u>153,939</u>	<u>1,521,226</u>
9,113	1	25	36,251	360,153
--	--	--	29,878	541,576
9	--	--	3,769	30,577
56,980	--	190	--	60,518
--	3,896	--	14,500	60,382
--	--	--	--	205,073
--	--	--	35,549	72,337
57,441	--	27,612	66,736	184,455
--	--	--	29,511	29,511
--	--	692	23,973	24,665
<u>123,543</u>	<u>3,897</u>	<u>28,519</u>	<u>240,167</u>	<u>1,569,247</u>
<u>(37,897)</u>	<u>1,594</u>	<u>(28,475)</u>	<u>(86,228)</u>	<u>(48,021)</u>
21,381	8	23,325	92,661	814,844
(189)	--	(6,015)	(36,687)	(794,564)
--	--	13,000	45,432	58,432
--	--	--	(49)	(49)
--	--	--	18,185	18,185
--	--	--	2,733	2,733
--	--	--	(62,452)	(62,452)
--	--	--	503	1,433
<u>21,192</u>	<u>8</u>	<u>30,310</u>	<u>60,326</u>	<u>38,562</u>
(16,705)	1,602	1,835	(25,902)	(9,459)
128,004	2,053	10,622	273,236	954,935
(368)	--	--	(99)	(488)
<u>110,931</u>	<u>3,655</u>	<u>12,457</u>	<u>247,235</u>	<u>944,988</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, 2016
(amounts in thousands)

Net change in fund balances reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(9,459)
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	
Capital outlay expenditures represented an increase to capital assets on the Statement of Activities.	184,455
Depreciation expense was a reduction of net position on the Statement of Activities.	(65,722)
Infrastructure preservation costs, which were included in capital outlay expenditures shown above, were not capitalized, so they decreased net position under the modified approach.	(37,504)
Library books under the capitalization threshold were included in capital outlay expenditures shown above, but were not capitalized. As a result it decreased net position on the Statement of Activities.	(2,082)
Contributions of infrastructure assets received from developers increased net position on the Statement of Activities.	26,285
Contributions of capital assets received from the Constitutional Officers, Planning Commission and others increased net position.	1,742
Loss on sale of capital assets was not reported in the fund financial statements, but was reported in the Statement of Activities. Therefore, the book value of assets disposed was a reduction of net position.	(14,562)
Loss on disposal of infrastructure, which was reported as an expense, represented a reduction of net position.	(10,616)
Capitalizable operating expenditures represent an increase to capital assets on the Statement of Activities.	2,107
Long-term liability-related items	
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.	(76,617)
Repayments of long-term liabilities represented expenditures on the fund financial statements, but did not decrease net position on the Statement of Activities.	91,305
The increase in net pension liability decreased net position on the Statement of Activities.	(337,310)
Less: increase in internal service fund net pension liability included in figure above.	1,583
The net reduction in interest accruals and other interest related entries increased net position on the Statement of Activities.	2,593
The decrease in compensated absences liabilities increased net position on the Statement of Activities.	7,267
Less: decrease in internal service fund compensated absences	(4)
The increase in compensated absences liabilities of the Planning Commission corresponded to an increase in the "due to other governmental units" on the Statement of Net Position.	(27)
Refunding loss on defeased debt increased net position on the Statement of Activities because it reduced interest expense and increased deferred outflows.	1,494
Eliminations of inter-organizational items	
Internal service fund changes in net position due to transactions with business-type activities was eliminated for the Statement of Activities.	(3,763)
Revenues and receivables-related items	
Net expenses of the Self-Insurance and Fleet Internal Service Funds decreased net position since they were reported in the governmental activities section of the Statement of Activities.	(548)
The increase in delinquent taxes receivable had no effect on fund balance in the fund financial statements, but it increased net position in the Statement of Activities.	1,812
Other reconciling items	
The decrease in reserves on the fund financial statements decreased net position on the Statement of Activities.	(488)
The increase in deferred outflows increased net position on the Statement of Activities.	342,694
Less: increase in internal service fund deferred outflows included in figure above.	(1,610)
The increase in deferred inflows decreased net position on the Statement of Activities	(44,335)
Add: increase in internal service fund deferred inflows included in the figure above.	198
The agreement with the Tampa Sports Authority to eliminate a contingent liability resulted in miscellaneous revenues on the Statement of Activities.	<u>8,501</u>
Change in net position reported on the governmental portion of the Statement of Activities.	<u>\$ 67,389</u>

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund (Budgetary Basis)
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem property taxes	\$ 620,635	620,635	595,486	(25,149)
Taxes - other	1,440	1,440	1,532	92
Licenses, permits, special assessments	654	654	579	(75)
Intergovernmental - state shared revenues	29,932	29,932	32,137	2,205
Intergovernmental - grants	1,533	1,630	1,365	(265)
Charges for services	100,262	100,262	108,898	8,636
Fines and forfeitures	5,952	6,334	8,008	1,674
Interest	1,778	1,778	4,716	2,938
Miscellaneous	5,061	21,834	7,214	(14,620)
Total revenues	767,247	784,499	759,935	(24,564)
Expenditures:				
Current:				
General government	206,339	217,002	206,932	10,070
Public safety	524,007	517,863	490,734	27,129
Physical environment	24,499	24,683	21,797	2,886
Transportation	2,230	2,580	3,347	(767)
Economic environment	23,702	23,702	14,474	9,228
Human services	50,452	50,845	40,033	10,812
Culture and recreation	37,096	37,051	35,556	1,495
Capital outlay	14,986	27,463	26,165	1,298
Total expenditures	883,311	901,189	839,038	62,151
Excess (deficiency) of revenues over (under) expenditures	(116,064)	(116,690)	(79,103)	37,587
Other financing sources (uses)				
Transfers in	623,846	623,907	648,475	24,568
Transfers out	(522,319)	(520,695)	(547,460)	(26,765)
Sales of capital assets	300	300	892	592
Budgetary reserves	(215,991)	(217,291)	--	217,291
Budget allowance	(38,419)	(38,419)	--	38,419
Distribution of excess fees	(1,062)	(821)	(1,249)	(428)
Total other financing sources (uses)	(153,645)	(153,019)	100,658	253,677
Net change in fund balances	(269,709)	(269,709)	21,555	291,264
Fund balances, beginning of year	269,709	269,709	279,086	9,377
Increase (decrease) in nonspendable fund balances	--	--	(21)	(21)
Fund balances, end of year--budgetary basis	\$ --	--	300,620	300,620
To convert to GAAP basis:				
Add intergovernmental grant revenue			1,675	
Add contract related charges for services			1,820	
Increase general government expenditures			(1,249)	
Increase public safety expenditures			(3,902)	
Increase (decrease) capital outlay			(521)	
Add proceeds from the sale of capital assets			38	
Distribution of excess revenues to the Board of the County Commissioners			(36)	
Reduce distribution of excess fees			1,249	
Fund balances, end of year--GAAP basis			299,694	

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
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - discretionary sales surtaxes	\$ 117,540	117,540	120,162	2,622
Taxes - other	32	32	34	2
Licenses, permits, special assessments	12,795	12,795	27,178	14,383
Intergovernmental - state shared revenues	14,306	14,306	14,415	109
Intergovernmental - grants	183	188	86	(102)
Charges for services	9,353	9,380	8,872	(508)
Fines and forfeitures	938	938	744	(194)
Interest	693	693	1,513	820
Miscellaneous	6,438	6,665	6,561	(104)
Total revenues	162,278	162,537	179,565	17,028
Expenditures:				
Current:				
General government	26,059	54,164	41,993	12,171
Public safety	17,208	17,656	13,722	3,934
Physical environment	1,530	1,735	1,217	518
Human services	119,295	119,295	103,324	15,971
Culture and recreation	825	760	1,232	(472)
Capital outlay	5,063	4,994	2,576	2,418
Debt service:				
Principal	533	--	--	--
Total expenditures	170,513	198,604	164,064	34,540
Excess (deficiency) of revenues over (under) expenses	(8,235)	(36,067)	15,501	51,568
Other financing sources (uses)				
Transfers in	22,679	22,679	23,442	763
Transfers out	(14,169)	(21,566)	(23,280)	(1,714)
Budgetary reserves	(149,683)	(141,069)	--	141,069
Budget allowance	(7,606)	(7,603)	--	7,603
Total other financing sources (uses)	(148,779)	(147,559)	162	147,721
Net change in fund balances	(157,014)	(183,626)	15,663	199,289
Fund balances, beginning of year	157,014	183,626	177,865	(5,761)
Fund balances, end of year	\$ --	--	193,528	193,528

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
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - discretionary sales surtaxes	\$ 117,540	124,540	120,074	(4,466)
Taxes - other	28,000	28,000	29,611	1,611
Intergovernmental - state shared revenues	101,272	101,272	103,203	1,931
Interest	244	244	293	49
Miscellaneous	(9,269)	(9,268)	2	9,270
Total revenues	237,787	244,788	253,183	8,395
Expenditures:				
Current:				
General government	59,654	62,789	60,673	2,116
Economic environment	18,231	20,033	19,702	331
Total expenditures	77,885	82,822	80,375	2,447
Excess (deficiency) of revenues over (under) expenses	159,902	161,966	172,808	10,842
Other financing sources (uses)				
Transfers in	--	--	1	1
Transfers out	(177,232)	(181,156)	(180,727)	429
Budgetary reserves	(41,633)	(39,773)	--	39,773
Total other financing sources (uses)	(218,865)	(220,929)	(180,726)	40,203
Net change in fund balances	(58,963)	(58,963)	(7,918)	51,045
Fund balances, beginning of year	58,963	58,963	70,102	11,139
Fund balances, end of year	\$ --	--	62,184	62,184

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
Intergovernmental Grants
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental - state shared revenues	\$ 212	(325)	106	431
Intergovernmental - grants	107,811	117,151	76,448	(40,703)
Charges for services	81	240	306	66
Interest	16	6	34	28
Miscellaneous	284	3,859	3,035	(824)
Total revenues	<u>108,404</u>	<u>120,931</u>	<u>79,929</u>	<u>(41,002)</u>
Expenditures:				
Current:				
General government	7,058	7,925	3,917	4,008
Public safety	7,512	8,517	3,341	5,176
Physical environment	6,694	9,496	3,793	5,703
Economic environment	15,250	18,584	7,811	10,773
Human services	82,563	86,477	61,708	24,769
Culture and recreation	57	57	-	57
Capital outlay	13,755	16,750	3,403	13,347
Total expenditures	<u>132,889</u>	<u>147,806</u>	<u>83,973</u>	<u>63,833</u>
Excess (deficiency) of revenues over (under) expenses	<u>(24,485)</u>	<u>(26,875)</u>	<u>(4,044)</u>	<u>22,831</u>
Other financing sources (uses)				
Transfers in	5,306	7,104	5,551	(1,553)
Transfers out	-	(170)	(170)	-
Budgetary reserves	(145)	(145)	-	145
Total other financing sources (uses)	<u>5,161</u>	<u>6,789</u>	<u>5,381</u>	<u>(1,408)</u>
Net change in fund balances	(19,324)	(20,086)	1,337	21,423
Fund balances, beginning of year	19,324	20,086	13,967	(6,119)
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>15,304</u>	<u>15,304</u>

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
County Transportation
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - fuel taxes	\$ 32,925	33,750	34,267	517
Licenses, permits, special assessments	10,194	10,284	12,350	2,066
Intergovernmental - state shared revenues	17,099	17,099	17,688	589
Intergovernmental - grants	48,047	49,068	14,619	(34,449)
Charges for services	--	--	2,940	2,940
Interest	725	725	745	20
Miscellaneous	55	4,011	3,037	(974)
Total revenues	109,045	114,937	85,646	(29,291)
Expenditures:				
Current:				
General government	7,546	9,336	9,113	223
Public safety	68	68	--	68
Physical environment	--	--	9	(9)
Transportation	66,117	62,837	56,980	5,857
Capital outlay	168,725	161,495	57,441	104,054
Total expenditures	242,456	233,736	123,543	110,193
Excess (deficiency) of revenues over (under) expenses	(133,411)	(118,799)	(37,897)	80,902
Other financing sources (uses)				
Transfers in	14,307	19,807	21,381	1,574
Transfers out	(204)	(204)	(189)	15
Budgetary reserves	(23,330)	(29,121)	--	29,121
Budget allowance	(2,961)	(2,961)	--	2,961
Total other financing sources (uses)	(12,188)	(12,479)	21,192	33,671
Net change in fund balances	(145,599)	(131,278)	(16,705)	114,573
Fund balances, beginning of year	145,599	131,278	128,004	(3,274)
Increase (decrease) in nonspendable fund balances	--	--	(368)	(368)
Fund balances, end of year--budgetary basis	\$ --	--	110,931	110,931

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
Local Housing Assistance
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - state shared revenues	\$ 8,312	14,494	4,626	(9,868)
Intergovernmental - grants	222	222	-	(222)
Interest	-	-	15	15
Miscellaneous	250	940	850	(90)
Total revenues	8,784	15,656	5,491	(10,165)
Expenditures:				
Current:				
General government	-	1	1	-
Economic environment	8,784	15,921	3,896	12,025
Total expenditures	8,784	15,922	3,897	12,025
Excess (deficiency) of revenues over (under) expenses	-	(266)	1,594	1,860
Other financing sources (uses)				
Transfers in	-	-	8	8
Total other financing sources (uses)	-	-	8	8
Net change in fund balances	-	(266)	1,602	1,868
Fund balances, beginning of year	-	265	2,053	1,788
Fund balances, end of year	\$ -	(1)	3,655	3,656

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
Infrastructure Surtax Projects
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 161	161	44	(117)
Total revenues	161	161	44	(117)
Expenditures:				
Current:				
General government	30	30	25	5
Physical environment	204	204	-	204
Transportation	4,584	4,158	190	3,968
Culture and recreation	261	261	-	261
Capital outlay	140,735	139,307	27,612	111,695
Debt service:				
Interest and fiscal charges	710	710	692	18
Total expenditures	146,524	144,670	28,519	116,151
Excess (deficiency) of revenues over (under) expenses	(146,363)	(144,509)	(28,475)	116,034
Other financing sources (uses)				
Transfers in	19,827	23,701	23,325	(376)
Transfers out	(515)	(6,015)	(6,015)	-
Face amount of long-term debt issued	114,077	122,559	13,000	(109,559)
Budgetary reserves	(2,065)	(5,875)	-	5,875
Total other financing sources (uses)	131,324	134,370	30,310	(104,060)
Net change in fund balances	(15,039)	(10,139)	1,835	11,974
Fund balances, beginning of year	15,039	10,139	10,622	483
Fund balances, end of year	\$ -	-	12,457	12,457

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

HILLSBOROUGH COUNTY, FLORIDA

Statement of Net Position

Proprietary Funds

September 30, 2016

(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>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 49,750	29,155	78,905	62,224
Investments	205,340	120,334	325,674	192,703
Accounts receivable, net	20,855	3,931	24,786	2,489
Accounts receivable, long-term, current portion	1,173	--	1,173	--
Interest receivable	484	284	768	455
Delinquent ad valorem taxes receivable	--	115	115	--
Due from other funds	17	1,216	1,233	2,766
Inventories	2,480	--	2,480	210
Prepaid items	584	337	921	3,126
Total unrestricted current assets	<u>280,683</u>	<u>155,372</u>	<u>436,055</u>	<u>263,973</u>
Restricted current assets:				
Cash and cash equivalents	56,038	2,530	58,568	--
Investments	231,296	10,441	241,737	--
Accounts receivable, net	6	--	6	--
Accounts receivable, long-term, current portion	4,976	--	4,976	--
Interest receivable	545	25	570	--
Due from other funds	118	--	118	--
Total restricted current assets	<u>292,979</u>	<u>12,996</u>	<u>305,975</u>	<u>--</u>
Total current assets	<u>573,662</u>	<u>168,368</u>	<u>742,030</u>	<u>263,973</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Land	29,273	13,877	43,150	--
Buildings	256,004	30,724	286,728	191
Building improvements	600,005	151,047	751,052	746
Equipment	8,918	13,330	22,248	33,038
Intangibles	6,674	187	6,861	26
Construction in progress	165,341	817	166,158	--
Accounts receivable, long-term	132,711	--	132,711	--
Total noncurrent assets	<u>1,198,926</u>	<u>209,982</u>	<u>1,408,908</u>	<u>34,001</u>
Total assets	<u>1,772,588</u>	<u>378,350</u>	<u>2,150,938</u>	<u>297,974</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	18,682	3,526	22,208	2,023
Purchase price in excess of book value	2,233	--	2,233	--
Total deferred outflows of resources	<u>\$ 20,915</u>	<u>3,526</u>	<u>24,441</u>	<u>2,023</u>

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

HILLSBOROUGH COUNTY, FLORIDA

Statement of Net Position

Proprietary Funds

September 30, 2016

(amounts in thousands)

	Business-Type Activities -- Enterprise Funds			Governmental
	Water	Solid Waste	Totals	Activities-- Internal Service Funds
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	\$ 14,074	6,201	20,275	2,821
Accrued liabilities	1,985	385	2,370	202
Due to other funds	2	119	121	2,766
Unearned revenues	2,930	16,258	19,188	360
Insurance claims payable, current	--	--	--	21,061
Compensated absences, current	3,226	606	3,832	269
Bonds payable, current	2,635	7,247	9,882	--
Other long-term debt, current	--	224	224	--
Total unrestricted current liabilities	24,852	31,040	55,892	27,479
Current liabilities payable from restricted assets:				
Accounts and contracts payable	6,691	40	6,731	--
Accrued interest payable	2,758	554	3,312	--
Deposits held	14,215	371	14,586	--
Unearned revenues	47	--	47	--
Total current liabilities payable from restricted assets	23,711	965	24,676	--
Total current liabilities	48,563	32,005	80,568	27,479
Noncurrent liabilities:				
Insurance claims payable	--	--	--	12,501
Compensated absences payable	--	--	--	3
Bonds payable, net	357,253	146,057	503,310	--
Net pension liability	37,943	7,037	44,980	3,999
Net OPEB obligation	--	--	--	13,544
Other long-term liabilities	--	36,716	36,716	--
Total noncurrent liabilities	395,196	189,810	585,006	30,047
Total Liabilities	443,759	221,815	665,574	57,526
DEFERRED INFLOWS OF RESOURCES				
Pensions	6,664	1,220	7,884	712
Total deferred inflows of resources	6,664	1,220	7,884	712
NET POSITION				
Net investment in capital assets	901,940	55,721	957,661	34,001
Restricted for:				
Bond covenants, renewal and replacement	28,573	10,110	38,683	--
Debt service	39,097	2,188	41,285	--
Unrestricted	373,471	90,822	464,293	207,758
Total net position	\$ 1,343,081	158,841		241,759
Adjustment to reflect the cumulative effect of the elimination of Internal Service Fund transactions related to Enterprise Funds			3,257	
Net position of business-type activities on the Statement on Net Position			\$ 1,505,179	

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the fiscal year ended September 30, 2016
(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	\$ 220,724	102,287	323,011	186,829
Total operating revenues	<u>220,724</u>	<u>102,287</u>	<u>323,011</u>	<u>186,829</u>
Operating expenses:				
Personnel services	54,296	10,372	64,668	6,589
Contractual services	81,481	68,057	149,538	4,585
Fleet Services	2,439	1,724	4,163	--
Repairs and maintenance	10,588	649	11,237	343
Utilities	12,609	1,442	14,051	112
Rentals and leases	--	--	--	19
Supplies	722	27	749	3
Landfill closure and post closure care	--	(1,508)	(1,508)	--
Depreciation and amortization	59,875	16,764	76,639	11,843
Costs of services provided	--	--	--	134,538
Other operating expenses	2,675	1,353	4,028	7,415
Pension expense	1,598	302	1,900	173
Annual OPEB expenses	--	--	--	214
Total operating expenses	<u>226,283</u>	<u>99,182</u>	<u>325,465</u>	<u>165,834</u>
Operating income	<u>(5,559)</u>	<u>3,105</u>	<u>(2,454)</u>	<u>20,995</u>
Nonoperating revenues (expenses):				
State shared revenues	--	--	--	174
Interest revenue	7,674	1,367	9,041	1,836
Interest expense	618	(6,688)	(6,070)	--
Gain (loss) on disposal of capital assets	661	407	1,068	497
Other revenues	3,984	447	4,431	1,344
Other expenses	--	--	--	(13)
Total nonoperating revenues (expenses)	<u>12,937</u>	<u>(4,467)</u>	<u>8,470</u>	<u>3,838</u>
Income (loss) before contributions & transfers	7,378	(1,362)	6,016	24,833
Capital contributions	34,996	--	34,996	--
Transfers in	3,804	1,501	5,305	3,000
Transfers out	(204)	--	(204)	(28,381)
Change in net position	<u>45,974</u>	<u>139</u>	<u>46,113</u>	<u>(548)</u>
Net position, beginning of year	<u>1,297,107</u>	<u>158,702</u>		<u>242,307</u>
Net position, end of year	<u>\$ 1,343,081</u>	<u>158,841</u>		<u>241,759</u>
Adjustments to eliminate Internal Service Fund transaction related to Enterprise Funds:				
Reversal of prior year adjustment			506	
Current year adjustment			<u>3,257</u>	
Change in net position of business-type activities			<u>\$ 49,876</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, 2016
(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>
Cash flows from operating activities:				
Receipts from customers	\$ 220,540	102,352	322,892	188,335
Payment to suppliers	(106,516)	(71,984)	(178,500)	(17,788)
Payments to employees	(54,193)	(10,315)	(64,508)	(6,589)
Cash paid for claims	--	--	--	(130,115)
Cash from (to) other sources	3,984	447	4,431	719
Net cash provided by operating activities	<u>63,815</u>	<u>20,500</u>	<u>84,315</u>	<u>34,562</u>
Cash flows from noncapital financing activities:				
State shared revenues	--	--	--	174
Transfers in from other funds	3,804	1,501	5,305	3,000
Transfers out to other funds	(204)	--	(204)	(30,323)
Net cash provided by (used for) capital and related financing activities	<u>3,600</u>	<u>1,501</u>	<u>5,101</u>	<u>(27,149)</u>
Cash flows from capital and related financing activities:				
Proceeds from bonds and short-term notes	220,680	--	220,680	--
Contributed capital	4,674	--	4,674	--
Acquisition and construction of capital assets	(117,994)	(2,389)	(120,383)	(10,254)
Principal paid on capital debt	(2,575)	(6,974)	(9,549)	--
Interest paid on capital debt	(4,198)	(6,868)	(11,066)	--
Proceeds from sale of capital assets	540	409	949	631
Net cash provided by (used for) capital and related financing activities	<u>101,127</u>	<u>(15,822)</u>	<u>85,305</u>	<u>(9,623)</u>
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	256,288	112,950	369,238	124,164
Purchase of investment securities	(387,508)	(115,433)	(502,941)	(121,805)
Interest and dividends received	7,427	1,394	8,821	1,901
Net cash provided by (used for) investing activities	<u>(123,793)</u>	<u>(1,089)</u>	<u>(124,882)</u>	<u>4,260</u>
Net change in cash and cash equivalents	44,749	5,090	49,839	2,050
Cash and cash equivalents, beginning of year	<u>61,039</u>	<u>26,595</u>	<u>87,634</u>	<u>60,174</u>
Cash and cash equivalents, end of year	<u>105,788</u>	<u>31,685</u>	<u>137,473</u>	<u>62,224</u>
Classified as:				
Current assets	49,750	29,155	78,905	62,224
Restricted assets	56,038	2,530	58,568	--
Total cash and cash equivalents, end of year	<u>\$ 105,788</u>	<u>31,685</u>	<u>137,473</u>	<u>62,224</u>

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

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2016
(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>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating (loss) income	\$ (5,559)	3,105	(2,454)	20,995
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	59,875	16,764	76,639	11,843
Miscellaneous non-operating revenues	3,984	447	4,431	1,331
Changes in assets, liabilities, deferred outflows and deferred inflows:				
(Increase) decrease in accounts receivables	(1,340)	(80)	(1,420)	(2,144)
(Increase) decrease in due from other funds/governments	(28)	(116)	(144)	--
(Increase) decrease in inventories and prepaids	80	(15)	65	38
(Increase) decrease in deferred outflows	(14,637)	(2,806)	(17,443)	(1,610)
Increase (decrease) in accounts and contracts payable	3,940	1,261	5,201	628
Increase (decrease) in accrued and other liabilities	391	(1,397)	(1,006)	(786)
Increase (decrease) in due to other funds/governments	(20)	21	1	3,832
Increase (decrease) in unearned revenues	521	243	764	--
Increase (decrease) in compensated absences payable	(287)	(54)	(341)	(1,468)
Increase (decrease) in insurance claims payable	--	--	--	(90)
Increase (decrease) in pension liability	14,505	2,763	17,268	1,583
Increase (decrease) in net OPEB obligation	--	--	--	211
Increase (decrease) in deposits	582	18	600	--
Increase (decrease) in deferred inflows	1,808	346	2,154	199
Total adjustments	<u>69,374</u>	<u>17,395</u>	<u>86,769</u>	<u>13,567</u>
Net cash provided by operating activities	<u>\$ 63,815</u>	<u>20,500</u>	<u>84,315</u>	<u>34,562</u>
Noncash investing, capital, and financing activities:				
Contributed capital assets	\$ 30,322	--	30,322	--
Interest expense capitalized to construction work-in-progress	5,790	43	5,833	--
Loss on disposal of capital assets	661	407	1,068	497

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Fiduciary Assets and Liabilities--Agency Funds
September 30, 2016
(amounts in thousands)

	<u>Total Agency Funds</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 64,651
Investments	13,991
Accounts receivable, net	1,633
Interest receivable	33
Total assets	<u><u>80,308</u></u>
 LIABILITIES	
Current liabilities:	
Accounts and contracts payable	1,853
Accrued liabilities	9,229
Due to other governmental units	21,136
Deposits held	48,090
Total liabilities	<u><u>\$ 80,308</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 general fund of the Housing Finance Authority of Hillsborough County (Authority). The purpose of this Authority is to encourage the investment of private capital in, and the construction of, residential housing for low and moderate income families through public financing. Bonds issued by the Authority are special obligations of the Authority payable solely from revenues, receipts and resources of the Authority pledged under a related trust indenture. These bonds do not constitute a debt, liability, general or moral obligation or pledge of the faith or credit of the Authority, Hillsborough County, the state of Florida or any of its political subdivisions. Accordingly, the Authority has determined that the obligations of its bond programs should not be presented in the Authority's financial statements. To also account for the Single Family Bond Program of the Housing Finance Authority of Hillsborough County.

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

HILLSBOROUGH COUNTY, FLORIDA

Statement of Net Position

Component units

September 30, 2016

(amounts in thousands)

	Housing Finance Authority	Planning Commission	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,640	--	7,640
Investments	697	--	697
Accounts receivable, net	109	--	109
Interest receivable	14	--	14
Due from other governmental units	--	1,634	1,634
Prepaid items	21	--	21
Total unrestricted current assets	8,481	1,634	10,115
Restricted current assets:			
Cash and cash equivalents	532	--	532
Total restricted current assets	532	--	532
Total current assets	9,013	1,634	10,647
Noncurrent assets:			
Restricted noncurrent assets:			
Notes and loans receivable	8,173	--	8,173
Total restricted noncurrent assets	8,173	--	8,173
Total assets	17,186	1,634	18,820
DEFERRED OUTFLOWS OF RESOURCES			
Hedging derivatives	29	--	29
Total deferred outflows of resources	29	--	29
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	142	3	145
Accrued liabilities	--	159	159
Compensated absences, current	--	602	602
Total unrestricted current liabilities	142	764	906
Current liabilities payable from restricted assets:			
Accounts and contracts payable	79	--	79
Bonds payable, current	20	--	20
Total restricted current liabilities	99	--	99
Noncurrent liabilities:			
Bonds payable, net	3,038	--	3,038
Derivative instrument - hedging	29	--	29
Total noncurrent liabilities	3,067	--	3,067
Total liabilities	3,308	764	4,072
NET POSITION			
Restricted for:			
Renewal and replacement	3,663	870	4,533
Unrestricted	10,244	--	10,244
Total net position	\$ 13,907	870	14,777

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

HILLSBOROUGH COUNTY, FLORIDA
Statement of Activities
Component Units
For the fiscal year ended September 30, 2016
(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>Planning Commission</u>	<u>Totals</u>
Housing Finance Authority							
General government	\$ 17	--	--	--	(17)	--	(17)
Economic environment	618	470	600	58	510	--	510
Total Housing Finance Authority	<u>635</u>	<u>470</u>	<u>600</u>	<u>58</u>	<u>493</u>	<u>--</u>	<u>493</u>
Planning Commission							
General government	4,512	773	4,609	--	--	870	870
Total Planning Commission	<u>4,512</u>	<u>773</u>	<u>4,609</u>	<u>--</u>	<u>--</u>	<u>870</u>	<u>870</u>
 Total component units	 <u>\$ 5,147</u>	 <u>1,243</u>	 <u>5,209</u>	 <u>58</u>	 <u>493</u>	 <u>870</u>	 <u>1,363</u>
General revenues:							
Investment earnings					24	--	24
Miscellaneous					474	--	474
Total general revenues					<u>498</u>	<u>--</u>	<u>498</u>
Change in net position					991	870	1,861
Net position, beginning of year					12,916	--	12,916
Net position, end of year					<u>\$ 13,907</u>	<u>870</u>	<u>14,777</u>

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

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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 following criteria determines 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.

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

The Hillsborough County Civil Service Board (CSB), a blended component unit, is housed in the County's administrative offices and is accounted for as a nonmajor Special Revenue Fund of the Hillsborough County primary government. Separate

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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. The Component Units are presented as governmental fund types.

Housing Finance Authority of Hillsborough County

The purpose of the Housing Finance Authority of Hillsborough County (HFA) is to use public financing to encourage private investment in, and construction of, residential housing for low and moderate income families. The 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 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 BOCC 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 BOCC because the PC is fiscally dependent on the primary government for its funding and there is a financial benefit/burden relationship with the BOCC. The BOCC provides the budget for PC operations and owns the assets purchased using BOCC funding. In addition, the PC cannot have a deficit because it is not possible for expenditures to exceed the budget unless additional budget is authorized by the BOCC. As a result, the PC is a component unit of the Hillsborough County primary government. 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.

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, 12th Floor,
P.O. 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, 12th Floor
601 East Kennedy Boulevard, Tampa, Florida 33602

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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.

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, 2016 may be obtained from:

Director of Finance and Administration
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 all of the assets, deferred outflows of financial resources, liabilities and deferred inflows of financial

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

resources of the County as a whole. The difference between "assets and deferred outflows 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 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 service 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 determination of changes in financial position. Governmental fund information helps determine whether financial resources that can be spent in the near future to finance the County's programs have increased or decreased. The Balance Sheet – Governmental Funds is followed by a reconciliation to the Statement of Net 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.

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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.

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 .

“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.

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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.

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.

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.

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

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

County Ordinance 08-6 and Section 218.415, Florida Statutes, authorize the County to invest in obligations of the 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*.

Effective October 1, 2015, the County implemented GASB Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 covers determining fair value measurement for certain investments and disclosures related to all fair value measurements. See Note 3, *Deposits and Investments*, for more information on GASB Statement No. 72 as well as GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

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.

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 if applicable, is shown as nonspendable fund balance in the fund financial statements because the amount held in inventory may not be spendable during the current period.

G. Capital Assets

Property, plant, and equipment, and infrastructure assets (such as roads, sidewalks, bridges, and drainage systems), are reported in the applicable governmental or business-type activities columns of the government-wide Statement of Net 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 acquisition 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 greater than 1 year up 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

HILLSBOROUGH COUNTY, FLORIDA

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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.

There are three stages involved in internally generated software. 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. The *application development* stage includes designing the software, including configuration and interfaces, coding, installation to hardware, and testing, including the parallel processing phase. 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 2016, the County capitalized \$3,195,000 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*, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*.

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 several items that qualifies for reporting in this category. One 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, 2016, the Hillsborough County Primary Government had \$8,840,000 of unamortized bond refunding losses that were reported as deferred outflows of resources, all of which were for Governmental Activities. The County had five pension-related items that qualified as deferred outflows of resources. These items total to \$429,401,000 for Governmental Activities and \$22,208,000 for Business-Type Activities at September 30, 2016. See Note 8, *Employee Retirement Plans*, for more information. The County also had deferred outflow of resources for purchase price of utility systems in excess of book value in the Water Enterprise Fund. These items had a balance of \$2,233,000 at September 30, 2016 reported in Business-Type Activities. For fiscal year 2016, purchase price in excess of book value of \$78,000 was amortized to operating expense and included in "depreciation and amortization" in the proprietary fund financial statements.

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The Housing Finance Authority Component Unit had “hedging derivatives” of \$29,000 reported as deferred outflow of resources. See Note 1.U., *Derivative Instruments*, for more information.

Deferred inflows of resources represent acquisition of resources that apply 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., *Measurement Focus and Basis of Accounting*, are deferred until collected as they do not meet the availability criteria. The County has several items that fall in this category. The fund financial statements had a total of \$62,646,000 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. The County had three pension-related items that qualify as deferred inflows of resources. These items total to \$156,936,000 for Governmental Activities and \$7,884,000 for Business-Type activities at September 30, 2016. See Note 8, *Employee Retirement Plans*, for more information.

I. 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, 2016 consisted of accruals for both vacation and sick leave. Vacation leave is accrued as a liability as the benefits are earned by employees. Sick leave is also accrued as a liability as the benefits are earned by employees, but only to the extent that it is probable that the County will compensate employees for the benefits through cash payments at 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. 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.

J. Conduit Debt Obligations

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

K. 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*.

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L. 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. When losses are incurred from issuing new debt to refund outstanding debt, they are presented as deferred outflows of resources. 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 governmentwide 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 2016, deferred refunding losses, and original issue discounts and premiums amortized were, in total, a reduction of \$5,968,000 for governmental activities and a reduction of \$814,000 for business-type activities as shown in the following chart.

(Amounts in Thousands)	<u>Deferred Refunding Loss</u>	<u>Original Issue Discount</u>	<u>Original Issue Premium</u>	<u>Total Amortized to Interest</u>
Governmental activities	\$ 1,562	8	(7,539)	(5,969)
Business-type activities	--	36	(850)	(814)
Totals	<u>\$ 1,562</u>	<u>44</u>	<u>(8,389)</u>	<u>(6,783)</u>

M. 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 for regular employees and \$1,000,000 for firefighters, 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.

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 \$550,000 per person annually. Stop-loss insurance was purchased to cover an unlimited lifetime amount per person above the \$550,000 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.

N. Employee Retirement Plans

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 governmentwide Statement of Net Position and Proprietary Fund Financial Statements present the County's proportionate shares of the net pension liabilities associated with the retirement plans offered by the Florida Retirement System. The County follows GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent*

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to the Measurement Date; an amendment of GASB Statement No. 68. See Note 8, *Employee Retirement Plans*, for more information. GASB Statement numbers 68 and 71 cover the measurement of the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense for the retirement plans offered. GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* and GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* do not apply to Hillsborough County.

O. 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.

P. Interfund Transfers In and Out

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

Q. Goodwill

During fiscal year 2004, the County's Water Enterprise Fund recorded goodwill of \$10,155,000 related to the purchase of four independent water and wastewater franchise providers. Goodwill represents the excess of the total price paid compared to 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 2016, goodwill of \$445,000 was amortized to operating expense and included in "depreciation and amortization" in the proprietary fund financial statements. The County follows GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. As a result of this statement, purchase price in excess of book value on or after October 1, 2014 was reported as a deferred outflow of resources rather than as an intangible capital asset. See Note 1. H., *Deferred Outflows of Resources and Deferred Inflows of Resources*, for more information.

R. Sales and Pledges of Receivables

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

S. Pollution Remediation Obligations

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

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

monitoring or operation and maintenance of the remediation effort. During fiscal year 2016, the County had no pollution remediation obligations.

T. 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 2016, the Hillsborough County Primary Government had no derivatives requiring recognition, measurement, or disclosure.

The Housing Finance Authority of Hillsborough County component unit had derivatives in the form of four mortgage backed securities forward sales contracts at September 30, 2016, which were used to hedge interest rate risk for loan commitments made to originating mortgage lenders. The fair value of these derivatives, which were effective hedges with a notional amount of \$3,740,000 and a fair value of \$29,000, was reported as deferred outflows of resources with a corresponding liability for derivative instrument - hedging on the statement of net position. These forward sales contracts ended November 21, 2016.

U. Fund Balance Reporting and Governmental Fund-Type Definitions

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

V. Hierarchy of Government Accounting Principles

The County implemented GASB Statement No. 76, *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, for fiscal year 2016. Under this statement, accounting standards established by the GASB have the highest priority in the hierarchy and GASB Technical Bulletins, GASB Implementation Guides or literature of the AICPA cleared by the GASB collectively have the second highest priority. Implementation of this statement did not affect the current or prior periods.

W. Subsequent Events

In accordance with GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, the County has, while preparing this annual financial report, evaluated events occurring after the balance sheet date through April 21, 2017, which is the date this report was available to be issued. See Note 18, *Subsequent Events: Debt Issuances*, 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. County funds have annually appropriated budgets, meaning that their budgets are established annually.

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, 2016* has been prepared to present the data of the BOCC at its legal level of control for funds with annually appropriated 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

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need to expend new funds received from grant awards, contributions, insurance recoveries or bond/loan proceeds. During fiscal year 2016, supplemental appropriations to the BOCC budget, excluding Component Units, were approximately \$224,750,000 or 4.7% of the originally adopted budget, compared to supplemental appropriations of 19.6% 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, 2015.

At the end of the fiscal year, the appropriations of annually adopted budgets lapse. 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 2016 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 Protective Investigations Fund, Inmate Welfare Fund, Misdemeanor Probation Services Fund, Communication 911 Fund, BOCC Special Projects 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. 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.

The General Fund was \$767,000 over budget in transportation expenditures and the County Transportation fund was \$9,000 over budget in physical environment expenditures due to unexpected flood water mitigation costs caused by heavy rains. The Countywide Special Purpose Fund was \$472,000 over budget in culture and recreation expenditures due to unanticipated expenditures. The Library Special Revenue Fund was \$354,000 over budget in general government expenditures due to costs associated with new libraries.

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Note 3 Deposits and Investments

A. Deposits

At September 30, 2016, the total of the carrying amounts of the County's deposits (unrestricted and restricted) was \$94,958,000 and the total of the bank balances was \$115,321,000. The County's deposits consisted of demand deposits, and money market accounts. The bank balances are fully insured by federal deposit insurance and/or secured by the multiple financial institution collateral pool established under the "Florida Security for Public Deposits Act," Chapter 280, Florida Statutes. Cash in excess of the operating requirements of each fund are pooled and invested by the County in a variety of deposits and investments with the objectives of optimizing safety, liquidity, and yield, in that order. Earnings from pooled investments are allocated to each of the funds based on the average daily cash equity balance of each fund or as prescribed by BOCC resolution. Amounts that may not be commingled in accordance with certain bond resolutions or other agreements are invested outside the investment pool. For the component units which are in the County reporting entity figures shown above, the carrying amounts and bank balances were both \$1,868,000.

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, certificates of deposits and money market funds, 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, amortized cost 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.

Investments

	Fair Value		Fair Value Level	Modified		Credit Ratings	
	Primary Government	Component Units		Duration In Years			
<i>(Amounts in Thousands)</i>							
U.S. treasury securities	\$ 798,311	--	2	1.0		AA+/A-1+ ^(b)	
U.S. government sponsored agency securities	557,796	--	2	1.9		AA+/A-1+ ^(b)	
Commercial paper notes	43,535	--	2	0.3		A-1	
Corporate notes	96,202	--	2	1.4		AAA and AA	
Municipal bonds	23,665	--	2	1.5		AA	
Subtotal	1,519,509	--					
State Board of Administration (SBA):							
Florida PRIME	447,770	--	--	0.2	(c)	AAAm	
Certificates of deposit	--	697	--	--, 0.5	(a)	unrated	
Open-end money market mutual funds,	2,996	6,304	--	0.1, 0.5	(a)	AAA, unrated ^(a)	
Total investments	\$ 1,970,275	7,001					

(a) First figure is for the primary government; second figure is for the Housing Finance Authority component unit.

(b) Standard & Poor's long-term credit rating of AA+ if security's maturity exceeds a year or short-term rating of A-1+ if security's maturity is a year or less.

(c) Weighted average life (WAL) of (70 days)/(365 days) = 0.2 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 1.06 years. The duration of callable securities was calculated using the call date as the maturity date.

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In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are unadjusted quoted prices in active markets for identical assets. Level 2 inputs are significant observable inputs other than quoted prices included in Level 1. Level 3 inputs are significant unobservable inputs. If the fair value of an asset or liability is measured using inputs from more than one level of the hierarchy, then the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Bond investments are shown in Level 2 because the price of similar bonds would be a Level 2 input. Bond investments are valued monthly with a pricing service that uses matrix pricing. Investments in Florida Prime, certificates of deposit and open-end money market mutual funds are not placed in a category because their values are measured at amortized costs.

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

The SBA manages Florida PRIME, an external investment pool that essentially operates as a money market fund for Florida governmental entities. Regulatory oversight of the SBA is provided by three state of 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. Since 2007, Florida PRIME has received Standard & Poor's AAAM rating each year, which is the highest rating for an investment pool.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, Florida PRIME measures its investments at amortized cost, but the County's position in Florida PRIME is considered to be equivalent to fair value. Florida PRIME has a constant net asset value of one dollar and penny rounding.

Florida PRIME currently does not have withdrawal limits or redemption notice periods. With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes has several provisions. The principal of each account in Florida PRIME is subject to payment at any time from money in Florida PRIME. However, the Executive Director of the SBA may in good faith limit contributions to or withdrawals from Florida PRIME for 48 hours due to the occurrence of an event that has material impact on liquidity or operations. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review of the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity of the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time test, but in no case may the time set by the Trustees exceed 15 days.

Although Florida Statute 218.409(4) gives the SBA authority to impose early withdrawal penalties if the amount and purpose of such fees are disclosed in the enrollment materials, the SBA has not made any of these disclosures. As of September 30, 2016, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to full account values.

D. Investment Policy

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

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

- 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.
- 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 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 10% of the portfolio.
- b. A maximum of 50% of the portfolio may be invested in the state of Florida's Local Government Investment Pool, known as Florida PRIME.
- 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.

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

E. Other

At year-end, the County had \$37,992,000, 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 \$94,959,000 plus investments of \$1,977,276,000 shown in the notes to the financial statements equal: the total of restricted and unrestricted cash and cash equivalents and investments of \$1,993,593,000 presented on the Statement of Net Position; plus the cash and cash equivalents and investments of \$78,643,000 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 2016 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period. Section 200.071, Florida Statutes, limits aggregate ad valorem tax millage against property of the County to 10 mills each for countywide and unincorporated area services unless increased by voter referendum.

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

Accounts receivable at September 30, 2016, for the County's individual major funds and nonmajor funds in total, including applicable allowances for doubtful accounts, were as follows:

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

<i>(Amounts in Thousands)</i>	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
General Fund	\$ 33,691	(25,973)	7,718
Countrywide Special Purpose Fund	1	--	1
Intergovernmental Grants Fund	49	(26)	23
Nonmajor governmental funds	2,146	(1,729)	417
Internal service funds	2,489	--	2,489
Water Resource Services Enterprise Fund	159,912	(192)	159,720
Solid Waste Resource Recovery Enterprise Fund	3,990	(59)	3,931
Amounts reported only under accrual basis of accounting (i.e. not reported in funds)	236	--	236
Total for primary government	202,514	(27,979)	174,535
Component units	109	--	109
Total for Hillsborough County reporting entity	<u>\$ 202,623</u>	<u>(27,979)</u>	<u>174,644</u>

On the following chart of amounts due from other governments at September 30, 2016, "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 and amounts due from other governments are expected to be collected within one year.

<i>(Amounts in Thousands)</i>	Due From Other Governments			Totals
	State/Federal Grants	State of Florida	Other	
General Fund	\$ --	1,432	--	1,432
Countrywide Special Purpose Fund	--	20,752	--	20,752
Sales Tax Revenue Fund	--	36,492	--	36,492
Intergovernmental Grants Fund	13,630	--	--	13,630
County Transportation Fund	8,160	8,644	--	16,804
Nonmajor governmental funds	--	3,370	9	3,379
Total for primary government	21,790	70,690	9	92,489
Component units	--	--	1,634	1,634
Total for Hillsborough County reporting entity	<u>\$ 21,790</u>	<u>70,690</u>	<u>1,643</u>	<u>94,123</u>

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

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

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

Liens have been recorded in official records for the properties acquired for each of the loan programs described above. Mortgages receivable, net of applicable allowances for doubtful accounts, for these programs at September 30, 2016, which are reported in "notes and loans receivable," were as follows:

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

(Amounts in Thousands)

	Mortgages Receivable, Gross	Allowance for Doubtful Accounts	Mortgages Receivable, Net
Intergovernmental Grants Fund	\$ 53,880	(21,963)	31,917
Local Housing Assistance Fund	48,391	(27,627)	20,764
Total for primary government	<u>102,271</u>	<u>(49,590)</u>	<u>52,681</u>
Component units	8,599	(426)	8,173
Hillsborough County reporting entity	<u>\$ 110,870</u>	<u>(50,016)</u>	<u>60,854</u>

Note 6 Capital Assets

Changes in capital assets of governmental and business-type activities for the year ended September 30, 2016 were as follows:

Governmental Activities:

(Amounts in Thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Land, including rights-of-way	\$ 559,817	--	4,527	555,290
Infrastructure	5,930,300	10,980	--	5,941,280
Construction work in progress	47,643	103,692	46,746	104,589
Total non-depreciable assets	<u>6,537,760</u>	<u>114,672</u>	<u>51,273</u>	<u>6,601,159</u>
Buildings	799,460	33,448	52	832,856
Building improvements	274,633	20,909	--	295,542
Equipment	379,818	40,491	30,676	389,633
Intangibles*	32,028	3,195	--	35,223
Total depreciable assets	<u>1,485,939</u>	<u>98,043</u>	<u>30,728</u>	<u>1,553,254</u>
Less accumulated depreciation for:				
Buildings	(404,794)	(19,620)	(40)	(424,374)
Building improvements	(146,476)	(17,721)	--	(164,197)
Equipment	(290,634)	(35,828)	(29,738)	(296,724)
Intangibles	(24,647)	(4,396)	--	(29,043)
Total accumulated depreciation	<u>(866,551)</u>	<u>(77,565)</u>	<u>(29,778)</u>	<u>(914,338)</u>
Total capital assets, being depreciated, net	<u>619,388</u>	<u>20,478</u>	<u>950</u>	<u>638,916</u>
Total governmental capital assets, net	<u>\$ 7,157,148</u>	<u>135,150</u>	<u>52,223</u>	<u>7,240,075</u>

*Intangible assets include easements and software.

Business-type Activities

(Amounts in Thousands)

	Beginning Balance	Increases	Decreases	Ending Balance
Land, including rights-of-way	\$ 43,132	18	--	43,150
Construction work in progress	176,143	105,911	115,896	166,158
Total non-depreciable assets	<u>219,275</u>	<u>105,929</u>	<u>115,896</u>	<u>209,308</u>
Buildings	577,452	93,254	2,231	668,475
Building improvements	1,511,983	47,616	56	1,559,543
Equipment	62,104	6,352	3,193	65,263
Intangibles *	11,441	160	--	11,601
Total depreciable assets	<u>2,162,980</u>	<u>147,382</u>	<u>5,480</u>	<u>2,304,882</u>
Less accumulated depreciation for:				
Buildings	(366,346)	(17,632)	(2,231)	(381,747)
Building improvements	(758,028)	(50,477)	(14)	(808,491)
Equipment	(38,246)	(7,948)	(3,179)	(43,015)
Intangibles	(4,158)	(582)	--	(4,740)
Total accumulated depreciation and amortization	<u>(1,166,778)</u>	<u>(76,639)</u>	<u>(5,424)</u>	<u>(1,237,993)</u>
Total capital assets, being depreciated, net	<u>996,202</u>	<u>70,743</u>	<u>56</u>	<u>1,066,889</u>
Total business-type capital assets, net	<u>\$ 1,215,477</u>	<u>176,672</u>	<u>115,952</u>	<u>1,276,197</u>

*Intangible assets include easements, software and goodwill.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

During fiscal year 2016, interest costs of \$5,833,000 were capitalized to a combination of construction work-in-progress and completed capital assets 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 2016 were \$11,903,000.

Depreciation and/or amortization expense was charged for fiscal year 2016 to functions of the primary government as shown below:

<i>(Amounts in Thousands)</i>	Depreciation and Amortization
Governmental activities:	
General government	\$ 12,939
Public safety	36,855
Physical environment	1,130
Transportation	2,231
Economic environment	2,173
Human services	7,717
Culture and recreation	2,677
Internal service funds	11,843
Total depreciation expense - governmental activities	<u>\$ 77,565</u>
Business-type activities:	
Water Resource Services	\$ 59,875
Solid Waste Resource Recovery	16,764
Total depreciation/amortization expense-business-type activities	<u>\$ 76,639</u>

Construction or capital improvement commitments outstanding as measured by purchase orders and contracts outstanding of the primary government at September 30, 2016 were as follows:

<i>(Amounts in Thousands)</i>	Construction Commitments Outstanding
Intergovernmental Grants	\$ 1,619
County Transportation Fund	30,851
Infrastructure Surtax Projects Fund	17,582
Nonmajor special revenue funds	14,269
Nonmajor capital projects funds	15,818
Water Enterprise Fund	203,145
Solid Waste Enterprise Fund	409
Total construction commitments outstanding	<u>\$ 283,693</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 2016 through 2021 incorporates projects with a total cost of \$1,494,370,000.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

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, 2016, for both governmental activities and business-type activities:

Governmental Activities: <i>(Amounts in Thousands)</i>	Beginning Balance	Additions	Reductions	Ending Balance
General obligation bonds	\$ 63,660	--	2,315	61,345
Unamortized bond issue premiums	202	--	71	131
Revenue bonds	495,995	18,185	85,835	428,345
Unamortized bond issue premiums	47,495	2,733	7,468	42,760
Notes payable	65,110	58,432	3,155	120,387
Unamortized note issue discount	--	(49)	(8)	(41)
Compensated absences payable*	58,388	51,903	59,170	51,121
Net pension liability	437,976	337,310	--	775,286
Net OPEB obligation**	13,333	6,141	5,930	13,544
Insurance claims payable***	35,115	128,563	130,117	33,561
Other long-term liabilities (see Note 7.D.)	8,501	--	8,501	--
Governmental activity long-term liabilities- primary government	<u>1,225,775</u>	<u>603,218</u>	<u>302,554</u>	<u>1,526,439</u>
Component units	4,226	--	1,139	3,087
Governmental activities long-term liabilities- reporting entity	<u>\$ 1,230,001</u>	<u>603,218</u>	<u>303,693</u>	<u>1,529,526</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, 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.

***September 30, 2016, the Hillsborough County health care program for low-income residents had an “insurance claims payable, current” liability of \$4,468,000 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.

Business-type Activities <i>(Amounts in Thousands)</i>	Beginning Balance (Restated)	Additions	Reductions	Ending Balance
Revenue bonds	\$ 301,429	207,795	9,549	499,675
Unamortized bond issue premiums	1,909	12,885	833	13,961
Unamortized bond issue discounts	(480)	-	(36)	(444)
Compensated absences payable	4,173	3,577	3,918	3,832
Net pension liability	27,713	17,267	-	44,980
Other long-term liabilities (see Note 7.D.)	38,448	147	1,655	36,940
Business-type activity, long-term liabilities	<u>\$ 373,192</u>	<u>241,671</u>	<u>15,919</u>	<u>598,944</u>

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

See Note 19 Exhibit A “Schedule of Changes in Long-Term Debt” at the end of the Notes to the Financial Statements for more information on the long-term debt of governmental and business-type activities, including the current portion of long-term debt. Deferred refunding losses and unamortized bond issuance discounts are recorded as reductions of bonds payable on the Statement of Net 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, 2016 were as follows:

<i>(Amounts in Thousands)</i>	<u>Long-term Debt, Governmental</u>
General Obligation Bonds:	
\$18,540 August 28, 2002, General Obligation Refunding Bonds (Unincorporated Area Parks and Recreation Program), Series 2002, due in annual installments through 2025; interest cost at 4.20%. (Note 19 - Exhibit B)	\$ 8,575
Unamortized bond issue premium	54
\$11,305 December 29, 2009, General Obligation Bonds (Environmental Land Acquisition and Protection Program), Series 2009A, due in annual installments through 2019; interest cost at 3.87%. (Note 19 - Exhibit C)	4,645
Unamortized bond issue premium	77
\$48,125 December 29, 2009, General Obligation Bonds (Environmental Land Acquisition and Protection Program), Series 2009B (Federally Taxable Build America Bonds Direct Subsidy), due in annual installments through 2039; interest cost at 4.00%. (Note 19 - Exhibit D)	48,125
Net general obligation bonds, governmental activities	<u>\$ 61,476</u>

Revenue Bonds	<u>Long-term Debt, Governmental</u>
\$18,270 December 6, 2006, Fourth Cent Tourist Development Tax Bonds, Series 2006, due in annual installments through 2035; interest cost at 4.14%. (Note 19 – Exhibit E)	\$ 14,025
Unamortized bond issue premium	29
\$27,125 December 6, 2006, Fifth Cent Tourist Development Tax Bonds, Series 2006A, due in annual installments through 2035; interest cost at 4.27%. (Note 19 – Exhibit F)	23,685
Unamortized bond issue premium	73
\$191,800 October 31, 2007, Community Investment Tax Revenue Bonds, Series 2007, due in annual installments through 2026; interest cost at 4.5%. (Note 19 - Exhibit G)	20,890
Unamortized bond issue premium	84
\$19,195 May 7, 2008, Capital Improvement Non-Ad Valorem Refunding Revenue Bonds (Warehouse and Sheriff’s Facilities Projects), Series 2008, due in annual installments through 2028; interest cost at 4.2%. (Note 19 – Exhibit H)	13,200
Unamortized bond issue premium	\$ 14

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

Revenue Bonds	<u>Long-term Debt, Governmental</u>
\$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 19 – Exhibit I)	\$ 30,985
Unamortized bond issue premium	2,894
\$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 19 – Exhibit J)	48,015
Unamortized bond issue premium	4,308
\$67,445 June 21, 2012, Capital Improvement Program Revenue Bonds, Series 2012, due in annual installments through 2026; interest cost at 2.16%. (Note 19 – Exhibit K)	52,345
Unamortized bond issue premium	6,761
\$67,800 April 10, 2015, Communications Services Tax Revenue Bonds, Series 2015, due in annual installments through 2045; interest cost at 2.16%. (Note 19 – Exhibit L)	67,800
Unamortized bond issuance premium	5,315
\$139,500 July 29, 2015, Community Investment Tax Refunding Revenue Bonds, Series 2015, due in annual installments through 2025; interest cost at 2.18%. (Note 19 – Exhibit M)	139,215
Unamortized bond issuance premium	21,026
\$18,185 July 14, 2016, Capital Improvement Program Refunding Revenue Bonds, Series 2016, due in annual installments through 2024; interest cost at 1.56%. (Note 19 – Exhibit N)	18,185
Unamortized bond issuance premium	2,256
Net revenue bonds, governmental activities	<u>\$ 471,105</u>
Total of net general obligation bonds, and net revenue bonds, for governmental activities	<u><u>\$ 532,581</u></u>

Revenue Bonds	<u>Long-term Debt, Business-type</u>
\$116,990 November 14, 2006, Solid Waste and Resource Recovery Revenue Bonds, Series 2006A, due in annual installments through 2034; interest cost at 4.81%. (Note 19 – Exhibit O)	\$ 102,395
Unamortized bond issue premium	1,353
\$40,360 November 14, 2006, Solid Waste and Resource Recovery Revenue Bonds, Series 2006B, due in annual installments through 2030; interest cost at 4.07%. (Note 19 – Exhibit P)	31,265
Unamortized bond issue premium	216
\$18,035 November 16, 2010, Utility Revenue Bonds, Series 2010A (tax exempt), due in annual installments through 2019; interest cost at 2.05%. (Note 19 – Exhibit Q)	8,180
Unamortized bond issuance premium	105
\$110,265 November 16, 2010, Utility Revenue Bonds, Series 2010B (Build America Bonds, which are taxable, but provide a direct 35% interest subsidy to the local government), final maturity in 2037; interest cost at 3.43%. (Note 19 – Exhibit R)	110,265
Unamortized bond issue discount	\$ (444)

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

Revenue Bonds	Long-term Debt, Business-type
\$21,700 November 16, 2010, Utility Revenue Bonds, Series 2010C (Recovery Zone Economic Development Bonds, which are taxable, but provide a direct 45% interest subsidy to the local government), final maturity in 2040; interest cost at 3.22%. (Note 19 – Exhibit S)	\$ 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 19 – Exhibit T)	18,075
\$207,795 July 26, 2016, Utility System Revenue Bonds, Series 2016B, final maturity in 2046; interest cost at 2.83%. (Note 19 – Exhibit U)	207,795
Unamortized bond issuance premium	12,287
Net revenue bonds, business-type activities	<u>\$ 513,192</u>

Note 19, 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:

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

Year Ending September 30	General Obligation Bonds			Revenue Bonds		Total
	Principal	Interest	Less Subsidy	Principal	Interest	
2017	\$ 2,405	3,475	(935)*	28,570	19,597	53,112
2018	2,505	3,376	(1,004)	29,965	18,199	53,041
2019	2,600	3,281	(1,004)	31,430	16,706	53,013
2020	2,725	3,161	(1,004)	32,995	15,132	53,009
2021	2,825	3,025	(975)	34,575	13,532	52,982
2022-2026	13,120	12,967	(4,397)	192,640	40,898	255,228
2027-2031	11,430	9,661	(3,382)	21,675	14,711	54,095
2032-2036	13,930	5,822	(2,038)	23,325	9,773	50,812
2037-2041	9,805	1,262	(442)	14,955	5,367	30,947
2042-2046	--	--	--	18,215	2,099	20,314
Total	<u>\$ 61,345</u>	<u>46,030</u>	<u>(15,181)</u>	<u>428,345</u>	<u>156,014</u>	<u>676,553</u>

*The Build America Bonds federal subsidy for fiscal year 2017 will be reduced 6.9% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

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

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

Year Ending September 30	Revenue Bonds			Total
	Principal	Interest	Less Subsidy	
2017	\$ 9,882	20,744	(2,368) *	28,258
2018	10,265	20,307	(2,544)	28,028
2019	10,630	19,904	(2,544)	27,990
2020	16,005	19,442	(2,544)	32,903
2021	16,492	18,890	(2,481)	32,901
2022-2026	84,081	83,409	(11,288)	156,202
2027-2031	96,260	63,292	(8,896)	150,656
2032-2036	94,025	40,197	(5,791)	128,431
2037-2041	162,035	30,025	(1,888)	190,172
Total	<u>\$ 499,675</u>	<u>316,210</u>	<u>(40,344)</u>	<u>775,541</u>

*The Build America Bonds federal subsidy for fiscal year 2017 will be reduced 6.9% 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 Tax), and Series C (Taxable) not to exceed \$200,000,000. Commercial paper notes were issued as part of a long-term financing program where notes are issued, rolled over as needed, and ultimately refinanced with long-term debt 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 2016, market interest rates ranged from 0.02% to 0.80%. 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, 2016, total notes payable outstanding were \$120,387,000 as shown below.

Governmental activities: <i>(Amounts in Thousands)</i>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Amount</u>
Commercial paper notes:	7-28-16	10-27-16	0.52%	\$ 33,000
	7-28-16	10-27-16	0.52	6,400
	7-28-16	10-27-16	0.52	12,500
	9-8-16	11-10-16	0.70	5,015
	9-8-16	11-10-16	0.70	13,930
	9-8-16	11-10-16	0.70	5,610
	9-15-16	12-8-16	0.80	13,000
JPMorgan Tampa Bay Arena note	11-5-15	10-1-26	2.16	11,176
Raymond James Court Facilities note	11-5-15	11-29-29	2.28	19,756
Total notes payable				<u>\$ 120,387</u>

Notes payable are presented on the Statement of Net Position.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

D. Other Long-Term Liabilities

The County had no other long-term liabilities reported in the Governmental Activities column of the Statement of Net Position at September 30, 2016. The County had no arbitrage rebate liabilities at September 30, 2016. See Note 7.F., Arbitrage Rebate Liability, for more information. Note 11, *Transfers In and Out*, provides information on the funds that provided financial resources to individual debt service funds during fiscal year 2016.

A Contingent Obligation to Return Funds to the Tampa Sports Authority

Under the Community Investment Tax Agreement (CITA) 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 \$8.5 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 was needed to request the return of the \$8.5 million paid to the County. On December 16, 2015, the BOCC approved an agreement between the TSA, the Tampa Bay Buccaneers, the city of Tampa and the County whereby the Buccaneers relinquished any and all legal rights to the balance of funds previously escrowed by the TSA in connection with a practice area. As a result, the \$8,501,000 contingent liability was removed.

Other long-term liabilities, including current maturities, for the Enterprise Funds at September 30, 2016, were as follows:

(Amounts in Thousands)	Other Long-Term Liabilities Business-Type
Open landfill closure and postclosure costs	\$ 33,235
Closed landfill remediation/monitoring	3,705
Total other long term liabilities, business-type activities	\$ 36,940

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

(Amounts in Thousands) Year Ending Sept. 30	Other Long-Term Liabilities	
	Governmental Amount	Business-Type Amount
2017	\$ --	224
2018	--	229
2019	--	235
2020	--	241
2021	--	247
2022-2026	--	1,273
2027-2031	--	837
2032-2036	--	337
2037-2041	--	81
2042-2046	--	4,263
2047-2051	--	5,328
2052-2056	--	5,328
2057-2061	--	5,328
2062-2066	--	5,328
2067-2071	--	5,539
2072-2076	--	1,276
2077-2081	--	211
2082-2086	--	211
2087-2091	--	211
2092-2096	--	213
Total principal	\$ --	36,940

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

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

E. Defeasance of Debt Obligations

On November 5, 2015, the County legally defeased \$26,670,000 of outstanding 2005 Court Facilities Refunding Bonds using proceeds from the issuance of 2015 Court Facilities Refunding Revenue Note and available cash. Proceeds and available cash of \$26,795,000 were deposited in an irrevocable trust fund to pay future debt service on the refunded 2005 Court Facilities Revenue Bonds.

The debt defeasance resulted in an accounting loss of \$1,096,000, which was reported as a part of “special item – loss from defeased debt” in the governmentwide Statement of Activities since this transaction was initiated by the BOCC and considered infrequent and unusual. This amount was also reported as a “deferred outflow of resources” in the governmentwide Statement of Net Position in accordance with GASB Statement No. 65, *Items Previously Recorded as Assets and Liabilities*. Even though there was an accounting loss for fiscal year 2016, there was an overall economic gain of \$10,838,000 from this transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At September 30, 2016 these bonds were legally defeased and related liabilities were removed from the Statement of Net Position. See Note 19 Exhibit A "Schedule of Changes in Long-Term Debt" for information on affected bond issues.

On November 5, 2015, the County legally defeased \$11,140,000 of outstanding 2005 Tampa Bay Arena Revenue Bonds using proceeds from the issuance of 2015 Tampa Bay Arena Refunding Revenue Note and available cash. Proceeds and available cash of \$11,239,000 were deposited in an irrevocable trust fund to pay future debt service on the refunded 2005 Tampa Bay Arena Revenue Bonds.

The debt defeasance resulted in an accounting loss of \$130,000, which was reported as a part of “special item – loss from defeased debt” in the governmentwide Statement of Activities since this transaction was initiated by the BOCC and considered infrequent and unusual. This amount was also reported as a “deferred outflow of resources” in the governmentwide Statement of Net Position in accordance with GASB Statement No. 65, *Items Previously Recorded as Assets and Liabilities*. Even though there was an accounting loss for fiscal year 2015, there was an overall economic gain of \$14,548,000 from this transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At September 30, 2016 these bonds were legally defeased and related liabilities were removed from the Statement of Net Position. See Note 19 Exhibit A "Schedule of Changes in Long-Term Debt" for information on affected bond issues.

On July 14, 2016, the County legally defeased \$23,885,000 of outstanding 2006 Capital Improvement Program Refunding Revenue Bonds using proceeds from the issuance of 2016 Capital Improvement Program Refunding Revenue Bonds and available cash. Proceeds and available cash of \$24,418,000 were deposited in an irrevocable trust fund to pay future debt service on the refunded 2006 Capital Improvement Program Refunding Revenue Bonds.

The debt defeasance resulted in an accounting loss of \$268,000 which was reported as a part of “special item – loss from defeased debt” in the governmentwide Statement of Activities since this transaction was initiated by the BOCC and considered infrequent and unusual. The amount was also reported as a “deferred outflow of resources in the governmentwide Statement of Net Position in accordance with GASB Statement No. 65. Even though there was an accounting loss for fiscal year 2016, there was an overall economic gain of \$2,781,000 from the transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At September 30, 2016 these bonds were legally defeased and related liabilities were removed from the Statement of Net Position. See Note 19 Exhibit A "Schedule of Changes in Long-Term Debt" for information on affected bond issues.

F. 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, 2016.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

G. 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.

H. 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, 2016, are listed below:

(Amounts in Thousands)	<u>Governmental Activities</u>
2005 Court Facilities Refunding Revenue bonds	\$ 26,670
2005 Tampa Bay Arena Refunding Revenue Bonds	10,330
2006 Capital Improvement Non-Ad Valorem Revenue Bonds	19,295
2006 Capital Improvement Program Revenue Bonds	28,689
2007 Community Investment Tax Revenue Bonds	103,745

I. 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 had interest rates that vary from 4.30% to 5.00%, respectively, with interest and principal payable semiannually. Payment of debt service was 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 was not obligated in any manner for the repayment of these debt obligations. On September 3, 2015, these Series 2000 Reclaimed Water Special Assessment Revenue Bonds and Capacity Assessment Special Assessment Revenue Bonds were redeemed using available equity and debt reserves. Neither of these bonds had an outstanding balance at September 30, 2016.

On May 3, 2006, the County issued \$101.1 million in Capacity Assessment Special Assessment Revenue Bonds, Series 2006. These bonds had 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. On September 4, 2015 these Series 2006 bonds were refinanced using available equity of \$7,219,000, debt service reserves of 8,895,000, and a \$42,835,000 Capacity Special Assessment Refunding Revenue Note, Series 2015, with a fixed interest rate of 1.67%. Interest is payable semiannually to Wells Fargo Municipal Capital Strategies, LLC. To secure repayment of this note, the County irrevocably pledged its annual special assessment collections of approximately \$10 million. This refinance resulted in a savings of \$25,308,000 in debt service costs over the ten years that would have remained on the Series 2006 bonds. At September 30, 2016, Capacity Special Assessment Refunding Revenue Note, Series 2015 had \$34,765,000 outstanding. These obligations are not recorded by the County since the County is not obligated in any manner for the repayment of these debt obligations.

J. 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.

The BOCC created the Housing Finance Authority of Hillsborough County (HFA) in fiscal year 1986 for the purpose of alleviating a shortage of affordable residential housing facilities for persons and families of low and moderate income within Hillsborough County. At September 30, 2016, the HFA had \$3,035,000 of Single Family Mortgage Revenue and Refunding

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

Bonds outstanding as well as \$151,168,000 of Multi-Family Housing Revenue and Refunding Bonds outstanding consisting of 20 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.

K. 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. These amounts vary by fiscal year. The County is committed to distribute \$4.9 million of Community Investment Tax proceeds to the TSA in fiscal year 2015. On November 16, 2005, the TSA issued \$114,865,000 in Refunding Revenue Bonds, Series 2005, to refund all outstanding series 1997 bonds. On April 16, 2015, the TSA issued \$63,020,000 in refunding revenue bonds to refund all outstanding series 2005 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. On April 16, 2015, the TSA issued \$19,240,000 in refunding revenue bonds to refund all outstanding series 2005 bonds.

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

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Notes to Financial Statements

L. 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)	Revenues Pledged Used for Fiscal Year 2016 Debt Service Payments						Debt Service Payments
	CIT (b)	Fourth Cent TDT (c)	Fifth Cent TDT (c)	Court Revenues (d)	Communications Services Tax	Non-Ad Valorem (e)	Until Final Bond Maturity
<i>(Amounts in Thousands)</i>							
2006 Fourth Cent Tourist Development Tax Bonds, for facilities	\$ --	940	--	--	--	--	\$ 20,000
2006A Fifth Cent Tourist Development Tax Bonds, for facilities	--	--	1,776	--	--	--	35,242
2007 Community Investment Tax Revenue Bonds, for facilities	9,970	--	--	--	--	--	21,947
2008 Capital Improvement Non-Ad Valorem Refunding Revenue Bonds, for warehouse and Sheriff facilities	--	--	--	--	--	1,382	17,263
2012A Community Investment Tax Refunding Revenue Bonds for jail and stormwater	4,153	--	--	--	--	--	37,884
2012B Community Investment Tax Refunding Revenue Bonds for infrastructure	5,871	--	--	--	--	--	58,895
2012 Capital Improvement Program Revenue Bonds for facilities	6,807	--	--	--	--	--	67,788
2015 Communications Services Tax Revenue Bonds for facilities	--	--	--	--	2,325	1,795	121,920
2015 CIT Refunding Revenue Bonds for Infrastructure	8,878	--	--	--	--	--	181,448
2016 CIP Refunding Revenue Bonds	--	--	--	1,137	--	183	21,972
Total debt service on bonds.....							\$ 584,359
Total pledged revenues for fiscal year 2016 debt service	\$ 35,679	940	1,776	1,137	2,325	3,360	\$ 45,217
Total pledged revenues available for fiscal year 2016 debt service (f)	\$ 48,291	5,150	5,150	1,816	14,722	36,905	\$ 112,034
FY 2016 pledged revenues used as a percentage of revenues available	73.9 %	18.3 %	34.5 %	62.6 %	15.8 %	9.1 %	40.4 %

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

(b) A discretionary sales surtax known as the Community Investment Tax (CIT).

(c) A local option tourist development tax (TDT).

(d) Court revenues consist of noncriminal traffic infraction revenues.

(e) Non-Ad Valorem revenues consist primarily of \$94,422,000 from the Half Cent Sales Tax, \$1,836,000 from Guaranteed Entitlement Revenues, \$1,537,000 from Local Business Taxes, \$418,000 from mobile home license fees, \$467,000 from alcoholic beverage licenses, \$211,000 from the annual license payment for George M. Steinbrenner Field baseball stadium by the New York Yankees, and \$569,000 from arena special events fees from the Tampa Bay Lightning.

(f) Although specific revenues are pledged for specific revenue bonds for governmental activities shown on the chart above, non-ad valorem revenues are also available for debt service on these revenue bonds if specific revenues are insufficient.

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

Note 8 Employee Retirement Plans

Florida Retirement System – General Information

Substantially all County employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two multiple-employer cost-sharing defined benefit plans administered by the Florida Department of Management Services, Division of Retirement: the FRS Pension Plan and the Retiree Health Insurance Subsidy (HIS Program). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) administered by the State Board of Administration. Employees may choose the Investment Plan as an alternative to the FRS Pension Plan. As a general rule, membership in the FRS is compulsory for employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature.

The state of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. This report includes an "emphasis of matters" paragraph in the auditor report in which the Florida Retirement System's consulting actuary noted that the reduced investment return assumption adopted by the Florida Retirement System Actuarial Assumption Conference conflicted with the actuary's judgment of a reasonable assumption as defined by Actuarial Standard of Practice No. 27. The auditor's opinion, however was not modified with respect to that matter. For additional details, see: www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports. The report may also be obtained by writing to the state of Florida Division of Retirement, PO Box 9000, Tallahassee, Florida 32315-9000.

Plan Descriptions for Cost-Sharing Defined Benefit Plans

- The FRS Pension Plan is a multiple-employer cost-sharing qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees.
- The Retiree Health Insurance Subsidy (HIS) Program is a multiple-employer cost-sharing, defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The Florida Legislature sets and amends the contribution requirements and benefit terms of the HIS Program.

Benefits Provided

FRS Pension Plan

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. Regular Class, Senior Management Service Class and Elected Officers Class 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 and Special Risk Administrative Support Class members 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 equal to 3.0% of their final average compensation for each year of credited service.

Regular Class, Senior Management Service Class and Elected Officers Class 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, 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.

HILLSBOROUGH COUNTY, FLORIDA

Notes to Financial Statements

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

HIS Program

The benefit under the HIS Program is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive an HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

Contributions

FRS Pension Plan

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, respectively, were as follows: Regular—7.26% and 7.52%; Special Risk Administrative Support—32.95% and 28.06%; Special Risk—22.04% and 22.57%; Senior Management Service—21.43% and 21.77%; Elected Officers—42.27% and 42.47%; and DROP participants—12.88% and 12.99%. These employer contribution rates include 1.66% and 1.66% HIS Program subsidies.

HIS Program

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution for the period October 1, 2015 through September 30, 2016 was 1.66%. The employer contribution rates shown in the FRS Pension Plan section above include the HIS Program contribution rate of 1.66%, for the periods of October 1, 2015 through September 30, 2016. HIS Program contributions are deposited in a separate trust fund from which payments are authorized. HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event that legislative appropriations and/or available funds are not sufficient, HIS benefits may be reduced or canceled.

Total County contributions, including employee contributions, to the FRS Pension Plan were \$58,559,000 for the fiscal year ended September 30, 2016. Total County contributions to the HIS Program were \$7,657,000 for the fiscal year ended September 30, 2016.

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities - At September 30, 2016, the County reported net pension liabilities of \$617,518,000 and \$202,748,000, respectively, for its proportionate shares of the FRS Pension Plan and HIS Program net pension liabilities. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportionate share of the net pension liability was based on the County's contributions as a percentage of all contributions from participating members for the state of Florida fiscal year ended June 30, 2016. At June 30, 2016, the County's proportionate shares for the FRS Pension Plan and HIS Program were 2.45% and 1.74%, respectively, which were 0.19 and 0.04 percentage points higher than the respective proportionate shares measured as of June 30, 2015. The components of the County's net pension liabilities at September 30, 2016 were as follows:

	<u>FRS Pension Plan</u>	<u>HIS Program</u>	<u>Total</u>
Total pension liability	\$ 4,084,924,000	204,729,000	4,289,653,000
Plan fiduciary net position	(3,467,406,000)	(1,981,000)	(3,469,387,000)
Net pension liability	<u>\$ 617,518,000</u>	<u>202,748,000</u>	<u>820,266,000</u>
Plan fiduciary net position as a percentage of the total pension liability	84.88 %	0.97 %	80.88 %

“Plan fiduciary net position” represents cash and investment assets held to pay pension liabilities as they mature. “Net pension liability” represents the equity in the applicable pension plan. “Plan fiduciary net position” represents the portion of the total pension liability that is funded by cash and investments. Detailed information regarding the FRS Pension Plan and HIS Program fiduciary net position is available in the separately issued *FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report*. To obtain this report, see the second paragraph of Note 8.

Pension (Benefit) Expense - For the fiscal year ended September 30, 2016, the County recognized pension expense of \$27,404,000 and \$8,136,000 for the Pension Plan and HIS Program, respectively.

Deferred Outflows/Inflows of Resources – For the fiscal year ended September 30, 2016, the County reported pension-related deferred outflows of resources and deferred inflows of resources from the following sources:

<u>Description</u>	<u>FRS Pension Plan</u>		<u>HIS Program</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 47,282,000	(5,750,000)		(462,000)
Changes in assumptions	37,358,000	--	31,816,000	-
Net difference between projected and actual earnings on plan investments	284,081,000	(124,460,000)	102,000	-
Changes in proportion and differences between County contributions and proportionate share of contributions	25,130,000	(31,195,000)	5,711,000	(2,953,000)
County contributions subsequent to the measurement date	17,707,000	--	2,422,000	-
Total	<u>\$ 411,558,000</u>	<u>(161,405,000)</u>	<u>40,051,000</u>	<u>(3,415,000)</u>

The deferred outflows of resources totaling \$17,707,000 and \$2,422,000 resulting from County contributions to the Pension Plan and HIS Program, respectively, which were subsequent to the June 30, 2016 measurement date, will be recognized as a pension expense in the fiscal year ending September 30, 2017. Other amounts reported as deferred outflows of resources and

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deferred inflows of resources related to the FRS Pension Plan and HIS Program will be recognized in pension expense as follows:

Fiscal Year Ending September 30	FRS Pension Plan	HIS Program
2017	\$ 32,018,000	6,127,000
2018	32,018,000	6,127,000
2019	92,666,000	6,105,000
2020	63,420,000	6,095,000
2021	9,328,000	5,273,000
Thereafter	\$ 2,996,000	4,487,000

Actuarial Assumptions – The total pension liabilities for the FRS Pension Plan and HIS Program in the June 30, 2016 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate of 2.60%

Average rate of salary increases of 3.25%, including inflation

Investment rate of return, net of pension plan investment expense of 7.60%, including inflation for FRS Pension Plan; this was a decrease from 7.65% in the prior year

Investment rate of return, net of pension plan investment expense of 2.85%, including inflation for HIS Plan; this was a decrease from 3.80% in the prior year

Average expected remaining service life of employees provided with FRS Pension Plan at June 30, 2016 was 6.4 years

Average expected remaining service life of employees provided with HIS Program at June 30, 2016 was 7.2 years

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables

The actuarial assumptions used in the July 1, 2016, FRS Pension Plan valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rates of return on FRS Pension Plan and HIS Program investments were not based on historical returns, but instead were based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions. A mean inflation rate of 2.6% was assumed along with a standard deviation of 1.9%. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1 %	3.0 %	3.0 %	1.7 %
Fixed income	18 %	4.7 %	4.6 %	4.6 %
Global equity	53 %	8.1 %	6.8 %	17.2 %
Real estate (property)	10 %	6.4 %	5.8 %	12.0 %
Private equity	6 %	11.5 %	7.8 %	30.0 %
Strategic investments	12 %	6.1 %	5.6 %	11.1 %
	<u>100.0 %</u>			

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Discount Rates – The FRS Pension Plan discount rate used to measure the total pension liability was 7.60%. The FRS Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The HIS Program discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Program sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of Net Pension Liability to Changes in the Discount Rate – The County’s proportionate share of the FRS Pension Plan and HIS Program will change under varying discount rate assumptions. For example, a higher discount rate would lead to a lower net pension liability. Conversely a lower discount rate would lead to a higher net pension liability. The following chart show the effects on the FRS Pension Plan and HIS Program net pension liabilities under discount rates that are one percentage point higher or lower than the discount rate actually used. The chart specifically shows the net pension liability of the FRS Pension Plan if its discount rates were 6.60%, 7.60% or 8.60% as well as the net pension liability of the HIS Program if its discount rates were 1.85%, 2.85% or 3.85%.

(Amounts in thousands)

Proportionate Share of FRS Net Pension Plan Net Pension Liability			Proportionate Share of HIS Program Net Pension Liability		
1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
6.60%	7.60%	8.60%	1.85%	2.85%	3.85%
\$1,136,892	617,518	185,207	232,599	202,748	177,974

The County remits contractually required FRS Pension Plan and HIS Program contributions as established by the Florida Legislature. The County did not have a payable for outstanding contributions to the FRS Pension Plan, HIS Program or Investment Plan at September 30, 2016.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA’s annual financial statements and in the state of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS Pension Plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members. See FRS Pension Plan contribution rates in the Contributions section of this note for more information.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the

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employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County remits contractually required FRS Investment Plan contributions as established by the Florida Legislature. The County's total contributions to the Investment Plan were approximately \$7,657,000 for fiscal year 2016.

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 \$84.002 million at September 30, 2016. The County's annual OPEB cost, which is defined as annual OPEB expenses on an accrual basis, was \$6.141 million at September 30, 2016. 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 2016 was \$6.061 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 below:

	Fiscal Year 2016
Annual required contribution (ARC)	\$ 6,061,000
Interest on the Net OPEB obligation for fiscal year	563,000
Less amortization of Net OPEB obligation for fiscal year	(483,000)
Annual OPEB Cost for fiscal year	6,141,000
Net OPEB obligation, beginning of year	13,333,000
Less contributions (claims paid etc.) for fiscal year	(5,930,000)
Net OPEB obligation, end of fiscal year	\$ 13,544,000

The County's net OPEB obligation at September 30, 2016 was \$13.544 million. The net OPEB obligation increased slightly

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from the prior year primarily due to higher health care costs expected for retirees as well as interest imputed on the net OPEB obligation since the County did not “fund” its OPEB liabilities (see next paragraph).

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 6,268,000	93%	12,915,000
2015	5,920,000	93%	13,333,000
2016	6,141,000	97%	13,544,000

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, 2016, was as follows:

Actuarial valuation date	September 30, 2016
Actuarial value of plan assets	\$ - *
Actuarial accrued liability (AAL)	84,002,000
Unfunded actuarial accrued liability (UAAL)	84,002,000
Actuarial value of plan assets/AAL (funded ratio)	0 % *
Covered payroll (active plan members)	\$ 553,735,000
UAAL as a percentage of covered payroll	15.2 % *

* Although \$24.299 million were set aside in the Self-Insurance Internal Service Fund, which covers 179% of the County's net OPEB obligation of \$13.544 million at September 30, 2016, the amount considered to be funded was zero since an irrevocable trust fund was not established.

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

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and 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, 2016 actuarial valuation. Other actuarial assumptions included a 4.0% discount rate, a 3.5% salary increase assumption, an initial annual healthcare cost trend rate of approximately 6.0% (approximately 5.0% post-Medicare) grading down 1% each year to an ultimate rate of 4.5%. The actuarial value of the County’s assets was determined using the fair value of cash and investments at September 30, 2016. 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, 2016, was 30 years.

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Note 10 Interfund Receivable and Payable Balances

Interfund receivable and payable balances at September 30, 2016 are shown on the following pages.

<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
Major Governmental Funds:		
General (BOCC)	General (Sheriff)*	\$ 29,238
	General (Tax Collector)*	16,755
	General (Property Appraiser)*	187
	General (Clerk of Circuit Court)*	2,505
		<u>48,685</u>
General (Sheriff)	General (BOCC)	336
	Intergovernmental Grants	32
	Countywide Capital Projects	283
	Unincorporated Area Special Purpose	30
	Solid Waste Enterprise	63
		<u>744</u>
General (Supervisor of Elections)	General (BOCC)+	<u>2,867</u>
General (Tax Collector)	General (BOCC)	10
	Sales Tax Revenue	29
	Solid Waste Enterprise	1
		<u>40</u>
General (Clerk of Circuit Court)	General (BOCC)	18
	Countywide Special Purpose	5
	Solid Waste Enterprise	55
	County Transportation	1
	Unincorporated Area Special Purpose	2
	Water Enterprise	2
		<u>83</u>
	Total General Fund	<u>52,419</u>
Countywide Special Purpose	General (Clerk of Circuit Court)*	755
	General Special Use*	274
	General (Tax Collector)*	26
		<u>1,055</u>
Sales Tax Revenue	General (Tax Collector)*	<u>3,865</u>
County Transportation	General (Tax Collector)*	<u>154</u>
Infrastructure Surtax Projects	Sales Tax Revenue**	<u>3,475</u>
Nonmajor Special Revenue Funds:		
Unincorporated Area Special Purpose	General (Tax Collector)*	<u>272</u>
Library	General (Tax Collector)*	564
	General (Property Appraiser)*	6
		<u>570</u>
Supervisor of Elections Grants	General (BOCC)	<u>\$ 50</u>

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Notes to Financial Statements

<u>Interfund Receivable Fund</u>	<u>Interfund Payable Fund</u>	<u>Amounts in Thousands</u>
Nonmajor Debt Service Funds:		
2009 Environmentally Sensitive Lands Debt Service	General (Tax Collector)* General (Property Appraiser)*	\$ 64 1 <u>65</u>
2002 Parks and Recreation Debt Service	General (Tax Collector)*	<u>20</u>
Total Nonmajor Funds		<u>977</u>
Internal Service Funds:		
Self-Insurance internal Service	Sheriff Risk Management*	<u>2,766</u>
Major Enterprise Funds:		
Water Enterprise	General (Tax Collector)*	<u>135</u>
Solid Waste Enterprise	General (Tax Collector)*	<u>1,216</u>
Total interfund payable and receivable balances		<u>\$ 66,062</u>

* 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 2016 were as follows:.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
Major Governmental Funds:		
General (BOCC)	General (Sheriff)* General (Tax Collector)* General (Property Appraiser)* General (Supervisor of Elections)* General (Clerk of Circuit Court)* Countywide Special Purpose Sales Tax Revenue** Unincorporated Area Special Purpose Unincorporated Area Capital Projects Countywide Capital Projects Self-Insurance Internal Service	\$ 29,238 11,039 188 231 2,125 5,523 106,071 11,679 5,480 1,000 16,750 <u>189,324</u>
General (Sheriff)	General (BOCC) Countywide Special Purpose	386,888 3,577 <u>\$ 390,465</u>

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Notes to Financial Statements

Transfers In	Transfers Out	Amounts in Thousands
General (Tax Collector)	General (BOCC)++ Unincorporated Area Special Purpose++ Sales Tax Revenue++ County Transportation++ Library++ Parks and Recreation Debt Service++ Environmentally Sensitive Lands Acquisition Debt Service++	\$ 23,207 341 222 156 776 33 97 <u>24,832</u>
General (Property Appraiser)	General (BOCC)++ Library++ Environmentally Sensitive Lands Acquisition Debt Service++ Parks and Recreation Debt Service++	11,290 325 37 9 <u>11,661</u>
General (Supervisor of Elections)	General (BOCC)	<u>12,795</u>
General (Clerk of Circuit Court)	General (BOCC) Total General Fund	19,398 <u>648,475</u>
Countywide Special Purpose	General (BOCC) Sheriff Special Use* Self-Insurance Internal Service	22,078 1,151 213 <u>23,442</u>
Sales Tax Revenue	Self-Insurance Internal Service	<u>1</u>
Intergovernmental Grants	General (BOCC) Countywide Special Purpose Unincorporated Area Special Purpose Self-Insurance Internal Service	3,393 385 1,728 45 <u>5,551</u>
County Transportation	General (BOCC) General (Tax Collector)* Infrastructure Surtax Self-Insurance Internal Service	14,307 47 5,500 1,527 <u>21,381</u>
Local Housing Infrastructure Surtax Projects	Self-Insurance Internal Service Sales Tax Revenue++	8 <u>23,325</u>
Nonmajor Special Revenue Funds: Unincorporated Special Purpose	General (BOCC) General (Tax Collector)* Countywide Special Purpose Intergovernmental Grants County Transportation Self-Insurance Internal Service Water Enterprise	2,789 102 121 170 33 386 204 <u>3,805</u>
Library	General (Tax Collector)* General (Property Appraiser) Self-Insurance Internal Service	232 6 1,172 <u>\$ 1,410</u>

HILLSBOROUGH COUNTY, FLORIDA
Notes to Financial Statements

Transfers In	Transfers Out	Amounts in Thousands
Civil Service Board	General (BOCC)	\$ 1,145
	Self-Insurance Internal Service	17
		<u>1,162</u>
Sheriff Special Use	Countywide Special Purpose	<u>2,600</u>
Sheriff Communications 911	Countywide Special Purpose	<u>767</u>
Supervisor Grants	General (BOCC)	<u>19</u>
Nonmajor Debt Service Funds:		
2002 Parks and Recreation Debt Service	General (BOCC)	233
	General (Tax Collector)*	10
		<u>243</u>
2005 Court Facilities Improvement	Countywide Special Purpose	<u>10,022</u>
2005 TSA Revenue Bonds	Sales Tax Revenue	<u>1,282</u>
2006/2016 Capital Improvement Program Refunding Revenue	Countywide Special Purpose	1,137
	Sales Tax Revenue	2,045
		<u>3,182</u>
4th Cent Tourist Development Tax	Sales Tax Revenue	<u>940</u>
5th Cent Tourist Development Tax	Sales Tax Revenue	<u>1,776</u>
2007 Community Investment Tax	Infrastructure Surtax	515
	Sales Tax Revenue	9,455
		<u>9,970</u>
2008 Capital Improvement Non-Ad Valorem Revenue	Sales Tax Revenue	<u>1,382</u>
Commercial Paper Program	Sales Tax Revenue	5,826
	2015 Communications Services Tax	1,248
		<u>7,074</u>
Environmentally Sensitive Lands Acquisition	General (Tax Collector)*	29
	General (Property Appraiser)*	1
	Sales Tax Revenue	2,462
	Environmentally Sensitive Lands Acquisition Capital Projects	931
		<u>3,423</u>
2012 Community Investment Tax Refunding Bonds	Sales Tax Revenue	<u>10,025</u>
2012 Capital Improvement Program Revenue Bonds	Sales Tax Revenue	<u>6,807</u>
2015 Communication Services Tax	Unincorporated Area Special Purpose	2,325
	Unincorporated Area Capital Projects	1,795
		<u>4,120</u>
2015 Community Investment Tax	Sales Tax Revenue	<u>\$ 8,878</u>

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<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts in Thousands</u>
Nonmajor Capital Project Funds:		
Countrywide Capital Projects	General Fund (BOCC) Self-Insurance Internal Service	\$ 3,991 73 <u>4,064</u>
Unincorporated Capital Projects	Unincorporated Area Special Purpose	<u>8,980</u>
Commercial Paper Program	Sales Tax Revenue	<u>230</u>
Next Generation 911 Project	Countywide Special Purpose	<u>500</u>
	Total Nonmajor Funds	<u>92,661</u>
Internal Service Funds:		
Self-Insurance Internal Service	Sheriff Risk Management*	2,766
Fleet	Self-Insurance Internal Service	234
	Total Internal Service Funds	<u>3,000</u>
Enterprise Funds		
Water	General Fund - BOCC Self-Insurance Internal Service	162 3,642 <u>3,804</u>
Solid Waste	Self-Insurance Internal Service	<u>1,501</u>
Total interfund transfers in and out		<u>\$ 823,149</u>

* These amounts represent residual and/or excess fees paid by Constitutional Officers to the Board of County Commissioners during fiscal year 2016 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.

<> Proceeds from the 2015 Community Investment Tax Bonds were used to liquidate certain commercial paper notes as well as reduce principal on the 2007 Community Investment Tax Bonds.

During the fiscal year ended September 30, 2016, 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 \$4,562,000 from the General Fund and \$47,000 from the Self-Insurance Internal Service 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.

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:

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Restricted Net Position
September 30, 2016

(Amounts in Thousands)	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Restricted for:			
Bond covenants, renewal and replacement	\$ 36,636	38,683	75,319
Debt Service	52,924	41,285	94,209
Grants and similar projects	26,712	--	26,712
Statute/ordinance enabled projects	350,137	--	350,137
Capital projects	44,767	--	44,767
Other purposes	11,526	--	11,526
	<u>522,702</u>	<u>79,968</u>	<u>602,670</u>
Total restricted net position	<u>\$ 522,702</u>	<u>79,968</u>	<u>602,670</u>

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

Restricted fund balances are fund balances constrained for specific purposes which are externally imposed by either creditors, grantors, contributors, or 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:

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Governmental Fund Balances by Category
September 30, 2016

<i>(Amounts in Thousands)</i>	Total Governmental Funds
Nonspendable	\$ 5,324
Spendable:	
Restricted	497,271
Committed	40,338
Assigned	103,756
Unassigned	298,299
Total fund balances	<u>\$ 944,988</u>

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

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 for regular employees and \$1,000,000 for firefighters, with unlimited excess coverage above the self-insurance cap. The BOCC has authorized a commercial third-party administrator to administer the County's automobile, general liability, and workers' compensation claims payments. The Sheriff is self-insured for workers' compensation claims up to a maximum of \$500,000 per occurrence with unlimited excess coverage above the self-insurance cap.

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

With the exception of the Sheriff, all County funds including the BOCC and Constitutional Officers participate in the risk management portion of the Self-Insurance Fund. The Sheriff has a separate self-insurance fund for risk management and is not a participant in the BOCC workers' compensation and automotive and general liability programs. 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 \$93,674,000 at September 30, 2016. If reserves for workers' compensation and automotive and general liability are included, the total reserve for risk management was \$118,046,000 at September 30, 2016. 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.

HILLSBOROUGH COUNTY, FLORIDA
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The claims liability reported in the BOCC self-insurance fund at September 30, 2016, for risk management was \$15,079,000. The claims liability reported in the Sheriff Self-Insurance Fund at September 30, 2016, for risk management discounted at a rate of 2%, was \$8,644,000. The Sheriff's undiscounted claims liability was \$9,198,000 at September 30, 2016. 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 2015 and 2016, 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>
2015	\$ 14,751,000	6,641,000	(7,089,000)	14,303,000
2016	14,303,000	7,312,000	(6,536,000)	15,079,000

During fiscal years 2015 and 2016, 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>
2015	\$ 10,648,000	3,393,000	(3,892,000)	10,149,000
2016	10,149,000	3,181,000	(4,687,000)	8,643,000

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 \$550,000 per person annually. Stop-loss insurance was purchased to cover an unlimited lifetime amount per person above the \$550,000 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 group health insurance plan equity was \$26,598,000 at September 30, 2016. The County's plan also holds \$23,469,000 of equity from the Sheriff's employee group health insurance plan. At September 30, 2016, the claims liability reported for the BOCC employee group health insurance plan was \$5,074,000 and the claims liability reported for the Sheriff employee group health insurance plan was \$4,765,000. The Sheriff's employee group health claims liability was 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 2015 and 2016, 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>
2015	\$ 4,623,000	76,504,000	(75,188,000)	5,939,000
2016	5,939,000	80,176,000	(81,041,000)	5,074,000

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During fiscal years 2015 and 2016, 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>
2015	\$ 4,817,000	34,634,000	(34,727,000)	4,724,000
2016	4,724,000	37,893,000	(37,852,000)	4,765,000

Net Position of the Self-Insurance Fund

The BOCC Self-Insurance Fund had reserves of \$178,514,000, which was reported as unrestricted, in net position at September 30, 2016 as follows:

BOCC Self-Insurance Fund Net Position

Unrestricted, designated for risk management (catastrophic losses)	\$ 93,674,000
Unrestricted, designated for risk management (workers' compensation and auto/general liabilities)	24,018,000
Unrestricted, designated for employee group health insurance (BOCC)	26,598,000
Unrestricted, designated for employee group health insurance (Sheriff)	23,469,000
Unrestricted, designated for other postemployment benefits (OPEB)	<u>10,755,000</u>
Total net position	<u>\$ 178,514,000</u>

Net position of \$23,469,000 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 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, 2016, County management estimated that the total future closure and postclosure care costs will be \$59,404,000. The County decreased its GASB Statement No. 18 liability from the prior year by \$1,290,000 or 3.7%. 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 \$59,404,000, a life-to-date liability of \$33,235,000 was recorded at September 30, 2016 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 35.1% or 16,287,000 cubic yards of the estimated 46,463,000 cubic yards landfill capacity had been consumed at September 30, 2016. Although only 35.1% of the overall landfill

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capacity was consumed, a total of 55.9% 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 \$48,481,000 of which 65.9% was consumed. Section Two has total projected closure and postclosure care costs of \$10,923,000 of which only 11.6% was consumed. The County will record the balance of the projected future closure and postclosure care costs of \$33,235,000, as adjusted by future estimated cost revisions, as the remaining landfill capacity is consumed. The County anticipates closing Section One of the landfill in 32 years (fiscal year 2048) and Section Two of the landfill in 56 years (fiscal year 2072). At September 30, 2016, the County had reserved assets of \$33,235,000 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, 2016, the liability for future remediation and monitoring costs of these closed landfill sites was \$3,705,000. 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, 2016, the Hillsborough County BOCC's tangible net worth met the requirements of the annual responsibility test and management believes the County complied with all rule requirements.

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 \$3,609,000 for leased facilities and equipment for the fiscal year ended September 30, 2016. The component units had operating lease and rent expenditures of \$1,000 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 2016 in excess of \$150,000 per year are summarized below.

<u>Year Ending September 30</u>	<u>Governmental Activities</u>
2017	\$ 1,985,000
2018	1,913,000
2019	1,629,000
2020	1,669,000
2021	1,346,000
2022-2026	5,990,000
2027-2031	5,760,000
2032-2036	5,645,000
Total payments	<u>\$ 25,937,000</u>

Commitments for future non-cancelable minimum operating lease receipts were insignificant.

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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, 2016, the County is not obligated on the project bonds issued by the TSA, but makes non-commitment debt service contributions as described in Note 7.K., "Non-Commitment Debt Service Contributions." See Note 7.K. for more information including project bonds issued by the TSA.

Note 17 Contingent Liabilities

Impact Fee Offsets

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

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 Note 18 Subsequent Events - Debt Issuances

At September 30, 2016, the County's governmental activities had short-term commercial paper notes and taxable loans outstanding with a face amount of \$120.39 million. All of these commercial paper notes were rolled over subsequent to September 30, 2016. In addition the County issued a new money note on December 15, 2016 in the amount of \$5.5 million and on December 29, 2016 in the amount of \$1.2 million. The total commercial paper notes and taxable loans outstanding at April 21, 2017 were \$106.9 million.

On October 27, 2016, the County legally defeased \$22,900,000 of outstanding 2006 Fifth Cent Tourist Development Refunding Bonds using proceeds from the issuance of 2016 Fifth Cent Tourist Development Refunding Revenue Bonds and available cash. Proceeds and available cash of \$22,983,912 were deposited in an irrevocable trust fund to pay future debt service on the refunded bonds.

The debt defeasance of the 2006 Fifth Cent Tourist Development Refunding Revenue Bonds resulted in an overall economic gain of \$744,379.36 from this transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At September 30, 2016 these bonds were legally defeased and related liabilities were removed from the Statement of Net Position. On November 1, 2016 the Escrow Agent (Zions, NA Bank) redeemed all outstanding principal for these bonds.

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On November 21, 2016, the County legally defeased \$133,660,000 of outstanding 2006 Solid Waste and Resource Recovery Revenue Bonds using proceeds from the issuance of 2016 Solid Waste and Resource Recovery Revenue Bonds and available cash. Proceeds and available cash of \$135,579,712 were deposited in an irrevocable trust fund to pay future debt service on the refunded bonds.

The debt defeasance of the 2006 Solid Waste and Resource Recovery Revenue Bonds resulted in an overall economic loss of \$223,520.88 from this transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At September 30, 2016 these bonds were legally defeased and related liabilities were removed from the Statement of Net Position.

On February 16, 2016, the County legally defeased \$14,025,000 of outstanding 2006 Fourth Cent Tourist Development Tax Revenue Bonds using proceeds from the issuance of 2017A Fourth Cent Tourist Development Refunding Revenue Bonds and available cash. Proceeds and available cash of \$13,663,678 were deposited in an irrevocable trust fund to pay future debt service on the refunded bonds.

The debt defeasance of the 2006 Fourth Cent Tourist Development Tax Revenue Bonds resulted in an overall economic gain of \$197,037.12 from this transaction because the present value of the principal and interest payments avoided exceeded the amount placed in escrow for these bonds. At April 1, 2017 the Escrow Agent (Zions, NA Bank) will redeem outstanding principal for these bonds.

On February 16, 2016, the County issued 2017B Fourth Cent Tourist Development Revenue Bonds (Taxable) for \$22,020,000. Proceeds for this transaction are for the New York Yankee's Facility Improvements at Steinbrenner Field as part of an agreement between the New York Yankees, the Tampa Sports Authority and Hillsborough County Board of County Commissioners.

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

Exhibit A is a schedule of changes in long-term debt. Exhibits B through 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, 2016
(amounts in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
GOVERNMENTAL ACTIVITIES					
Board of County Commissioners					
Bonds payable:					
2002 Parks and Recreation Refunding Bonds	\$ 9,455	--	880	8,575	\$ 915
Unamortized bond issue premium	68	--	14	54	*
2005 Tampa Bay Arena Refunding Rev Bonds	11,920	--	11,920	--	--
Unamortized bond issue premium	92	--	92	--	--
2005 Court Facilities Refunding Rev Bonds	28,050	--	28,050	--	--
Unamortized bond issue premium	17	--	17	--	--
2006 CIP Refunding Rev Bonds	23,885	--	23,885	--	--
Unamortized bond issue premium	51	--	51	--	--
2006 Fourth Cent Tourist Dev. Tax Bonds	14,595	--	570	14,025	595
Unamortized bond issue premium	32	--	3	29	*
2006A Fifth Cent Tourist Dev. Tax Bonds	24,435	--	750	23,685	785
Unamortized bond issue premium	80	--	7	73	*
2007 CIT Revenue Bonds	30,630	--	9,740	20,890	10,200
Unamortized bond issue premium	247	--	163	84	*
2008 CIP Non Ad-Valorem Refunding Revenue	14,045	--	845	13,200	875
Unamortized bond issue premium	16	--	2	14	*
2009A ELAPP Bonds	6,080	--	1,435	4,645	1,490
Unamortized bond issue premium	134	--	57	77	*
2009B ELAPP Bonds	48,125	--	--	48,125	--
2012A Community Investment Tax (CIT)					
Refunding Revenue Bonds	33,485	--	2,500	30,985	2,625
Unamortized bond issue premium	3,449	--	555	2,894	*
2012B Community Investment Tax (CIT)					
Refunding Revenue Bonds	51,625	--	3,610	48,015	3,820
Unamortized bond issue premium	5,094	--	786	4,308	*
2012B Capital Improvement Program Revenue					
Bonds	56,310	--	3,965	52,345	4,160
Unamortized bond issue premium	7,993	--	1,232	6,761	*
2015 Communications Services Tax	67,800	--	--	67,800	1,125
Unamortized bond issue premium	5,627	--	312	5,315	*
2015 CIT Refunding Revenue Bonds	139,215	--	--	139,215	2,480
Unamortized bond issue premium	24,797	--	3,771	21,026	*
2016 CIT Refunding Revenue Bonds	--	18,185	--	18,185	1,905
Unamortized bond issue premium	--	2,733	477	2,256	*
Total bonds payable	607,352	20,918	95,689	532,581	30,975
Notes Payable	65,110	58,432	3,155	120,387	3,435
Discount on notes payable	--	(49)	(8)	(41)	*
Compensated absences payable	25,318	20,363	23,407	22,274	22,274
Net pension liability**	437,976	337,310	--	775,286	--
Net OPEB obligation	13,333	6,141	5,930	13,544	--
Insurance claims payable	20,242	87,488	87,578	20,152	11,610
Other long-term liabilities	8,501	--	8,501	--	--
Total Board of County Commissioners	\$ 1,177,832	530,603	224,252	1,484,183	68,294

*not applicable

** The beginning balance resulted from the implementation of GASB Statements No. 68 and 71.

EXHIBIT A
HILLSBOROUGH COUNTY, FLORIDA
Schedule of Changes in Long-Term Debt
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities, Continued					
Clerk of Circuit Court					
Compensated absences payable	\$ 3,059	2,036	2,511	2,584	2,511
Total Clerk of Circuit Court	<u>3,059</u>	<u>2,036</u>	<u>2,511</u>	<u>2,584</u>	<u>2,511</u>
Property Appraiser					
Compensated absences payable	1,148	469	593	1,024	593
Total Property Appraiser	<u>1,148</u>	<u>469</u>	<u>593</u>	<u>1,024</u>	<u>593</u>
Sheriff					
Compensated absences payable	26,981	27,362	30,966	23,377	23,377
Insurance claims payable	14,873	41,075	42,539	13,409	9,451
Total Sheriff	<u>41,854</u>	<u>68,437</u>	<u>73,505</u>	<u>36,786</u>	<u>32,828</u>
Supervisor of Elections					
Compensated absences payable	175	151	144	182	144
Total Supervisor of Elections	<u>175</u>	<u>151</u>	<u>144</u>	<u>182</u>	<u>144</u>
Tax Collector					
Compensated absences payable	1,707	1,522	1,549	1,680	1,549
Total Tax Collector	<u>1,707</u>	<u>1,522</u>	<u>1,549</u>	<u>1,680</u>	<u>1,549</u>
Total long-term liabilities, governmental	<u>\$ 1,225,775</u>	<u>603,218</u>	<u>302,554</u>	<u>1,526,439</u>	<u>105,919</u>
BUSINESS-TYPE ACTIVITIES					
Board of County Commissioners					
Bonds payable:					
2006 A & B Solid Waste Revenue Bonds	\$ 138,230	\$ --	\$ 4,570	\$ 133,660	\$ 4,800
Unamortized bond issue premiums	1,726	--	157	1,569	*
2010 A, B, & C Utility Revenue Bonds	142,720	--	2,575	140,145	2,635
Unamortized bond issue premiums	183	--	676	(493)	*
Unamortized bond issue discount	(480)	--	(36)	(444)	*
2013 Solid Waste Revenue Bonds	20,479	--	2,404	18,075	2,447
2016 Utility Revenue Bonds	--	207,795	--	207,795	--
Unamortized bond issue premiums	--	12,885	--	12,885	--
Total bonds payable	<u>302,858</u>	<u>220,680</u>	<u>10,346</u>	<u>513,192</u>	<u>9,882</u>
Compensated absences payable	4,173	3,577	3,918	3,832	3,832
Net pension liability**	27,713	17,267	--	44,980	--
Other long-term liabilities	38,448	147	1,655	36,940	224
Total long-term liabilities, business-type	<u>\$ 373,192</u>	<u>241,671</u>	<u>15,919</u>	<u>598,944</u>	<u>13,938</u>

*not applicable

** The beginning balance resulted from the implementation of GASB Statements No. 68 and 71.

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

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
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>\$ 8,575</u>	<u>2,083</u>	<u>10,658</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)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2017	\$ 1,490	186	1,676
2018	1,550	126	1,676
2019	1,605	72	1,677
	<u>\$ 4,645</u>	<u>384</u>	<u>5,029</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>
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>43,563</u>	<u>15,250</u>	<u>76,438</u>

*The entire Build America Bonds federal subsidy is shown; however, the subsidy for fiscal year 2017 will be reduced 6.9% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

EXHIBIT E
HILLSBOROUGH COUNTY, FLORIDA
Fourth Cent Tourist Development Tax
Series 2006
Issued December 6, 2006
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
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>\$ 14,025</u>	<u>5,975</u>	<u>20,000</u>

EXHIBIT F
HILLSBOROUGH COUNTY, FLORIDA
Fifth Cent Tourist Development Tax
Refunding and Improvement Revenues 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>
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>\$ 23,685</u>	<u>11,557</u>	<u>35,242</u>

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

Fiscal Year	Principal	Interest	Total Requirement
2017	\$ 10,200	790	10,990
2018	10,690	267	10,957
	\$ 20,890	1,057	21,947

EXHIBIT H
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>
2017	\$ 875	566	1,441
2018	905	533	1,438
2019	945	496	1,441
2020	980	459	1,439
2021	1,020	419	1,439
2022	1,060	377	1,437
2023	1,105	332	1,437
2024	1,155	284	1,439
2025	1,205	233	1,438
2026	1,260	179	1,439
2027	1,315	122	1,437
2028	1,375	63	1,438
	<u>\$ 13,200</u>	<u>4,063</u>	<u>17,263</u>

EXHIBIT I
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>
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>\$ 30,985</u>	<u>6,899</u>	<u>37,884</u>

EXHIBIT J
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>
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>\$ 48,015</u>	<u>10,880</u>	<u>58,895</u>

EXHIBIT K
HILLSBOROUGH COUNTY, FLORIDA
Capital Improvement Program Revenue Bonds
Series 2012
Issued May 23, 2012
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
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>\$ 52,345</u>	<u>15,443</u>	<u>67,788</u>

EXHIBIT L
HILLSBOROUGH COUNTY, FLORIDA
Communications Services Tax Revenue Bonds
Series 2015
Issued April 9, 2015
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2017	\$ 1,125	2,941	4,066
2018	1,150	2,913	4,063
2019	1,210	2,855	4,065
2020	1,270	2,795	4,065
2021	1,335	2,731	4,066
2022	1,360	2,704	4,064
2023	1,430	2,636	4,066
2024	1,455	2,608	4,063
2025	1,530	2,535	4,065
2026	1,605	2,458	4,063
2027	1,685	2,378	4,063
2028	1,770	2,294	4,064
2029	1,860	2,205	4,065
2030	1,955	2,108	4,063
2031	2,060	2,005	4,065
2032	2,165	1,897	4,062
2033	2,255	1,810	4,065
2034	2,365	1,698	4,063
2035	2,460	1,603	4,063
2036	2,585	1,480	4,065
2037	2,715	1,351	4,066
2038	2,850	1,215	4,065
2039	2,990	1,073	4,063
2040	3,140	923	4,063
2041	3,260	805	4,065
2042	3,380	683	4,063
2043	3,505	556	4,061
2044	3,640	425	4,065
2045	3,775	288	4,063
2046	3,915	147	4,062
	<u>\$ 67,800</u>	<u>54,120</u>	<u>121,920</u>

EXHIBIT M
HILLSBOROUGH COUNTY, FLORIDA
Community Investment Tax Revenue Bonds
Series 2015
Issued July 29, 2015
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2017	\$ 2,480	6,848	9,328
2018	2,605	6,759	9,364
2019	13,970	6,357	20,327
2020	14,680	5,641	20,321
2021	15,420	4,889	20,309
2022	16,205	4,098	20,303
2023	17,085	3,265	20,350
2024	17,845	2,392	20,237
2025	18,705	1,479	20,184
2026	20,220	505	20,725
	<u>\$ 139,215</u>	<u>42,233</u>	<u>181,448</u>

EXHIBIT N
HILLSBOROUGH COUNTY, FLORIDA
Capital Improvement Program Refunding Revenue Bonds
Series 2016
Issued July 14, 2016
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2017	\$ 1,905	842	2,747
2018	2,040	708	2,748
2019	2,140	606	2,746
2020	2,245	499	2,744
2021	2,305	443	2,748
2022	2,395	351	2,746
2023	2,515	231	2,746
2024	2,640	107	2,747
	<u>\$ 18,185</u>	<u>3,787</u>	<u>21,972</u>

EXHIBIT O
HILLSBOROUGH COUNTY, FLORIDA
Solid Waste Resource Recovery Revenue 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>
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>\$ 102,395</u>	<u>48,876</u>	<u>151,271</u>

EXHIBIT P
HILLSBOROUGH COUNTY, FLORIDA
Solid Waste Resource Recovery Revenue 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>
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
2021	--	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>\$ 31,265</u>	<u>17,523</u>	<u>48,788</u>

EXHIBIT Q
HILLSBOROUGH COUNTY, FLORIDA
 Utility Revenue Bonds
 Series 20010A
 (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>
2017	\$ 2,635	258	2,893
2018	2,740	153	2,893
2019	2,805	84	2,889
	<u>\$ 8,180</u>	<u>495</u>	<u>8,675</u>

EXHIBIT R
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>
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>78,195</u>	<u>27,368</u>	<u>161,092</u>

*The entire Build America Bonds federal subsidy is shown; however, the subsidy for fiscal year 2017 will be reduced 6.9% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

EXHIBIT S
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>
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	446	203	7,708
	<u>\$ 21,700</u>	<u>29,224</u>	<u>13,152</u>	<u>37,772</u>

*The entire Build America Bonds federal subsidy is shown; however, the subsidy for fiscal year 2017 will be reduced 6.9% due to sequestration mandated by the American Taxpayer Relief Act of 2012.

EXHIBIT T
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>
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>\$ 18,075</u>	<u>1,318</u>	<u>19,393</u>

EXHIBIT U
HILLSBOROUGH COUNTY, FLORIDA
Utility System Revenue Bonds Series
Series 2016B
Issued July 26, 2016
Debt Service Schedule
(amounts in thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2017	\$ --	6,881	6,881
2018	--	6,786	6,786
2019	--	6,786	6,786
2020	3,195	6,786	9,981
2021	3,245	6,738	9,983
2022	3,405	6,576	9,981
2023	3,575	6,406	9,981
2024	3,755	6,277	10,032
2025	3,940	6,039	9,979
2026	4,140	5,842	9,982
2027	4,305	5,676	9,981
2028	4,475	5,504	9,979
2029	4,610	5,370	9,980
2030	4,745	5,232	9,977
2031	4,890	5,089	9,979
2032	5,035	4,943	9,978
2033	5,240	4,741	9,981
2034	5,450	4,532	9,982
2035	5,670	4,314	9,984
2036	5,835	4,143	9,978
2037	6,010	3,968	9,978
2038	7,525	3,788	11,313
2039	7,750	3,562	11,312
2040	7,980	3,330	11,310
2041	15,925	3,091	19,016
2042	16,405	2,613	19,018
2043	16,895	2,121	19,016
2044	17,405	1,614	19,019
2045	17,925	1,091	19,016
2046	18,465	555	19,020
	<u>\$ 207,795</u>	<u>140,394</u>	<u>348,189</u>

HILLSBOROUGH COUNTY, FLORIDA
Infrastructure Condition and Maintenance Data
For the fiscal year ended September 30, 2016
(Required Supplementary Information)

Hillsborough County maintains a comprehensive network of transportation-related infrastructure assets. At September 30, 2016 these infrastructure assets included:

- 7,110 traffic lane-miles
- 2,820 miles of curbs
- 3,132 miles of road shoulders
- 4,073 miles of markings
- 14,256 pavement legends
- 220 miles of dividers
- 29 miles of guard railing
- 171 railroad crossings
- 1,966 pedestrian crossings
- 86,532 end treatments with head wall
- 17,221 intersections
- 2,993 miles of sidewalks
- 12 miles of sidewalk handrails
- 27,889 sidewalk ramps for the disabled
- 142,810 signs
- 799 pedestrian poles
- 251 bridges
- 525 box culverts
- 6.43 million linear feet of culverts
- 26,421 curb inlet
- 7,356 ditch bottom inlets
- 1,624 grate top inlets
- 2,744 speed humps
- 2,551 control structures
- 478 junction boxes
- 143 sea walls
- 39 stormwater lift stations
- 7,133 stormwater manholes

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

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

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

Hillsborough County, Florida			
Infrastructure Condition Assessment Results			
	September 30, 2016	September 30, 2015	September 30, 2014
Infrastructure	at or above fair	at or above fair	at or above fair
Paved roadway subset	60.2	62.8	71.0

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

**Infrastructure Condition and Maintenance Data
For the fiscal year ended September 30, 2016**

estimated maintenance/preservation costs. The County spends the amount necessary to maintain its infrastructure assets at or above its condition levels of fair and 55. As a measure of County's maintenance efforts, the following chart shows estimated and actual infrastructure maintenance expenditures. These infrastructure maintenance costs consist of: all personnel and operating costs within the physical environment function used for flood control by the Public Works Department; all personnel and operating costs within the transportation function used for road and street facilities by the Public Works Department; as well as road resurfacing and roadway landscaping costs.

Hillsborough County, Florida					
Estimated Versus Actual Infrastructure Maintenance and Preservation Costs					
(amounts in millions)					
	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
Estimate	\$200.8	\$171.8	\$106.2	\$87.9	\$72.2
Actual	\$102.4	\$80.1	\$75.1	\$68.3	\$70.0

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
(Required Supplementary Information)

Amounts in thousands

	9/30/14	9/30/15	9/30/16
Actuarial valuation date			
Actuarial value of plan assets [a]	--	--	--
Actuarial accrued liability (AAL) - entry age method [b]	\$ 80,265	83,268	84,002
Unfunded actuarial accrued liability (UAAL) [b-a]	80,265	83,268	84,002
Actuarial value of plan assets/AAL (funded ratio) [a/b]	0 %	0 %	0 %
Annual covered payroll (active plan members) [c]	\$518,871	\$528,266	\$553,735
UAAL as a percentage of covered payroll [(b/a)/c]	15.5 %	15.8 %	15.2 %

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, 2016 actuarial valuation. Other actuarial assumptions included a 4.0% discount rate, a 3.5% salary increase assumption, and an initial annual healthcare cost trend rate of approximately 7.0% (approximately 6.0% post-Medicare) grading down about 1% each year to an ultimate rate of 4.5%. The actuarial value of the County’s assets was determined using the fair value of cash and investments at September 30, 2016. 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, 2016 was 30 years.

Although \$24.299 million were set aside for OPEB in an internal service fund, which exceeded the net OPEB obligation for September 30, 2016 by \$10.755 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, 2016 would have been \$24.299 million, which would have led to an unfunded actuarial accrued liability of \$59.703 million, a funded ratio of 28.9%, and an unfunded actuarial accrued liability as a percentage of covered payroll of 10.8%. Although the net OPEB liability was not funded at September 30, 2016, 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.

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Hillsborough County's Proportionate Share of the
Florida Retirement System Net Pension Liabilities for the
Pension Plan and Health Insurance Subsidy Program
Last Three Fiscal Years
(Required Supplementary Information)
Amounts in Thousands

FRS Pension Plan

	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/14</u>
County's proportion of the FRS net pension liability	2.45 %	2.26 %	2.00 %
County's proportionate share of the FRS net pension liability	\$ 617,518	292,275	141,632
County's covered-employee payroll	553,735	528,266	520,793
County's proportionate share of the FRS net pension liability as a percentage of its covered-employee payroll	111.52 %	55.33 %	27.20 %
FRS fiduciary net position as a percentage of the total pension liability	84.88 %	92.00 %	96.00 %

Health Insurance Subsidy Program

	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/14</u>
County's proportion of the HIS net pension liability	1.74 %	1.70 %	1.00 %
County's proportionate share of the HIS net pension liability	\$ 202,748	173,414	159,084
County's covered-employee payroll	553,735	528,266	520,793
County's proportionate share of the HIS net pension liability as a percentage of its covered-employee payroll	36.61 %	32.83 %	30.55 %
HIS fiduciary net position as a percentage of the total pension liability	0.97 %	0.50 %	0.99 %

* The amounts presented represent the figures for the Hillsborough County Reporting Entity because the Hillsborough County City-County Planning Commission is funded primarily by the Hillsborough County BOCC. The data was unavailable prior to FY 2014.

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Contributions
Florida Retirement System Pension Plan and Health Insurance Subsidy Program
Last Three Fiscal Years
(Required Supplementary Information)
Amounts in Thousands

FRS Pension Plan

	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/14</u>
Contractually required contributions	\$ 58,559	55,170	50,846
County contributions in relation to the contractually required contribution	<u>58,559</u>	<u>55,170</u>	<u>50,846</u>
Contribution deficiency (excess)	<u> --</u>	<u> --</u>	<u> --</u>
County's covered-employee payroll	\$ 553,735	528,266	520,793
County's contributions as a percentage of covered-employee payroll	10.58 %	10.44 %	9.76 %

Health Insurance Subsidy Program

	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/14</u>
Contractually required contributions	\$ 7,657	6,500	5,828
County contributions in relation to the contractually required contribution	<u>7,657</u>	<u>6,500</u>	<u>5,828</u>
Contribution deficiency (excess)	<u> --</u>	<u> --</u>	<u> --</u>
County's covered-employee payroll	553,735	528,266	520,793
County's contributions as a percentage of covered-employee payroll	1.38 %	1.23 %	1.12 %

*The amounts presented represent the figures for the Hillsborough County Reporting Entity because the Hillsborough County City-County Planning Commission, a discretely presented component unit, is funded primarily by the Hillsborough County BOCC. As a result the FRS Pension and HIS contributions are in substance the responsibility of the BOCC. The Planning Commission's contributions that are included above were as follows (in thousands): \$242, \$295 and \$281 for the FRS Pension for fiscal years 2016, 2015 and 2014, respectively. The Planning Commission's contributions were as follows (in thousands): \$36, \$41 and \$38 for the HIS Program for fiscal years 2016, 2015 and 2014, respectively. Data prior to FY 2014 was unavailable for this schedule.

Combining and Individual Fund Statements and Schedules



GENERAL FUNDS 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, 2016
(amounts in thousands)**

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 36,829	15,389	46,084	23,643
Investments	151,928	63,517	--	--
Accounts receivable, net	76	5,774	47	1,810
Interest receivable	358	149	--	--
Delinquent ad valorem taxes receivable	1,680	906	--	--
Due from other funds	32,303	16,382	744	40
Due from other governmental units	563	--	430	30
Inventories	596	635	--	--
Prepaid items	--	--	11	82
Total assets	<u>224,333</u>	<u>102,752</u>	<u>47,316</u>	<u>25,605</u>
LIABILITIES				
Current liabilities				
Accounts and contracts payable	3,421	895	2,817	517
Accrued liabilities	4,341	5,180	14,684	358
Due to other funds	3,139	143	29,238	23,070
Due to other governmental units	2,930	--	3	1,234
Unearned revenues	--	--	--	426
Deposits held	26	--	322	--
Total liabilities	<u>13,857</u>	<u>6,218</u>	<u>47,064</u>	<u>25,605</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	4,952	2,616	--	--
Total deferred inflows of resources	<u>4,952</u>	<u>2,616</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Nonspendable:				
Inventories and prepaid items	596	635	11	82
Assigned to:				
BOCC resolutions /other purposes	--	--	71	--
Unassigned	204,928	93,283	170	(82)
Total fund balances	<u>205,524</u>	<u>93,918</u>	<u>252</u>	<u>--</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 224,333</u>	<u>102,752</u>	<u>47,316</u>	<u>25,605</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
372	--	1,168	123,485
--	--	4,819	220,264
--	--	11	7,718
--	--	--	507
--	--	--	2,586
--	2,867	83	52,419
--	--	409	1,432
--	--	--	1,231
--	--	--	93
<u>372</u>	<u>2,867</u>	<u>6,490</u>	<u>409,735</u>
--	2,744	796	11,190
163	123	2,012	26,861
194	--	3,260	59,044
15	--	422	4,604
--	--	--	426
--	--	--	348
<u>372</u>	<u>2,867</u>	<u>6,490</u>	<u>102,473</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>7,568</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>7,568</u>
--	--	--	1,324
--	--	--	71
<u>--</u>	<u>--</u>	<u>--</u>	<u>298,299</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>299,694</u>
<u>372</u>	<u>2,867</u>	<u>6,490</u>	<u>409,735</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, 2016
(amounts in thousands)

	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Sheriff</u>	<u>Tax Collector</u>
Revenues:				
Taxes - ad valorem property taxes	\$ 406,778	188,707	--	--
Taxes - other	1,532	--	--	--
Licenses, permits, special assessments	568	10	--	--
Intergovernmental - state shared revenues	13,042	19,095	--	--
Intergovernmental - grants	238	--	1,675	--
Charges for services	54,659	27,336	2,974	18,004
Fines and forfeitures	59	7,949	--	--
Interest	2,987	1,277	341	80
Miscellaneous	3,168	1,257	491	2,277
Total revenues	<u>483,031</u>	<u>245,631</u>	<u>5,481</u>	<u>20,361</u>
Expenditures:				
Current:				
General government	99,228	18,434	14,934	30,429
Public safety	10,169	146,953	337,513	--
Physical environment	12,570	9,219	--	--
Transportation	655	2,693	--	--
Economic environment	13,330	1,143	--	--
Human services	40,000	41	--	--
Culture and recreation	14,095	21,461	--	--
Capital outlay	3,146	286	14,876	3,305
Total expenditures	<u>193,193</u>	<u>200,230</u>	<u>367,323</u>	<u>33,734</u>
Excess (deficiency) of revenues over (under) expenditures	<u>289,838</u>	<u>45,401</u>	<u>(361,842)</u>	<u>(13,373)</u>
Other financing sources (uses)				
Transfers in	100,658	88,666	390,465	24,832
Transfers out	(365,859)	(138,390)	(29,238)	(11,459)
Sales of capital assets	198	46	686	--
Total other financing sources (uses)	<u>(265,003)</u>	<u>(49,678)</u>	<u>361,913</u>	<u>13,373</u>
Net change in fund balances	24,835	(4,277)	71	--
Fund balances, beginning of year	180,595	98,310	181	--
Increase (decrease) in nonspendable fund balances	94	(115)	--	--
Fund balances, end of year	<u>\$ 205,524</u>	<u>93,918</u>	<u>252</u>	<u>--</u>

<u>Property Appraiser</u>	<u>Supervisor of Elections</u>	<u>Clerk of Circuit Court</u>	<u>Total</u>
--	--	--	595,485
--	--	--	1,532
--	--	--	578
--	--	--	32,137
--	--	1,127	3,040
930	--	6,815	110,718
--	--	--	8,008
--	--	32	4,717
21	--	--	7,214
<u>951</u>	<u>--</u>	<u>7,974</u>	<u>763,429</u>
12,388	9,761	23,006	208,180
--	--	--	494,635
--	--	--	21,789
--	--	--	3,348
--	--	--	14,473
--	--	--	40,041
--	--	--	35,556
30	2,803	2,241	26,687
<u>12,418</u>	<u>12,564</u>	<u>25,247</u>	<u>844,709</u>
<u>(11,467)</u>	<u>(12,564)</u>	<u>(17,273)</u>	<u>(81,280)</u>
11,661	12,795	19,398	648,475
(194)	(231)	(2,125)	(547,496)
--	--	--	930
<u>11,467</u>	<u>12,564</u>	<u>17,273</u>	<u>101,909</u>
--	--	--	20,629
--	--	--	279,086
--	--	--	(21)
<u>--</u>	<u>--</u>	<u>--</u>	<u>299,694</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, 2016
(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	\$ 423,699	423,699	406,778	(16,921)
Taxes - other	1,440	1,440	1,532	92
Licenses, permits, special assessments	603	603	568	(35)
Intergovernmental - state shared revenues	12,376	12,376	13,042	666
Intergovernmental - grants	153	249	238	(11)
Charges for services	54,315	54,315	54,659	344
Fines and forfeitures	52	52	59	7
Interest	974	974	2,987	2,013
Miscellaneous	3,948	14,628	3,168	(11,460)
Total revenues	<u>497,560</u>	<u>508,336</u>	<u>483,031</u>	<u>(25,305)</u>
Expenditures:				
Current:				
General government	96,694	104,940	99,228	5,712
Public safety	9,657	9,714	10,169	(455)
Physical environment	13,868	13,801	12,570	1,231
Transportation	256	606	655	(49)
Economic environment	21,754	21,754	13,330	8,424
Human services	50,453	50,846	40,000	10,846
Culture and recreation	13,938	13,938	14,095	(157)
Capital outlay	3,603	3,612	3,146	466
Total expenditures	<u>210,223</u>	<u>219,211</u>	<u>193,193</u>	<u>26,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>287,337</u>	<u>289,125</u>	<u>289,838</u>	<u>713</u>
Other financing sources (uses)				
Transfers in	88,413	88,413	100,658	12,245
Transfers out	(373,876)	(374,191)	(365,859)	8,332
Sales of capital assets	300	300	198	(102)
Budgetary reserves	(146,911)	(148,384)	--	148,384
Budget allowance	(26,341)	(26,341)	--	26,341
Total other financing sources (uses)	<u>(458,415)</u>	<u>(460,203)</u>	<u>(265,003)</u>	<u>195,200</u>
Net change in fund balances	(171,078)	(171,078)	24,835	195,913
Fund balances, beginning of year	171,078	171,078	180,595	9,517
Increase (decrease) in nonspendable fund balances	--	--	94	94
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>205,524</u>	<u>205,524</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, 2016
(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	\$ 196,937	196,937	188,707	(8,230)
Licenses, permits, special assessments	51	51	10	(41)
Intergovernmental - state shared revenues	17,556	17,556	19,095	1,539
Charges for services	23,158	23,158	27,336	4,178
Fines and forfeitures	5,900	6,282	7,949	1,667
Interest	713	713	1,277	564
Miscellaneous	888	6,981	1,257	(5,724)
Total revenues	<u>245,203</u>	<u>251,678</u>	<u>245,631</u>	<u>(6,047)</u>
Expenditures:				
Current:				
General government	13,413	19,428	18,434	994
Public safety	149,804	150,186	146,953	3,233
Physical environment	10,630	10,880	9,219	1,661
Transportation	1,974	1,974	2,693	(719)
Economic environment	1,948	1,948	1,143	805
Human services	--	--	41	(41)
Culture and recreation	23,158	23,113	21,461	1,652
Capital outlay	415	460	286	174
Total expenditures	<u>201,342</u>	<u>207,989</u>	<u>200,230</u>	<u>7,759</u>
Excess (deficiency) of revenues over (under) expenditures	<u>43,861</u>	<u>43,689</u>	<u>45,401</u>	<u>1,712</u>
Other financing sources (uses)				
Transfers in	77,290	77,290	88,666	11,376
Transfers out	(138,624)	(138,624)	(138,390)	234
Sales of capital assets	--	--	46	46
Budgetary reserves	(69,081)	(68,909)	--	68,909
Budget allowance	(12,078)	(12,078)	--	12,078
Total other financing sources (uses)	<u>(142,493)</u>	<u>(142,321)</u>	<u>(49,678)</u>	<u>92,643</u>
Net change in fund balances	(98,632)	(98,632)	(4,277)	94,355
Fund balances, beginning of year	98,632	98,632	98,310	(322)
Increase (decrease) in nonspendable fund balances	--	--	(115)	(115)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>93,918</u>	<u>93,918</u>

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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ --	--	1,154	1,154
Interest	--	--	341	341
Miscellaneous	--	--	491	491
Total revenues	<u>--</u>	<u>--</u>	<u>1,986</u>	<u>1,986</u>
Expenditures:				
Current:				
General government	15,356	15,263	14,934	329
Public safety	364,547	357,965	333,612	24,353
Capital outlay	9,523	16,260	14,355	1,905
Total expenditures	<u>389,426</u>	<u>389,488</u>	<u>362,901</u>	<u>26,587</u>
Excess (deficiency) of revenues over (under) expenses	<u>(389,426)</u>	<u>(389,488)</u>	<u>(360,915)</u>	<u>28,573</u>
Other financing sources (uses)				
Transfers in	389,426	389,488	390,465	977
Transfers out	--	--	(29,202)	(29,202)
Sales of capital assets	--	--	648	648
Total other financing sources (uses)	<u>389,426</u>	<u>389,488</u>	<u>361,911</u>	<u>(27,577)</u>
Net change in fund balances	--	--	996	996
Fund balances, beginning of year	--	--	181	181
Fund balances, end of year--budgetary basis	<u>\$ --</u>	<u>--</u>	<u>1,177</u>	<u>1,177</u>
Add intergovernmental grant revenue			1,675	
Add contract-related charges for services			1,820	
Add proceeds from the sale of capital assets			38	
Increase public safety and general government expenditures			(3,901)	
Increase capital outlay			(521)	
Distribution of excess revenues to the Board of County Commissioners			(36)	
Fund balances, end of year--GAAP basis			<u>\$ 252</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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 15,598	15,598	18,004	2,406
Interest	14	14	80	66
Miscellaneous	225	225	2,277	2,052
Total revenues	15,837	15,837	20,361	4,524
Expenditures:				
Current:				
General government	30,191	30,547	29,195	1,352
Capital outlay	--	2,055	3,305	(1,250)
Total expenditures	30,191	32,602	32,500	102
Excess (deficiency) of revenues over (under) expenses	(14,354)	(16,765)	(12,139)	4,626
Other financing sources (uses)				
Transfers in	24,970	24,970	24,832	(138)
Transfers out	(9,554)	(7,385)	(11,459)	(4,074)
Distribution of excess fees	(1,062)	(820)	(1,234)	(414)
Total other financing sources (uses)	14,354	16,765	12,139	(4,626)
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year--budgetary basis	\$ --	--	--	--
Fund balances, end of year				
Reduce distribution of excess fees			1,234	
Increase general government expenditures			(1,234)	
Fund balances, end of year--GAAP basis			--	

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Property Appraiser (Budgetary Basis)
For the fiscal year ended September 30, 2016
(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	\$ 1,005	1,005	930	(75)
Miscellaneous	--	--	21	21
Total revenues	<u>1,005</u>	<u>1,005</u>	<u>951</u>	<u>(54)</u>
Expenditures:				
Current:				
General government	12,558	12,528	12,373	155
Capital outlay	--	30	30	--
Total expenditures	<u>12,558</u>	<u>12,558</u>	<u>12,403</u>	<u>155</u>
Excess (deficiency) of revenues over (under) expenses	<u>(11,553)</u>	<u>(11,553)</u>	<u>(11,452)</u>	<u>101</u>
Other financing sources (uses)				
Transfers in	11,553	11,553	11,661	108
Transfers out	--	--	(194)	(194)
Distribution of excess fees	--	--	(15)	(15)
Total other financing sources (uses)	<u>11,553</u>	<u>11,553</u>	<u>11,452</u>	<u>(101)</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			15	
Increase general government expenditures			(15)	
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, 2016
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government	\$ 12,280	9,761	9,761	--
Capital outlay	515	2,803	2,803	--
Total expenditures	<u>12,795</u>	<u>12,564</u>	<u>12,564</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenses	<u>(12,795)</u>	<u>(12,564)</u>	<u>(12,564)</u>	<u>--</u>
Other financing sources (uses)				
Transfers in	12,795	12,795	12,795	--
Transfers out	--	(231)	(231)	--
Total other financing sources (uses)	<u>12,795</u>	<u>12,564</u>	<u>12,564</u>	<u>--</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund - Clerk of Circuit Court
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - grants	\$ 1,380	1,380	1,127	(253)
Charges for services	6,187	6,187	6,815	628
Interest	76	76	32	(44)
Total revenues	7,643	7,643	7,974	331
Expenditures:				
Current:				
General government	25,848	24,535	23,006	1,529
Capital outlay	930	2,243	2,241	2
Total expenditures	26,778	26,778	25,247	1,531
Excess (deficiency) of revenues over (under) expenses	(19,135)	(19,135)	(17,273)	1,862
Other financing sources (uses)				
Transfers in	19,398	19,398	19,398	--
Transfers out	(263)	(263)	(2,125)	(1,862)
Total other financing sources (uses)	19,135	19,135	17,273	(1,862)
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, 2016 (amounts in thousands)

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 40,288	10,366	18,216	68,870
Investments	72,879	42,786	75,185	190,850
Accounts receivable, net	417	--	--	417
Interest receivable	171	101	176	448
Delinquent ad valorem taxes receivable	180	23	--	203
Due from other funds	892	85	--	977
Due from other governmental units	3,380	--	--	3,380
Inventories	19	--	--	19
Total assets	<u>118,226</u>	<u>53,361</u>	<u>93,577</u>	<u>265,164</u>
LIABILITIES				
Current liabilities				
Accounts and contracts payable	3,215	20	5,320	8,555
Accrued liabilities	1,798	--	--	1,798
Due to other funds	306	--	283	589
Due to other governmental units	5,881	--	--	5,881
Unearned revenues	33	351	--	384
Total liabilities	<u>11,233</u>	<u>371</u>	<u>5,603</u>	<u>17,207</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	655	67	--	722
Total deferred inflows of resources	<u>655</u>	<u>67</u>	<u>--</u>	<u>722</u>
FUND BALANCES				
Nonspendable:				
Inventories and prepaid items	19	--	--	19
Restricted for:				
Bond covenants	--	--	16,467	16,467
Debt service	--	52,923	61	52,984
Grant programs and projects	50	--	--	50
Federal and state law	56,161	--	5,800	61,961
Impact fees	10,116	--	--	10,116
Other purposes	7,056	--	--	7,056
Committed to:				
BOCC ordinance /other purposes	28,865	--	--	28,865
Assigned to:				
Capital projects	1,015	--	65,646	66,661
Major maintenance and repair projects	3,056	--	--	3,056
Total fund balances	<u>106,338</u>	<u>52,923</u>	<u>87,974</u>	<u>247,235</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 118,226</u>	<u>53,361</u>	<u>93,577</u>	<u>265,164</u>

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Taxes - ad valorem property taxes	\$ 38,232	5,430	--	43,662
Taxes - other	22,071	--	--	22,071
Licenses, permits, special assessments	29,954	--	--	29,954
Intergovernmental - state shared revenues	1,038	--	--	1,038
Intergovernmental - grants	5,871	--	935	6,806
Charges for services	39,587	409	--	39,996
Fines and forfeitures	7,728	--	--	7,728
Interest	882	351	372	1,605
Miscellaneous	435	229	415	1,079
Total revenues	<u>145,798</u>	<u>6,419</u>	<u>1,722</u>	<u>153,939</u>
Expenditures:				
Current:				
General government	35,417	183	651	36,251
Public safety	29,709	--	169	29,878
Physical environment	2,731	--	1,038	3,769
Economic environment	--	--	14,500	14,500
Culture and recreation	32,287	--	3,262	35,549
Capital outlay	25,649	--	41,087	66,736
Debt service:				
Principal	--	29,511	--	29,511
Interest and fiscal charges	--	23,773	200	23,973
Total expenditures	<u>125,793</u>	<u>53,467</u>	<u>60,907</u>	<u>240,167</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,005</u>	<u>(47,048)</u>	<u>(59,185)</u>	<u>(86,228)</u>
Other financing sources (uses)				
Transfers in	9,763	69,124	13,774	92,661
Transfers out	(27,305)	(177)	(9,205)	(36,687)
Face amount of long-term debt issued	--	30,932	14,500	45,432
Discounts on long-term debt issued	--	(49)	--	(49)
Face amount of refunding bonds issued	--	18,185	--	18,185
Premium on refunding bonds issued	--	2,733	--	2,733
Payment to refunded bond escrow agent	--	(62,452)	--	(62,452)
Sales of capital assets	85	--	418	503
Total other financing sources (uses)	<u>(17,457)</u>	<u>58,296</u>	<u>19,487</u>	<u>60,326</u>
Net change in fund balances	2,548	11,248	(39,698)	(25,902)
Fund balances, beginning of year	103,889	41,675	127,672	273,236
Increase (decrease) in nonspendable fund balances	(99)	--	--	(99)
Fund balances, end of year	<u>\$ 106,338</u>	<u>52,923</u>	<u>87,974</u>	<u>247,235</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 Protective 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.

Inmate Welfare Fund (formerly 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.

Misdemeanor Probation Services Fund – To account for the revenues and expenditures related to the Sheriff's provision of misdemeanor probation services.

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

BOCC Special Projects Fund – To account for the revenues and expenditures related to funds that may be only be expended for certain major maintenance and renovation projects.

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, 2016
(amounts in thousands)

	BOARD OF COUNTY COMMISSIONERS		
	Unincorporated Area Special Purpose	Library	Civil Service Board
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 9,371	8,275	11
Investments	38,679	34,156	44
Accounts receivable, net	--	124	--
Interest receivable	91	80	--
Delinquent ad valorem taxes receivable	22	158	--
Due from other funds	272	570	--
Due from other governmental units	3,366	4	--
Inventories	--	19	--
Total assets	<u>51,801</u>	<u>43,386</u>	<u>55</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	2,362	437	4
Accrued liabilities	371	742	51
Due to other funds	32	--	--
Due to other governmental units	--	--	--
Unearned revenues	--	33	--
Total liabilities	<u>2,765</u>	<u>1,212</u>	<u>55</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	183	472	--
Total deferred inflows of resources	<u>183</u>	<u>472</u>	<u>--</u>
FUND BALANCES			
Nonspendable:			
Inventories and prepaid items	--	19	--
Reserved for:			
Grant programs and projects	--	--	--
Federal and state law	6,816	41,683	--
Impact fees	10,116	--	--
Other purposes	--	--	--
Committed to:			
BOCC ordinance /other purposes	28,865	--	--
Assigned to:			
Capital projects	--	--	--
Major maintenance and repair projects	3,056	--	--
Total fund balances	<u>48,853</u>	<u>41,702</u>	<u>--</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 51,801</u>	<u>43,386</u>	<u>55</u>

SHERIFF						
Child Protective Investigations	Special Use	Inmate Welfare	Misdemeanor Probation Services	Communications 911	BOCC Special Projects	
3,335	263	7,214	221	8	1,069	
--	--	--	--	--	--	--
--	1	124	168	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	10	--	--	--	--	--
--	--	--	--	--	--	--
<u>3,335</u>	<u>274</u>	<u>7,338</u>	<u>389</u>	<u>8</u>	<u>1,069</u>	
5	--	282	1	--	54	
--	--	--	--	--	--	--
--	274	--	--	--	--	--
1,648	--	--	184	--	--	--
--	--	--	--	--	--	--
<u>1,653</u>	<u>274</u>	<u>282</u>	<u>185</u>	<u>--</u>	<u>54</u>	
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
1,682	--	--	204	8	--	--
--	--	--	--	--	--	--
--	--	7,056	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	1,015	--
--	--	--	--	--	--	--
<u>1,682</u>	<u>--</u>	<u>7,056</u>	<u>204</u>	<u>8</u>	<u>1,015</u>	
<u>3,335</u>	<u>274</u>	<u>7,338</u>	<u>389</u>	<u>8</u>	<u>1,069</u>	

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Balance Sheet (Continued)
September 30, 2016
(amounts in thousands)

	<u>SUPERVISOR</u>	<u>CLERK</u>	
	<u>Supervisor of</u>	<u>Court</u>	
	<u>Elections Grants</u>	<u>Operations &</u>	<u>Total</u>
		<u>Public Records</u>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ --	10,521	40,288
Investments	--	--	72,879
Accounts receivable, net	--	--	417
Interest receivable	--	--	171
Delinquent ad valorem taxes receivable	--	--	180
Due from other funds	50	--	892
Due from other governmental units	--	--	3,380
Inventories	--	--	19
Total assets	<u>50</u>	<u>10,521</u>	<u>118,226</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	--	70	3,215
Accrued liabilities	--	634	1,798
Due to other funds	--	--	306
Due to other governmental units	--	4,049	5,881
Unearned revenues	--	--	33
Total liabilities	<u>--</u>	<u>4,753</u>	<u>11,233</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	--	--	655
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>655</u>
FUND BALANCES			
Nonspendable:			
Inventories and prepaid items	--	--	19
Reserved for:			
Grant programs and projects	50	--	50
Federal and state law	--	5,768	56,161
Impact fees	--	--	10,116
Other purposes	--	--	7,056
Committed to:			
BOCC ordinance /other purposes	--	--	28,865
Assigned to:			
Capital projects	--	--	1,015
Major maintenance and repair projects	--	--	3,056
Total fund balances	<u>50</u>	<u>5,768</u>	<u>106,338</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 50</u>	<u>10,521</u>	<u>118,226</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, 2016
(amounts in thousands)

	BOARD OF COUNTY COMMISSIONERS		
	Unincorporated Area Special Purpose	Library	Civil Service Board
Revenues:			
Taxes - ad valorem property taxes	\$ --	38,232	--
Taxes - other	22,071	--	--
Licenses, permits, special assessments	29,954	--	--
Intergovernmental - state shared revenues	1,038	--	--
Intergovernmental - grants	(25)	1,115	--
Charges for services	2,367	305	40
Fines and forfeitures	182	332	--
Interest	389	412	--
Miscellaneous	254	87	--
Total revenues	<u>56,230</u>	<u>40,483</u>	<u>40</u>
Expenditures:			
Current:			
General government	2,606	785	1,201
Public safety	11,173	--	--
Physical environment	2,731	--	--
Culture and recreation	1,517	30,770	--
Capital outlay	17,465	4,090	1
Total expenditures	<u>35,492</u>	<u>35,645</u>	<u>1,202</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,738</u>	<u>4,838</u>	<u>(1,162)</u>
Other financing sources (uses)			
Transfers in	3,805	1,410	1,162
Transfers out	(25,053)	(1,101)	--
Sales of capital assets	--	--	--
Total other financing sources (uses)	<u>(21,248)</u>	<u>309</u>	<u>1,162</u>
Net change in fund balances	(510)	5,147	--
Fund balances, beginning of year	49,363	36,654	--
Increase (decrease) in nonspendable fund balances	--	(99)	--
Fund balances, end of year	<u>\$ 48,853</u>	<u>41,702</u>	<u>--</u>

SHERIFF

Child Protective Investigations	Special Use	Inmate Welfare	Misdemeanor Probation Services	Communications 911	BOCC Special Projects
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
3,396	--	--	--	--	--
9,109	47	2,751	1,941	--	--
--	716	--	--	--	--
2	--	32	--	--	--
30	59	5	--	--	--
<u>12,537</u>	<u>822</u>	<u>2,788</u>	<u>1,941</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--
12,161	2,317	1,553	1,737	768	--
--	--	--	--	--	--
--	--	--	--	--	--
329	32	187	--	--	2,159
<u>12,490</u>	<u>2,349</u>	<u>1,740</u>	<u>1,737</u>	<u>768</u>	<u>2,159</u>
<u>47</u>	<u>(1,527)</u>	<u>1,048</u>	<u>204</u>	<u>(768)</u>	<u>(2,159)</u>
--	2,600	--	--	767	--
--	(1,151)	--	--	--	--
7	78	--	--	--	--
<u>7</u>	<u>1,527</u>	<u>--</u>	<u>--</u>	<u>767</u>	<u>--</u>
54	--	1,048	204	(1)	(2,159)
1,628	--	6,008	--	9	3,174
--	--	--	--	--	--
<u>1,682</u>	<u>--</u>	<u>7,056</u>	<u>204</u>	<u>8</u>	<u>1,015</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>SUPERVISOR</u>	<u>CLERK</u>	
	<u>Supervisor of Elections Grants</u>	<u>Court Operations & Public Records</u>	<u>Total</u>
Revenues:			
Taxes - ad valorem property taxes	\$ --	--	38,232
Taxes - other	--	--	22,071
Licenses, permits, special assessments	--	--	29,954
Intergovernmental - state shared revenues	--	--	1,038
Intergovernmental - grants	128	1,257	5,871
Charges for services	--	23,027	39,587
Fines and forfeitures	--	6,498	7,728
Interest	3	44	882
Miscellaneous	--	--	435
Total revenues	<u>131</u>	<u>30,826</u>	<u>145,798</u>
Expenditures:			
Current:			
General government	691	30,134	35,417
Public safety	--	--	29,709
Physical environment	--	--	2,731
Culture and recreation	--	--	32,287
Capital outlay	--	1,386	25,649
Total expenditures	<u>691</u>	<u>31,520</u>	<u>125,793</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(560)</u>	<u>(694)</u>	<u>20,005</u>
Other financing sources (uses)			
Transfers in	19	--	9,763
Transfers out	--	--	(27,305)
Sales of capital assets	--	--	85
Total other financing sources (uses)	<u>19</u>	<u>--</u>	<u>(17,457)</u>
Net change in fund balances	(541)	(694)	2,548
Fund balances, beginning of year	591	6,462	103,889
Increase (decrease) in nonspendable fund balances	--	--	(99)
Fund balances, end of year	<u>\$ 50</u>	<u>5,768</u>	<u>106,338</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Unincorporated Area Special Purpose Fund
For the fiscal year ended September 30, 2016
(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	\$ 23,652	23,652	22,071	(1,581)
Licenses, permits, special assessments	28,022	28,023	29,954	1,931
Intergovernmental - state shared revenues	1,000	1,000	1,038	38
Intergovernmental - grants	--	--	(25)	(25)
Charges for services	1,881	1,881	2,367	486
Fines and forfeitures	111	111	182	71
Interest	164	164	389	225
Miscellaneous	172	558	254	(304)
Total revenues	<u>55,002</u>	<u>55,389</u>	<u>56,230</u>	<u>841</u>
Expenditures:				
Current:				
General government	7,516	7,438	2,606	4,832
Public safety	11,021	11,047	11,173	(126)
Physical environment	4,766	3,497	2,731	766
Culture and recreation	653	255	1,517	(1,262)
Capital outlay	40,483	38,065	17,465	20,600
Total expenditures	<u>64,439</u>	<u>60,302</u>	<u>35,492</u>	<u>24,810</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,437)</u>	<u>(4,913)</u>	<u>20,738</u>	<u>25,651</u>
Other financing sources (uses)				
Transfers in	3,147	3,317	3,805	488
Transfers out	(23,120)	(25,073)	(25,053)	20
Budgetary reserves	(16,309)	(18,781)	--	18,781
Budget allowance	(2,740)	(2,740)	--	2,740
Total other financing sources (uses)	<u>(39,022)</u>	<u>(43,277)</u>	<u>(21,248)</u>	<u>22,029</u>
Net change in fund balances	(48,459)	(48,190)	(510)	47,680
Fund balances, beginning of year	<u>48,459</u>	<u>48,190</u>	<u>49,363</u>	<u>1,173</u>
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>48,853</u>	<u>48,853</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Library Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem property taxes	\$ 39,747	39,747	38,232	(1,515)
Intergovernmental - grants	1,733	1,648	1,115	(533)
Charges for services	284	284	305	21
Fines and forfeitures	373	373	332	(41)
Interest	2	2	412	410
Miscellaneous	78	1,264	87	(1,177)
Total revenues	42,217	43,318	40,483	(2,835)
Expenditures:				
Current:				
General government	(354)	431	785	(354)
Culture and recreation	36,122	35,465	30,770	4,695
Capital outlay	21,784	20,990	4,090	16,900
Total expenditures	57,552	56,886	35,645	21,241
Excess (deficiency) of revenues over (under) expenditures	(15,335)	(13,568)	4,838	18,406
Other financing sources (uses)				
Transfers in	371	371	1,410	1,039
Transfers out	(1,532)	(1,532)	(1,101)	431
Budgetary reserves	(19,247)	(19,739)	--	19,739
Budget allowance	(1,993)	(1,993)	--	1,993
Total other financing sources (uses)	(22,401)	(22,893)	309	23,202
Net change in fund balances	(37,736)	(36,461)	5,147	41,608
Fund balances, beginning of year	37,736	36,461	36,654	193
Increase (decrease) in nonspendable fund balances	--	--	(99)	(99)
Fund balances, end of year	\$ --	--	41,702	41,702

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, 2016
(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	\$ --	--	40	40
Miscellaneous	--	16	--	(16)
Total revenues	<u>--</u>	<u>16</u>	<u>40</u>	<u>24</u>
Expenditures:				
Current:				
General government	1,549	1,565	1,201	364
Capital outlay	5	5	1	4
Total expenditures	<u>1,554</u>	<u>1,570</u>	<u>1,202</u>	<u>368</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,554)</u>	<u>(1,554)</u>	<u>(1,162)</u>	<u>392</u>
Other financing sources (uses)				
Transfers in	1,554	1,554	1,162	(392)
Total other financing sources (uses)	<u>1,554</u>	<u>1,554</u>	<u>1,162</u>	<u>(392)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Sheriff Special Use Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ --	--	47	47
Fines and forfeitures	--	--	716	716
Miscellaneous	--	--	59	59
Total revenues	<u>--</u>	<u>--</u>	<u>822</u>	<u>822</u>
Expenditures:				
Current:				
Public safety	2,565	2,564	2,317	247
Capital outlay	--	36	32	4
Total expenditures	<u>2,565</u>	<u>2,600</u>	<u>2,349</u>	<u>251</u>
Excess (deficiency) of revenues over (under) expenses	<u>(2,565)</u>	<u>(2,600)</u>	<u>(1,527)</u>	<u>1,073</u>
Other financing sources (uses)				
Transfers in	2,565	2,600	2,600	--
Transfers out	--	--	(1,151)	(1,151)
Sales of capital assets	--	--	78	78
Total other financing sources (uses)	<u>2,565</u>	<u>2,600</u>	<u>1,527</u>	<u>(1,073)</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	--	--	--	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Clerk Court Operations and Public Records Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - grants	\$ --	--	1,257	1,257
Charges for services	24,824	23,942	23,027	(915)
Fines and forfeitures	6,311	6,221	6,498	277
Interest	32	32	44	12
Total revenues	31,167	30,195	30,826	631
Expenditures:				
Current:				
General government	31,827	30,893	30,134	759
Capital outlay	1,447	2,218	1,386	832
Total expenditures	33,274	33,111	31,520	1,591
Excess (deficiency) of revenues over (under) expenses	(2,107)	(2,916)	(694)	2,222
Other financing sources (uses)				
Budgetary reserves	2,107	2,916	--	(2,916)
Total other financing sources (uses)	2,107	2,916	--	(2,916)
Net change in fund balances	--	--	(694)	(694)
Fund balances, beginning of year	--	--	6,462	6,462
Fund balances, end of year	\$ --	--	5,768	5,768

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.

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.

2006/2016 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 and Series 2016.

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

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

2007 Community Investment Tax Revenue Bonds Fund – To account for the annual debt service requirements on the Community 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.

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. This fund was also used to account for money set aside for a new ELAPP bond issue that was planned but not issued during fiscal year 2016.

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.

2015 Community Investment Tax Refunding Revenue Bonds – To account for the annual debt service requirements of the Community Investment Tax Refunding Revenue Bonds, Series 2015. 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 earnings.

Redevelopment Seed Money Program Fund – To account for debt service on a capital project to address uneven growth patterns in the following underserved areas of the County: University Community Area, Orient Road/Fairgrounds, Palm River and Westshore.

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

2015 Communications Services Tax Revenue Bonds – To account for the annual debt service requirements of the Communication Services Tax Revenue Bonds, Series 2015. Interest and principal payments are due through final maturity in October 2045. Debt service is secured by a pledge of the Communications Services Tax revenues and related earnings.

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Balance Sheet
September 30, 2016
(amounts in thousands)

	<u>2002 Parks and Recreation</u>	<u>2005 Court Facilities</u>	<u>2005 Arena Refunding</u>	<u>2006/2016 Capital Improvement Program</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 52	497	292	602
Investments	213	2,052	1,204	2,485
Interest receivable	--	5	3	6
Delinquent ad valorem taxes receivable	5	--	--	--
Due from other funds	20	--	--	--
Total assets	<u>290</u>	<u>2,554</u>	<u>1,499</u>	<u>3,093</u>
LIABILITIES				
Current Liabilities				
Accounts and contracts payable	--	--	--	20
Unearned revenues	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>20</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	15	--	--	--
Total deferred inflows of resources	<u>15</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Restricted for:				
Debt service	<u>275</u>	<u>2,554</u>	<u>1,499</u>	<u>3,073</u>
Total fund balances	<u>275</u>	<u>2,554</u>	<u>1,499</u>	<u>3,073</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 290</u>	<u>2,554</u>	<u>1,499</u>	<u>3,093</u>

2006 4th Cent Tourist Development Tax	2006 5th Cent Tourist Development Tax	2007 CIT	2008 Capital Improvement Program	2009 ELAPP	2012 CIT
129	322	1,669	74	886	1,453
532	1,328	6,891	307	3,657	5,997
1	3	16	1	9	14
--	--	--	--	18	--
--	--	--	--	65	--
<u>662</u>	<u>1,653</u>	<u>8,576</u>	<u>382</u>	<u>4,635</u>	<u>7,464</u>
--	--	--	--	--	--
--	351	--	--	--	--
--	<u>351</u>	--	--	--	--
--	--	--	--	52	--
--	--	--	--	<u>52</u>	--
<u>662</u>	<u>1,302</u>	<u>8,576</u>	<u>382</u>	<u>4,583</u>	<u>7,464</u>
<u>662</u>	<u>1,302</u>	<u>8,576</u>	<u>382</u>	<u>4,583</u>	<u>7,464</u>
<u>662</u>	<u>1,653</u>	<u>8,576</u>	<u>382</u>	<u>4,635</u>	<u>7,464</u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Debt Service Funds
Combining Balance Sheet (Continued)
September 30, 2016
(amounts in thousands)

	<u>2012 Capital Improvement Program</u>	<u>2015 CIT</u>	<u>Redevelopment Seed Money</u>	<u>Commercial Paper</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 233	1,013	73	2,530
Investments	963	4,180	300	10,444
Interest receivable	2	10	1	25
Delinquent ad valorem taxes receivable	--	--	--	--
Due from other funds	--	--	--	--
Total assets	<u>1,198</u>	<u>5,203</u>	<u>374</u>	<u>12,999</u>
LIABILITIES				
Current Liabilities				
Accounts and contracts payable	--	--	--	--
Unearned revenues	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Restricted for:				
Debt service	<u>1,198</u>	<u>5,203</u>	<u>374</u>	<u>12,999</u>
Total fund balances	<u>1,198</u>	<u>5,203</u>	<u>374</u>	<u>12,999</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,198</u>	<u>5,203</u>	<u>374</u>	<u>12,999</u>

Communications Services Tax	Total
541	10,366
2,233	42,786
5	101
--	23
--	85
<u>2,779</u>	<u>53,361</u>
--	20
--	351
<u>--</u>	<u>371</u>
--	67
<u>--</u>	<u>67</u>
<u>2,779</u>	<u>52,923</u>
<u>2,779</u>	<u>52,923</u>
<u>2,779</u>	<u>53,361</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, 2016
(amounts in thousands)

	<u>2002 Parks and Recreation</u>	<u>2005 Court Facilities</u>	<u>2005 Arena Refunding</u>	<u>2006/2016 Capital Improvement Program</u>
Revenues:				
Taxes - ad valorem property taxes	\$ 1,119	--	--	--
Charges for services	--	--	308	101
Interest	9	18	5	38
Miscellaneous	--	--	--	160
Total revenues	<u>1,128</u>	<u>18</u>	<u>313</u>	<u>299</u>
Expenditures:				
Current:				
General government	--	53	32	92
Debt service:				
Principal	880	1,380	681	--
Interest and fiscal charges	457	805	467	577
Total expenditures	<u>1,337</u>	<u>2,238</u>	<u>1,180</u>	<u>669</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(209)</u>	<u>(2,220)</u>	<u>(867)</u>	<u>(370)</u>
Other financing sources (uses)				
Transfers in	243	10,022	1,282	3,182
Transfers out	(43)	--	--	--
Face amount of long-term debt issued	--	19,756	11,176	--
Discounts on long-term debt issued	--	(49)	--	--
Face amount of refunding bonds issued	--	--	--	18,185
Premium on refunding bonds issued	--	--	--	2,733
Payment to refunded bond escrow agent	--	(26,795)	(11,239)	(24,418)
Total other financing sources (uses)	<u>200</u>	<u>2,934</u>	<u>1,219</u>	<u>(318)</u>
Net change in fund balances	(9)	714	352	(688)
Fund balances, beginning of year	284	1,840	1,147	3,761
Fund balances, end of year	<u>\$ 275</u>	<u>2,554</u>	<u>1,499</u>	<u>3,073</u>

2006 4th Cent Tourist Development Tax	2006 5th Cent Tourist Development Tax	2007 CIT	2008 Capital Improvement Program	2009 ELAPP
--	--	--	--	4,311
--	--	--	--	--
3	7	35	6	36
--	--	--	69	--
<u>3</u>	<u>7</u>	<u>35</u>	<u>75</u>	<u>4,347</u>
2	--	1	--	3
570	750	9,740	845	1,435
602	1,027	1,288	597	3,111
<u>1,174</u>	<u>1,777</u>	<u>11,029</u>	<u>1,442</u>	<u>4,549</u>
<u>(1,171)</u>	<u>(1,770)</u>	<u>(10,994)</u>	<u>(1,367)</u>	<u>(202)</u>
940	1,776	9,970	1,382	3,423
--	--	--	--	(134)
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>940</u>	<u>1,776</u>	<u>9,970</u>	<u>1,382</u>	<u>3,289</u>
(231)	6	(1,024)	15	3,087
893	1,296	9,600	367	1,496
<u>662</u>	<u>1,302</u>	<u>8,576</u>	<u>382</u>	<u>4,583</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, 2016
(amounts in thousands)

	<u>2012 CIT</u>	<u>2012 Capital Improvement Program</u>	<u>2015 CIT</u>
Revenues:			
Taxes - ad valorem property taxes	--	--	--
Charges for services	--	--	--
Interest	33	29	28
Miscellaneous	--	--	--
Total revenues	<u>33</u>	<u>29</u>	<u>28</u>
Expenditures:			
Current:			
General government	--	2	(2)
Debt service:			
Principal	6,110	3,965	--
Interest and fiscal charges	3,727	2,816	5,202
Total expenditures	<u>9,837</u>	<u>6,783</u>	<u>5,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,804)</u>	<u>(6,754)</u>	<u>(5,172)</u>
Other financing sources (uses)			
Transfers in	10,025	6,807	8,878
Transfers out	--	--	--
Face amount of long-term debt issued	--	--	--
Discounts on long-term debt issued	--	--	--
Face amount of refunding bonds issued	--	--	--
Premium on refunding bonds issued	--	--	--
Payment to refunded bond escrow agent	--	--	--
Total other financing sources (uses)	<u>10,025</u>	<u>6,807</u>	<u>8,878</u>
Net change in fund balances	221	53	3,706
Fund balances, beginning of year	7,243	1,145	1,497
Fund balances, end of year	<u><u>7,464</u></u>	<u><u>1,198</u></u>	<u><u>5,203</u></u>

<u>Redevelopment Seed Money</u>	<u>Commercial Paper</u>	<u>Communications Services Tax</u>	<u>Total</u>
--	--	--	5,430
--	--	--	409
2	88	14	351
<u>--</u>	<u>--</u>	<u>--</u>	<u>229</u>
<u>2</u>	<u>88</u>	<u>14</u>	<u>6,419</u>
--	--	--	183
--	3,155	--	29,511
<u>--</u>	<u>279</u>	<u>2,818</u>	<u>23,773</u>
<u>--</u>	<u>3,434</u>	<u>2,818</u>	<u>53,467</u>
<u>2</u>	<u>(3,346)</u>	<u>(2,804)</u>	<u>(47,048)</u>
--	7,074	4,120	69,124
--	--	--	(177)
--	--	--	30,932
--	--	--	(49)
--	--	--	18,185
--	--	--	2,733
<u>--</u>	<u>--</u>	<u>--</u>	<u>(62,452)</u>
<u>--</u>	<u>7,074</u>	<u>4,120</u>	<u>58,296</u>
2	3,728	1,316	11,248
372	9,271	1,463	41,675
<u>374</u>	<u>12,999</u>	<u>2,779</u>	<u>52,923</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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem property taxes	\$ 1,167	1,167	1,119	(48)
Interest	2	2	9	7
Total revenues	1,169	1,169	1,128	(41)
Expenditures:				
Debt service:				
Principal	880	880	880	--
Interest and fiscal charges	457	457	457	--
Total expenditures	1,337	1,337	1,337	--
Excess (deficiency) of revenues over (under) expenses	(168)	(168)	(209)	(41)
Other financing sources (uses)				
Transfers in	232	232	243	11
Transfers out	(50)	(50)	(43)	7
Budgetary reserves	(280)	(280)	--	280
Budget allowance	(58)	(58)	--	58
Total other financing sources (uses)	(156)	(156)	200	356
Net change in fund balances	(324)	(324)	(9)	315
Fund balances, beginning of year	324	324	284	(40)
Fund balances, end of year	\$ --	--	275	275

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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 4	4	18	14
Total revenues	<u>4</u>	<u>4</u>	<u>18</u>	<u>14</u>
Expenditures:				
Current:				
General government	81	179	53	126
Debt service:				
Principal	1,380	9,097	1,380	7,717
Interest and fiscal charges	1,151	962	805	157
Total expenditures	<u>2,612</u>	<u>10,238</u>	<u>2,238</u>	<u>8,000</u>
Excess (deficiency) of revenues over (under) expenses	<u>(2,608)</u>	<u>(10,234)</u>	<u>(2,220)</u>	<u>8,014</u>
Other financing sources (uses)				
Transfers in	2,640	10,022	10,022	--
Face amount of long-term debt issued	--	--	19,756	19,756
Discounts on long-term debt issued	--	--	(49)	(49)
Payment to refunded bond escrow agent	--	--	(26,795)	(26,795)
Budgetary reserves	(1,788)	(1,544)	--	1,544
Total other financing sources (uses)	<u>852</u>	<u>8,478</u>	<u>2,934</u>	<u>(5,544)</u>
Net change in fund balances	(1,756)	(1,756)	714	2,470
Fund balances, beginning of year	1,756	1,756	1,840	84
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>2,554</u>	<u>2,554</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2005 Tampa Bay Arena Refunding Non-Ad Valorem Revenue Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 330	330	308	(22)
Interest	2	2	5	3
Total revenues	332	332	313	(19)
Expenditures:				
Current:				
General government	8	53	32	21
Debt service:				
Principal	780	780	681	99
Interest and fiscal charges	526	431	467	(36)
Total expenditures	1,314	1,264	1,180	84
Excess (deficiency) of revenues over (under) expenses	(982)	(932)	(867)	65
Other financing sources (uses)				
Transfers in	1,282	1,282	1,282	--
Face amount of long-term debt issued	--	--	11,176	11,176
Payment to refunded bond escrow agent	--	--	(11,239)	(11,239)
Budgetary reserves	(1,065)	(1,115)	--	1,115
Budget allowance	(17)	(17)	--	17
Total other financing sources (uses)	200	150	1,219	1,069
Net change in fund balances	(782)	(782)	352	1,134
Fund balances, beginning of year	782	782	1,147	365
Fund balances, end of year	\$ --	--	1,499	1,499

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2006/2016 Capital Improvement Program (CIP) Refunding Revenue Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 115	115	101	(14)
Interest	21	21	38	17
Miscellaneous	100	100	160	60
Total revenues	236	236	299	63
Expenditures:				
Current:				
General government	4	203	92	111
Debt service:				
Principal	2,250	23,885	--	23,885
Interest and fiscal charges	994	1,030	577	453
Total expenditures	3,248	25,118	669	24,449
Excess (deficiency) of revenues over (under) expenses	(3,012)	(24,882)	(370)	24,512
Other financing sources (uses)				
Transfers in	3,182	6,431	3,182	(3,249)
Transfers out	--	(3,249)	--	3,249
Face amount of refunding bonds issued	--	20,918	18,185	(2,733)
Premium on refunding bonds issued	--	--	2,733	2,733
Payment to refunded bond escrow agent	--	--	(24,418)	(24,418)
Budgetary reserves	(3,791)	(2,967)	--	2,967
Budget allowance	(12)	(12)	--	12
Total other financing sources (uses)	(621)	21,121	(318)	(21,439)
Net change in fund balances	(3,633)	(3,761)	(688)	3,073
Fund balances, beginning of year	3,633	3,761	3,761	--
Fund balances, end of year	\$ --	--	3,073	3,073

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2006 4th Cent Tourist Development Tax Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 1	1	3	2
Total revenues	<u>1</u>	<u>1</u>	<u>3</u>	<u>2</u>
Expenditures:				
Current:				
General government	5	5	2	3
Debt service:				
Principal	570	570	570	--
Interest and fiscal charges	603	603	602	1
Total expenditures	<u>1,178</u>	<u>1,178</u>	<u>1,174</u>	<u>4</u>
Excess (deficiency) of revenues over (under) expenses	<u>(1,177)</u>	<u>(1,177)</u>	<u>(1,171)</u>	<u>6</u>
Other financing sources (uses)				
Transfers in	940	940	940	--
Budgetary reserves	(889)	(889)	--	889
Total other financing sources (uses)	<u>51</u>	<u>51</u>	<u>940</u>	<u>889</u>
Net change in fund balances	(1,126)	(1,126)	(231)	895
Fund balances, beginning of year	1,126	1,126	893	(233)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>662</u>	<u>662</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2006 5th Cent Tourist Development Tax Debt Service Fund
For the fiscal year ended September 30, 2016
(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	7	5
Total revenues	<u>2</u>	<u>2</u>	<u>7</u>	<u>5</u>
Expenditures:				
Current:				
General government	3	3	--	3
Debt service:				
Principal	750	750	750	--
Interest and fiscal charges	1,027	1,027	1,027	--
Total expenditures	<u>1,780</u>	<u>1,780</u>	<u>1,777</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenses	<u>(1,778)</u>	<u>(1,778)</u>	<u>(1,770)</u>	<u>8</u>
Other financing sources (uses)				
Transfers in	1,776	1,776	1,776	--
Budgetary reserves	(1,290)	(1,290)	--	1,290
Total other financing sources (uses)	<u>486</u>	<u>486</u>	<u>1,776</u>	<u>1,290</u>
Net change in fund balances	(1,292)	(1,292)	6	1,298
Fund balances, beginning of year	1,292	1,292	1,296	4
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>1,302</u>	<u>1,302</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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 27	27	35	8
Total revenues	<u>27</u>	<u>27</u>	<u>35</u>	<u>8</u>
Expenditures:				
Current:				
General government	5	5	1	4
Debt service:				
Principal	9,740	9,740	9,740	--
Interest and fiscal charges	1,288	1,288	1,288	--
Total expenditures	<u>11,033</u>	<u>11,033</u>	<u>11,029</u>	<u>4</u>
Excess (deficiency) of revenues over (under) expenses	<u>(11,006)</u>	<u>(11,006)</u>	<u>(10,994)</u>	<u>12</u>
Other financing sources (uses)				
Transfers in	9,970	9,970	9,970	--
Budgetary reserves	(9,786)	(9,786)	--	9,786
Budget allowance	(1)	(1)	--	1
Total other financing sources (uses)	<u>183</u>	<u>183</u>	<u>9,970</u>	<u>9,787</u>
Net change in fund balances	(10,823)	(10,823)	(1,024)	9,799
Fund balances, beginning of year	10,823	10,823	9,600	(1,223)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>8,576</u>	<u>8,576</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2008 Capital Improvement Non-Ad Valorem Revenue Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 2	2	6	4
Miscellaneous	69	69	69	--
Total revenues	71	71	75	4
Expenditures:				
Current:				
General government	3	3	--	3
Debt service:				
Principal	845	845	845	--
Interest and fiscal charges	597	597	597	--
Total expenditures	1,445	1,445	1,442	3
Excess (deficiency) of revenues over (under) expenses	(1,374)	(1,374)	(1,367)	7
Other financing sources (uses)				
Transfers in	1,382	1,382	1,382	--
Budgetary reserves	(360)	(360)	--	360
Budget allowance	(4)	(4)	--	4
Total other financing sources (uses)	1,018	1,018	1,382	364
Net change in fund balances	(356)	(356)	15	371
Fund balances, beginning of year	356	356	367	11
Fund balances, end of year	\$ --	--	382	382

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2009 Environmentally Sensitive Lands Acquisition and Protection Program Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem property taxes	\$ 4,482	4,482	4,311	(171)
Interest	12	12	36	24
Total revenues	4,494	4,494	4,347	(147)
Expenditures:				
Current:				
General government	31	31	3	28
Debt service:				
Principal	1,950	1,950	1,435	515
Interest and fiscal charges	3,886	3,886	3,111	775
Total expenditures	5,867	5,867	4,549	1,318
Excess (deficiency) of revenues over (under) expenses	(1,373)	(1,373)	(202)	1,171
Other financing sources (uses)				
Transfers in	3,393	3,393	3,423	30
Transfers out	(200)	(200)	(134)	66
Budgetary reserves	(3,105)	(3,105)	--	3,105
Budget allowance	(348)	(348)	--	348
Total other financing sources (uses)	(260)	(260)	3,289	3,549
Net change in fund balances	(1,633)	(1,633)	3,087	4,720
Fund balances, beginning of year	1,633	1,633	1,496	(137)
Fund balances, end of year	\$ --	--	4,583	4,583

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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 1	1	33	32
Total revenues	<u>1</u>	<u>1</u>	<u>33</u>	<u>32</u>
Expenditures:				
Current:				
General government	10	10	--	10
Debt service:				
Principal	6,110	6,110	6,110	--
Interest and fiscal charges	<u>3,727</u>	<u>3,727</u>	<u>3,727</u>	<u>--</u>
Total expenditures	<u>9,847</u>	<u>9,847</u>	<u>9,837</u>	<u>10</u>
Excess (deficiency) of revenues over (under) expenses	<u>(9,846)</u>	<u>(9,846)</u>	<u>(9,804)</u>	<u>42</u>
Other financing sources (uses)				
Transfers in	10,025	10,025	10,025	--
Budgetary reserves	<u>(7,398)</u>	<u>(7,398)</u>	<u>--</u>	<u>7,398</u>
Total other financing sources (uses)	<u>2,627</u>	<u>2,627</u>	<u>10,025</u>	<u>7,398</u>
Net change in fund balances	(7,219)	(7,219)	221	7,440
Fund balances, beginning of year	7,219	7,219	7,243	24
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>7,464</u>	<u>7,464</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, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 6	6	29	23
Total revenues	6	6	29	23
Expenditures:				
Current:				
General government	3	3	2	1
Debt service:				
Principal	3,965	3,965	3,965	--
Interest and fiscal charges	2,816	2,816	2,816	--
Total expenditures	6,784	6,784	6,783	1
Excess (deficiency) of revenues over (under) expenses	(6,778)	(6,778)	(6,754)	24
Other financing sources (uses)				
Transfers in	6,807	6,807	6,807	--
Budgetary reserves	(1,130)	(1,130)	--	1,130
Total other financing sources (uses)	5,677	5,677	6,807	1,130
Net change in fund balances	(1,101)	(1,101)	53	1,154
Fund balances, beginning of year	1,101	1,101	1,145	44
Fund balances, end of year	\$ --	--	1,198	1,198

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
2015 Community Investment Tax Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2016
(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	\$ --	--	28	28
Total revenues	<u>--</u>	<u>--</u>	<u>28</u>	<u>28</u>
Expenditures:				
Current:				
General government	--	--	(2)	2
Debt service:				
Interest and fiscal charges	5,202	5,202	5,202	--
Total expenditures	<u>5,202</u>	<u>5,202</u>	<u>5,200</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenses	<u>(5,202)</u>	<u>(5,202)</u>	<u>(5,172)</u>	<u>30</u>
Other financing sources (uses)				
Transfers in	8,878	8,878	8,878	--
Budgetary reserves	(5,142)	(5,142)	--	5,142
Total other financing sources (uses)	<u>3,736</u>	<u>3,736</u>	<u>8,878</u>	<u>5,142</u>
Net change in fund balances	(1,466)	(1,466)	3,706	5,172
Fund balances, beginning of year	1,466	1,466	1,497	31
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>5,203</u>	<u>5,203</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Redevelopment Seed Money Debt Service Fund
For the fiscal year ended September 30, 2016
(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	\$ --	--	2	2
Total revenues	<u>--</u>	<u>--</u>	<u>2</u>	<u>2</u>
Expenditures:				
Current:				
General government	200	200	--	200
Debt service:				
Interest and fiscal charges	170	170	--	170
Total expenditures	<u>370</u>	<u>370</u>	<u>--</u>	<u>370</u>
Excess (deficiency) of revenues over (under) expenses	<u>(370)</u>	<u>(370)</u>	<u>2</u>	<u>372</u>
Net change in fund balances	(370)	(370)	2	372
Fund balances, beginning of year	370	370	372	2
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>374</u>	<u>374</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, 2016
(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	\$ 37	37	88	51
Total revenues	<u>37</u>	<u>37</u>	<u>88</u>	<u>51</u>
Expenditures:				
Current:				
General government	7	7	--	7
Debt service:				
Principal	11,651	11,651	3,155	8,496
Interest and fiscal charges	610	610	279	331
Total expenditures	<u>12,268</u>	<u>12,268</u>	<u>3,434</u>	<u>8,834</u>
Excess (deficiency) of revenues over (under) expenses	<u>(12,231)</u>	<u>(12,231)</u>	<u>(3,346)</u>	<u>8,885</u>
Other financing sources (uses)				
Transfers in	7,074	7,074	7,074	--
Budgetary reserves	(3,969)	(3,969)	--	3,969
Budget allowance	(2)	(2)	--	2
Total other financing sources (uses)	<u>3,103</u>	<u>3,103</u>	<u>7,074</u>	<u>3,971</u>
Net change in fund balances	(9,128)	(9,128)	3,728	12,856
Fund balances, beginning of year	9,128	9,128	9,271	143
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>12,999</u>	<u>12,999</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Communications Services Tax Debt Service Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 5	5	14	9
Total revenues	<u>5</u>	<u>5</u>	<u>14</u>	<u>9</u>
Expenditures:				
Current:				
General government	50	50	--	50
Debt service:				
Interest and fiscal charges	2,828	2,828	2,818	10
Total expenditures	<u>2,878</u>	<u>2,878</u>	<u>2,818</u>	<u>60</u>
Excess (deficiency) of revenues over (under) expenses	<u>(2,873)</u>	<u>(2,873)</u>	<u>(2,804)</u>	<u>69</u>
Other financing sources (uses)				
Transfers in	4,120	4,120	4,120	--
Budgetary reserves	(2,596)	(2,596)	--	2,596
Total other financing sources (uses)	<u>1,524</u>	<u>1,524</u>	<u>4,120</u>	<u>2,596</u>
Net change in fund balances	(1,349)	(1,349)	1,316	2,665
Fund balances, beginning of year	1,349	1,349	1,463	114
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>2,779</u>	<u>2,779</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.

Public Safety Operations Complex (PSOC) Project Fund (formerly 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.

Next Generation 911 Projects Fund – To account for a capital project for acquisition of next generation equipment for handling 911 emergencies.

HILLSBOROUGH COUNTY, FLORIDA
Nonmajor Capital Projects Fund
Combining Balance Sheet
September 30, 2016
(amounts in thousands)

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non- CIT</u>	<u>PSOC Project</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,211	640	18	4,373
Investments	13,255	2,639	74	18,048
Interest receivable	31	6	--	42
Total assets	<u>16,497</u>	<u>3,285</u>	<u>92</u>	<u>22,463</u>
LIABILITIES				
Current liabilities				
Accounts and contracts payable	30	25	--	2,295
Due to other funds	--	--	--	--
Total liabilities	<u>30</u>	<u>25</u>	<u>--</u>	<u>2,295</u>
FUND BALANCES				
Restricted for:				
Debt service	--	--	61	--
Federal and state law	--	--	--	--
Bond covenants	16,467	--	--	--
Assigned to:				
Capital projects	--	3,260	31	20,168
Total fund balances	<u>16,467</u>	<u>3,260</u>	<u>92</u>	<u>20,168</u>
Total liabilities and fund balances	<u>\$ 16,497</u>	<u>3,285</u>	<u>92</u>	<u>22,463</u>

Countywide	Unincorporated Area	Next Generation 911	Total
6,495	2,344	1,135	18,216
26,810	9,676	4,683	75,185
63	23	11	176
<u>33,368</u>	<u>12,043</u>	<u>5,829</u>	<u>93,577</u>
1,599	1,342	29	5,320
283	--	--	283
<u>1,882</u>	<u>1,342</u>	<u>29</u>	<u>5,603</u>
--	--	--	61
--	--	5,800	5,800
--	--	--	16,467
<u>31,486</u>	<u>10,701</u>	<u>--</u>	<u>65,646</u>
<u>31,486</u>	<u>10,701</u>	<u>5,800</u>	<u>87,974</u>
<u>33,368</u>	<u>12,043</u>	<u>5,829</u>	<u>93,577</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, 2016
(amounts in thousands)

	<u>Environmentally Sensitive Lands Acquisition</u>	<u>Court Facilities Non-Bond</u>	<u>Commercial Paper Non-CIT</u>
Revenues:			
Intergovernmental - grants	\$ 935	--	--
Interest	121	23	(5)
Miscellaneous	415	--	--
Total revenues	<u>1,471</u>	<u>23</u>	<u>(5)</u>
Expenditures:			
Current:			
General government	--	--	--
Public safety	--	--	--
Physical environment	1,038	--	--
Economic environment	--	--	14,500
Culture and recreation	--	--	--
Capital outlay	618	25	--
Debt service:			
Interest and fiscal charges	--	--	200
Total expenditures	<u>1,656</u>	<u>25</u>	<u>14,700</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(185)</u>	<u>(2)</u>	<u>(14,705)</u>
Other financing sources (uses)			
Transfers in	--	--	230
Transfers out	(930)	--	--
Face amount of long-term debt issued	--	--	14,500
Sales of capital assets	418	--	--
Total other financing sources (uses)	<u>(512)</u>	<u>--</u>	<u>14,730</u>
Net change in fund balances	(697)	(2)	25
Fund balances, beginning of year	17,164	3,262	67
Fund balances, end of year	<u>\$ 16,467</u>	<u>3,260</u>	<u>92</u>

<u>PSOC Project</u>	<u>Countywide</u>	<u>Unincorporated Area</u>	<u>Next Generation 911</u>	<u>Total</u>
--	--	--	--	935
233	--	--	--	372
--	--	--	--	415
<u>233</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,722</u>
--	534	117	--	651
--	153	16	--	169
--	--	--	--	1,038
--	--	--	--	14,500
--	2,609	653	--	3,262
27,776	6,277	4,133	2,258	41,087
--	--	--	--	200
<u>27,776</u>	<u>9,573</u>	<u>4,919</u>	<u>2,258</u>	<u>60,907</u>
<u>(27,543)</u>	<u>(9,573)</u>	<u>(4,919)</u>	<u>(2,258)</u>	<u>(59,185)</u>
--	4,064	8,980	500	13,774
--	(1,000)	(7,275)	--	(9,205)
--	--	--	--	14,500
--	--	--	--	418
<u>--</u>	<u>3,064</u>	<u>1,705</u>	<u>500</u>	<u>19,487</u>
(27,543)	(6,509)	(3,214)	(1,758)	(39,698)
47,711	37,995	13,915	7,558	127,672
<u>20,168</u>	<u>31,486</u>	<u>10,701</u>	<u>5,800</u>	<u>87,974</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Environmentally Sensitive Lands Acquisition Capital Projects Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - grants	\$ 930	930	935	5
Interest	89	89	121	32
Miscellaneous	187	507	415	(92)
Total revenues	1,206	1,526	1,471	(55)
Expenditures:				
Current:				
General government	300	300	--	300
Physical environment	11,209	7,119	1,038	6,081
Capital outlay	18,866	22,829	618	22,211
Total expenditures	30,375	30,248	1,656	28,592
Excess (deficiency) of revenues over (under) expenses	(29,169)	(28,722)	(185)	28,537
Other financing sources (uses)				
Transfers out	(930)	(930)	(930)	--
Face amount of long-term debt issued	15,300	15,300	--	(15,300)
Sales of capital assets	--	--	418	418
Budgetary reserves	(1,327)	(2,188)	--	2,188
Total other financing sources (uses)	13,043	12,182	(512)	(12,694)
Net change in fund balances	(16,126)	(16,540)	(697)	15,843
Fund balances, beginning of year	16,126	16,540	17,164	624
Fund balances, end of year	\$ --	--	16,467	16,467

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Court Facilities Non-Bond Capital Projects Fund
For the fiscal year ended September 30, 2016
(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	\$ 15	15	23	8
Total revenues	<u>15</u>	<u>15</u>	<u>23</u>	<u>8</u>
Expenditures:				
Current:				
Capital outlay	115	130	25	105
Total expenditures	<u>115</u>	<u>130</u>	<u>25</u>	<u>105</u>
Excess (deficiency) of revenues over (under) expenses	<u>(100)</u>	<u>(115)</u>	<u>(2)</u>	<u>113</u>
Other financing sources (uses)				
Budgetary reserves	(2,986)	(3,147)	--	3,147
Total other financing sources (uses)	<u>(2,986)</u>	<u>(3,147)</u>	<u>--</u>	<u>3,147</u>
Net change in fund balances	(3,086)	(3,262)	(2)	3,260
Fund balances, beginning of year	3,086	3,262	3,262	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>3,260</u>	<u>3,260</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Commercial Paper Non-CIT Capital Projects Fund
For the fiscal year ended September 30, 2016
(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	(5)	(7)
Total revenues	<u>2</u>	<u>2</u>	<u>(5)</u>	<u>(7)</u>
Expenditures:				
Current:				
General government	800	800	--	800
Economic environment	30,500	30,500	14,500	16,000
Capital outlay	15,200	15,200	--	15,200
Debt service:				
Interest and fiscal charges	230	230	200	30
Total expenditures	<u>46,730</u>	<u>46,730</u>	<u>14,700</u>	<u>32,030</u>
Excess (deficiency) of revenues over (under) expenses	<u>(46,728)</u>	<u>(46,728)</u>	<u>(14,705)</u>	<u>32,023</u>
Other financing sources (uses)				
Transfers in	230	230	230	--
Face amount of long-term debt issued	46,500	46,500	14,500	(32,000)
Budgetary reserves	(26)	(26)	--	26
Total other financing sources (uses)	<u>46,704</u>	<u>46,704</u>	<u>14,730</u>	<u>(31,974)</u>
Net change in fund balances	(24)	(24)	25	49
Fund balances, beginning of year	24	24	67	43
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>92</u>	<u>92</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
PSOC Project Capital Projects Fund
For the fiscal year ended September 30, 2016
(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	\$ --	--	233	233
Total revenues	<u>--</u>	<u>--</u>	<u>233</u>	<u>233</u>
Expenditures:				
Current:				
General government	850	850	--	850
Capital outlay	52,761	46,738	27,776	18,962
Total expenditures	<u>53,611</u>	<u>47,588</u>	<u>27,776</u>	<u>19,812</u>
Excess (deficiency) of revenues over (under) expenses	<u>(53,611)</u>	<u>(47,588)</u>	<u>(27,543)</u>	<u>20,045</u>
Other financing sources (uses)				
Budgetary reserves	(671)	(128)	--	128
Total other financing sources (uses)	<u>(671)</u>	<u>(128)</u>	<u>--</u>	<u>128</u>
Net change in fund balances	(54,282)	(47,716)	(27,543)	20,173
Fund balances, beginning of year	54,282	47,716	47,711	(5)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>20,168</u>	<u>20,168</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Countywide Capital Projects Fund
For the fiscal year ended September 30, 2016
(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:				
Miscellaneous	\$ --	73	--	(73)
Total revenues	<u>--</u>	<u>73</u>	<u>--</u>	<u>(73)</u>
Expenditures:				
Current:				
General government	2,567	2,462	534	1,928
Public safety	163	163	153	10
Physical environment	242	242	--	242
Economic environment	2,275	2,275	--	2,275
Culture and recreation	8,174	8,016	2,609	5,407
Capital outlay	29,759	27,296	6,277	21,019
Total expenditures	<u>43,180</u>	<u>40,454</u>	<u>9,573</u>	<u>30,881</u>
Excess (deficiency) of revenues over (under) expenses	<u>(43,180)</u>	<u>(40,381)</u>	<u>(9,573)</u>	<u>30,808</u>
Other financing sources (uses)				
Transfers in	3,991	3,991	4,064	73
Transfers out	(1,000)	(1,000)	(1,000)	--
Budgetary reserves	--	(630)	--	630
Total other financing sources (uses)	<u>2,991</u>	<u>2,361</u>	<u>3,064</u>	<u>703</u>
Net change in fund balances	(40,189)	(38,020)	(6,509)	31,511
Fund balances, beginning of year	40,189	38,020	37,995	(25)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>31,486</u>	<u>31,486</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Unincorporated Area Capital Projects Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ 785	613	117	496
Public safety	500	500	16	484
Economic environment	1,260	1,260	--	1,260
Culture and recreation	1,680	1,661	653	1,008
Capital outlay	12,362	10,297	4,133	6,164
Total expenditures	<u>16,587</u>	<u>14,331</u>	<u>4,919</u>	<u>9,412</u>
Excess (deficiency) of revenues over (under) expenses	<u>(16,587)</u>	<u>(14,331)</u>	<u>(4,919)</u>	<u>9,412</u>
Other financing sources (uses)				
Transfers in	8,980	8,980	8,980	--
Transfers out	(7,275)	(7,275)	(7,275)	--
Budgetary reserves	(1,595)	(1,566)	--	1,566
Total other financing sources (uses)	<u>110</u>	<u>139</u>	<u>1,705</u>	<u>1,566</u>
Net change in fund balances	(16,477)	(14,192)	(3,214)	10,978
Fund balances, beginning of year	16,477	14,192	13,915	(277)
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>10,701</u>	<u>10,701</u>

HILLSBOROUGH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Next Generation 911 Capital Projects Fund
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public safety	\$ 2,100	2,100	--	2,100
Capital outlay	5,873	5,958	2,258	3,700
Total expenditures	<u>7,973</u>	<u>8,058</u>	<u>2,258</u>	<u>5,800</u>
Excess (deficiency) of revenues over (under) expenses	<u>(7,973)</u>	<u>(8,058)</u>	<u>(2,258)</u>	<u>5,800</u>
Other financing sources (uses)				
Transfers in	500	500	500	--
Total other financing sources (uses)	<u>500</u>	<u>500</u>	<u>500</u>	<u>--</u>
Net change in fund balances	(7,473)	(7,558)	(1,758)	5,800
Fund balances, beginning of year	7,473	7,558	7,558	--
Fund balances, end of year	<u>\$ --</u>	<u>--</u>	<u>5,800</u>	<u>5,800</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, 2016
(amounts in thousands)

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Total</u>
	<u>Self-Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 40,208	6,480	15,536	62,224
Investments	165,955	26,748	--	192,703
Accounts receivable, net	1,787	13	689	2,489
Interest receivable	391	64	--	455
Due from other funds	2,766	--	--	2,766
Inventories	--	210	--	210
Prepaid items	3,126	--	--	3,126
Total unrestricted current assets	<u>214,233</u>	<u>33,515</u>	<u>16,225</u>	<u>263,973</u>
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Buildings	--	191	--	191
Building improvements	--	746	--	746
Equipment	39	32,999	--	33,038
Intangibles	--	26	--	26
Total capital assets, net	<u>39</u>	<u>33,962</u>	<u>--</u>	<u>34,001</u>
Total noncurrent assets	<u>39</u>	<u>33,962</u>	<u>--</u>	<u>34,001</u>
Total assets	<u>214,272</u>	<u>67,477</u>	<u>16,225</u>	<u>297,974</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	523	1,500	--	2,023
Total deferred outflows of resources	<u>523</u>	<u>1,500</u>	<u>--</u>	<u>2,023</u>
LIABILITIES				
Current liabilities				
Accounts and contracts payable	903	1,868	50	2,821
Accrued liabilities	42	160	--	202
Due to other funds	--	--	2,766	2,766
Unearned revenues	360	--	--	360
Insurance claims payable, current	11,610	--	9,451	21,061
Compensated absences, current	76	193	--	269
Total unrestricted current liabilities	<u>12,991</u>	<u>2,221</u>	<u>12,267</u>	<u>27,479</u>
Noncurrent liabilities:				
Insurance claims payable	8,543	--	3,958	12,501
Compensated absences payable	--	3	--	3
Net pension liability	1,019	2,980	--	3,999
Net OPEB obligation	13,544	--	--	13,544
Total noncurrent liabilities	<u>23,106</u>	<u>2,983</u>	<u>3,958</u>	<u>30,047</u>
Total liabilities	<u>36,097</u>	<u>5,204</u>	<u>16,225</u>	<u>57,526</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions	184	528	--	712
Total deferred inflows of resources	<u>184</u>	<u>528</u>	<u>--</u>	<u>712</u>
NET POSITION				
Net investment in capital assets	39	33,962	--	34,001
Unrestricted	<u>178,475</u>	<u>29,283</u>	<u>--</u>	<u>207,758</u>
Total net position	<u>\$ 178,514</u>	<u>63,245</u>	<u>--</u>	<u>241,759</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, 2016
(amounts in thousands)

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Total</u>
	<u>Self-Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
Operating revenues:				
Charges for services	\$ 111,756	29,656	45,417	186,829
Total operating revenues	<u>111,756</u>	<u>29,656</u>	<u>45,417</u>	<u>186,829</u>
Operating expenses:				
Personnel services	2,238	4,351	--	6,589
Contractual services	2,482	2,103	--	4,585
Repairs and maintenance	62	281	--	343
Utilities	3	109	--	112
Rentals and leases	--	19	--	19
Supplies	3	--	--	3
Depreciation and amortization	--	11,843	--	11,843
Costs of services provided	81,153	9,332	44,053	134,538
Other operating expenses	7,322	93	--	7,415
Pension expense	44	129	--	173
Annual OPEB expenses	214	--	--	214
Total operating expenses	<u>93,521</u>	<u>28,260</u>	<u>44,053</u>	<u>165,834</u>
Operating income	<u>18,235</u>	<u>1,396</u>	<u>1,364</u>	<u>20,995</u>
Nonoperating revenues (expenses):				
State shared revenues	174	--	--	174
Interest revenue	1,551	216	69	1,836
Gain (loss) on disposal of capital assets	--	497	--	497
Other revenues	--	11	1,333	1,344
Other expenses	(13)	--	--	(13)
Total nonoperating revenues (expenses)	<u>1,712</u>	<u>724</u>	<u>1,402</u>	<u>3,838</u>
Income before contributions and transfers	19,947	2,120	2,766	24,833
Transfers in	2,766	234	--	3,000
Transfers out	(25,615)	--	(2,766)	(28,381)
Change in net position	<u>(2,902)</u>	<u>2,354</u>	<u>--</u>	<u>(548)</u>
Net position, beginning of year	181,416	60,891	--	242,307
Net position, end of year	<u>\$ 178,514</u>	<u>63,245</u>	<u>--</u>	<u>241,759</u>

HILLSBOROUGH COUNTY, FLORIDA
Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Totals</u>
	<u>Self- Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
Cash flows from operating activities:				
Receipts from customers	\$ 113,253	29,665	45,417	188,335
Payment to suppliers	(3,526)	(11,290)	(2,972)	(17,788)
Payments to employees	(2,302)	(4,287)	--	(6,589)
Cash paid for claims	(87,577)	--	(42,538)	(130,115)
Cash from (to) other sources	(13)	11	721	719
Net cash provided by operating activities	<u>19,835</u>	<u>14,099</u>	<u>628</u>	<u>34,562</u>
Cash flows from noncapital financing activities:				
State shared revenues	174	--	--	174
Transfers in from other funds	2,766	234	--	3,000
Transfers out to other funds	(25,615)	--	(4,708)	(30,323)
Net cash provided by (used for) capital and related financing activities	<u>(22,675)</u>	<u>234</u>	<u>(4,708)</u>	<u>(27,149)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	--	(10,254)	--	(10,254)
Proceeds from sale of capital assets	--	631	--	631
Net cash used by capital and related financing activities	<u>--</u>	<u>(9,623)</u>	<u>--</u>	<u>(9,623)</u>
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	110,657	13,507	--	124,164
Purchase of investment securities	(104,898)	(16,907)	--	(121,805)
Interest and dividends received	1,617	215	69	1,901
Net cash provided by (used for) investing activities	<u>7,376</u>	<u>(3,185)</u>	<u>69</u>	<u>4,260</u>
Net change in cash and cash equivalents	4,536	1,525	(4,011)	2,050
Cash and cash equivalents, beginning of year	<u>35,672</u>	<u>4,955</u>	<u>19,547</u>	<u>60,174</u>
Cash and cash equivalents, end of year	<u>\$ 40,208</u>	<u>6,480</u>	<u>15,536</u>	<u>62,224</u>

Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>BOCC</u>		<u>SHERIFF</u>	<u>Totals</u>
	<u>Self- Insurance</u>	<u>Fleet Management</u>	<u>Risk Management</u>	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 18,235	1,396	1,364	20,995
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	--	11,843	--	11,843
Miscellaneous non-operating revenues	(13)	11	1,333	1,331
Changes in assets and liabilities:				
(Increase) decrease in accounts receivables	(1,541)	9	(612)	(2,144)
(Increase) decrease in inventories and prepaids	--	38	--	38
(Increase) decrease in deferred outflows	(418)	(1,192)	--	(1,610)
Increase (decrease) in accounts and contracts payable	13	608	7	628
Increase (decrease) in accrued and other liabilities	(828)	42	--	(786)
Increase (decrease) in due to other funds/governments	3,832	--	--	3,832
Increase (decrease) in compensated absences payable	(27)	23	(1,464)	(1,468)
Increase (decrease) in insurance claims payable	(90)	--	--	(90)
Increase (decrease) in pension liability	409	1,174	--	1,583
Increase (decrease) in net OPEB obligation	211	--	--	211
Increase (decrease) in deferred inflows	52	147	--	199
Total adjustments	<u>1,600</u>	<u>12,703</u>	<u>(736)</u>	<u>13,567</u>
Net cash provided by (used for) operating activities	<u>\$ 19,835</u>	<u>14,099</u>	<u>628</u>	<u>34,562</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, 2016
(amounts in thousands)

	<u>BOCC</u>	<u>SHERIFF</u>	<u>TAX COLLECTOR</u>	
	<u>General Agency</u>	<u>General Agency</u>	<u>Motor Vehicle</u>	<u>Tax and License</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,390	3,414	2,507	9,242
Investments	13,991	--	--	--
Accounts receivable, net	--	8	44	1,435
Interest receivable	33	--	--	--
Total assets	<u>17,414</u>	<u>3,422</u>	<u>2,551</u>	<u>10,677</u>
LIABILITIES				
Current liabilities				
Accounts and contracts payable	--	--	9	1,842
Accrued liabilities	9,229	--	--	--
Due to other governmental units	3,378	--	2,542	8,642
Deposits held	4,807	3,422	--	193
Total liabilities	<u>\$ 17,414</u>	<u>3,422</u>	<u>2,551</u>	<u>10,677</u>

CLERK OF CIRCUIT COURT

General Agency	Registry of the Court	Support Collections	Jury and Witness	Totals
19,008	26,915	80	95	64,651
--	--	--	--	13,991
143	--	3	--	1,633
--	--	--	--	33
<u>19,151</u>	<u>26,915</u>	<u>83</u>	<u>95</u>	<u>80,308</u>
--	2	--	--	1,853
--	--	--	--	9,229
6,501	--	--	73	21,136
<u>12,650</u>	<u>26,913</u>	<u>83</u>	<u>22</u>	<u>48,090</u>
<u>19,151</u>	<u>26,915</u>	<u>83</u>	<u>95</u>	<u>80,308</u>

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Balance October 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2016</u>
BOCC General Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 2,330	45,454	44,394	3,390
Investments	11,218	187,610	184,837	13,991
Accounts receivable, net	--	2	2	--
Interest receivable	30	442	439	33
Total assets	<u>13,578</u>	<u>233,508</u>	<u>229,672</u>	<u>17,414</u>
Liabilities:				
Accounts and contracts payable	3	183,999	184,002	--
Accrued liabilities	7,387	219,287	217,445	9,229
Due to other governmental units	932	12,252	9,806	3,378
Deposits held	5,256	23,111	23,560	4,807
Total liabilities:	<u>13,578</u>	<u>438,649</u>	<u>434,813</u>	<u>17,414</u>
Sheriff General Agency:				
Assets:				
Cash and cash equivalents	3,287	16,233	16,106	3,414
Accounts receivable, net	18	4,577	4,587	8
Due from other governmental units	15	19	34	--
Total assets	<u>3,320</u>	<u>20,829</u>	<u>20,727</u>	<u>3,422</u>
Liabilities:				
Accounts and contracts payable	--	1,356	1,356	--
Due to other governmental units	--	2,803	2,803	--
Due to other funds	--	2,099	2,099	--
Deposits held	3,320	9,975	9,873	3,422
Total liabilities	<u>\$ 3,320</u>	<u>16,233</u>	<u>16,131</u>	<u>3,422</u>

	<u>Balance October 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2016</u>
Tax Collector Motor Vehicle:				
Assets:				
Cash and cash equivalents	\$ 3,090	292,740	293,323	2,507
Accounts receivable, net	<u>51</u>	<u>130</u>	<u>137</u>	<u>44</u>
Total assets:	<u><u>3,141</u></u>	<u><u>292,870</u></u>	<u><u>293,460</u></u>	<u><u>2,551</u></u>
Liabilities:				
Accounts and contracts payable	48	7,789	7,828	9
Due to other governmental units	3,093	179,581	180,132	2,542
Deposits held	<u>--</u>	<u>606</u>	<u>606</u>	<u>--</u>
Total liabilities	<u><u>3,141</u></u>	<u><u>187,976</u></u>	<u><u>188,566</u></u>	<u><u>2,551</u></u>
Tax Collector Tax and License:				
Assets:				
Cash and cash equivalents	7,802	2,947,840	2,946,400	9,242
Accounts receivable, net	<u>1,132</u>	<u>326,046</u>	<u>325,743</u>	<u>1,435</u>
Total assets	<u><u>8,934</u></u>	<u><u>3,273,886</u></u>	<u><u>3,272,143</u></u>	<u><u>10,677</u></u>
Liabilities:				
Accounts and contracts payable	1,212	1,050,873	1,050,243	1,842
Due to other governmental units	7,578	2,427,480	2,426,416	8,642
Deposits held	<u>144</u>	<u>2,292</u>	<u>2,243</u>	<u>193</u>
Total liabilities	<u><u>\$ 8,934</u></u>	<u><u>3,480,645</u></u>	<u><u>3,478,902</u></u>	<u><u>10,677</u></u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Balance October 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2016</u>
Clerk General Agency:				
Assets:				
Cash and cash equivalents	\$ 15,684	361,855	358,531	19,008
Accounts receivable, net	<u>68</u>	<u>13,518</u>	<u>13,443</u>	<u>143</u>
Total assets	<u><u>15,752</u></u>	<u><u>375,373</u></u>	<u><u>371,974</u></u>	<u><u>19,151</u></u>
Liabilities:				
Accounts and contracts payable	--	18,301	18,301	--
Due to other governmental units	5,508	189,464	188,471	6,501
Deposits held	<u>10,244</u>	<u>177,997</u>	<u>175,591</u>	<u>12,650</u>
Total liabilities	<u><u>15,752</u></u>	<u><u>385,762</u></u>	<u><u>382,363</u></u>	<u><u>19,151</u></u>
Clerk Registry of the Court:				
Assets:				
Cash and cash equivalents	<u>29,197</u>	<u>164,347</u>	<u>166,629</u>	<u>26,915</u>
Total assets	<u><u>29,197</u></u>	<u><u>164,347</u></u>	<u><u>166,629</u></u>	<u><u>26,915</u></u>
Liabilities:				
Accounts and contracts payable	--	181,925	181,923	2
Deposits held	<u>29,197</u>	<u>176,141</u>	<u>178,425</u>	<u>26,913</u>
Total liabilities	<u><u>\$ 29,197</u></u>	<u><u>358,066</u></u>	<u><u>360,348</u></u>	<u><u>26,915</u></u>

	<u>Balance October 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2016</u>
Clerk Support Collections:				
Assets:				
Cash and cash equivalents	\$ 73	4,108	4,101	80
Accounts receivable, net	<u>5</u>	<u>370</u>	<u>372</u>	<u>3</u>
Total assets:	<u><u>78</u></u>	<u><u>4,478</u></u>	<u><u>4,473</u></u>	<u><u>83</u></u>
Liabilities:				
Accounts and contracts payable	--	1	1	--
Deposits held	<u>78</u>	<u>8,483</u>	<u>8,478</u>	<u>83</u>
Total liabilities	<u><u>78</u></u>	<u><u>8,484</u></u>	<u><u>8,479</u></u>	<u><u>83</u></u>
Clerk Jury and Witness:				
Assets:				
Cash and cash equivalents	<u>153</u>	<u>361</u>	<u>419</u>	<u>95</u>
Total assets	<u><u>153</u></u>	<u><u>361</u></u>	<u><u>419</u></u>	<u><u>95</u></u>
Liabilities:				
Accounts and contracts payable	--	361	361	--
Due to other governmental units	153	435	515	73
Deposits held	<u>--</u>	<u>38</u>	<u>16</u>	<u>22</u>
Total liabilities	<u><u>\$ 153</u></u>	<u><u>834</u></u>	<u><u>892</u></u>	<u><u>95</u></u>

(continued)

HILLSBOROUGH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the fiscal year ended September 30, 2016
(amounts in thousands)

	<u>Balance October 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2016</u>
Total All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 61,616	3,832,938	3,829,903	64,651
Investments	11,218	187,610	184,837	13,991
Accounts receivable, net	1,274	344,643	344,284	1,633
Interest receivable	30	442	439	33
Due from other governmental units	15	19	34	--
Total assets	<u>74,153</u>	<u>4,365,652</u>	<u>4,359,497</u>	<u>80,308</u>
Liabilities:				
Accounts and contracts payable	1,263	1,444,605	1,444,015	1,853
Accrued liabilities	7,387	222,090	220,248	9,229
Due to other funds	--	2,099	2,099	--
Due to other governmental units	17,264	2,809,212	2,805,340	21,136
Deposits held	48,239	398,643	398,792	48,090
Total liabilities	<u>\$ 74,153</u>	<u>4,876,649</u>	<u>4,870,494</u>	<u>80,308</u>

STATISTICAL SECTION



Competitive Sites and Redevelopment

The supply of available land and buildings to house quality jobs for residents is very important to companies looking to expand or relocate in the community. The Competitive Sites and Redevelopment Programs seek to encourage property owners to invest in preparing and rehabilitating property so Hillsborough County remains competitive in the fight for jobs.



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)

	2016	2015*	2014*	2013*	2012*	2011*	2010*	2009*	2008*	2007*
Governmental activities:										
Net investment in capital assets	\$ 6,619,420	6,589,877	6,413,436	6,314,284	6,287,766	6,260,660	6,156,071	5,998,004	5,980,845	5,882,780
Restricted	522,702	429,696	399,668	427,578	381,756	346,463	391,546	602,376	693,380	526,257
Unrestricted	45,134	100,294	640,909	670,208	696,598	709,332	689,055	561,108	424,029	487,610
Total governmental activities net position	<u>7,187,256</u>	<u>7,119,867</u>	<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>
Business-Type Activities:										
Net investment in capital assets	957,661	889,356	856,586	805,361	818,656	845,037	886,677	917,333	820,188	617,091
Restricted	79,968	84,498	89,624	89,984	86,487	94,647	69,850	50,841	72,064	154,917
Unrestricted	467,550	481,449	467,637	468,680	425,135	356,075	322,976	302,044	331,199	383,294
Total business-type activities net position	<u>1,505,179</u>	<u>1,455,303</u>	<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>
Primary Government										
Net investment in capital assets	7,577,081	7,479,233	7,270,022	7,119,645	7,106,422	7,105,697	7,042,748	6,915,337	6,801,033	6,499,871
Restricted	602,670	514,194	489,292	517,562	468,243	441,110	461,396	653,217	765,444	681,174
Unrestricted	512,684	581,743	1,108,546	1,138,888	1,121,733	1,065,407	1,012,031	863,152	755,228	870,904
Total primary government net position	<u>\$ 8,692,435</u>	<u>8,575,170</u>	<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>

*Fiscal year 2014 and prior were not restated for implementation of GASB No. 68 and GASB No. 71

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

	2016	2015*	2014*	2013*	2012*	2011*	2010*	2009*	2008*	2007*
Expenses										
Governmental activities:										
General government	\$ 343,719	343,625	352,645	290,531	294,159	274,082	287,687	339,355	346,789	364,827
Public safety	561,697	546,182	520,563	517,923	522,532	510,743	518,781	508,057	507,077	487,314
Physical environment	53,491	29,627	29,923	27,134	26,221	29,862	35,814	35,513	37,198	42,287
Transportation	96,638	84,476	90,240	95,115	100,029	73,344	74,223	106,577	146,348	99,930
Economic environment	63,704	52,508	52,949	55,706	52,580	71,282	79,857	84,919	78,566	88,005
Human services	209,926	214,842	202,978	201,603	211,136	226,941	244,703	252,993	240,989	214,925
Culture and recreation	72,301	79,726	80,080	70,113	71,169	80,580	90,026	110,591	115,802	109,891
Pension expense	33,641	(35,943)	--	--	--	--	--	--	--	--
Interest on long-term debt	22,372	12,066	22,394	23,668	25,495	25,638	25,899	29,898	25,394	29,040
Total governmental activities expenses	<u>1,457,489</u>	<u>1,327,109</u>	<u>1,351,772</u>	<u>1,281,793</u>	<u>1,303,321</u>	<u>1,292,472</u>	<u>1,356,990</u>	<u>1,467,903</u>	<u>1,498,163</u>	<u>1,436,219</u>
Business-type activities:										
Water enterprise	222,818	210,861	203,155	192,998	192,311	196,836	190,042	206,430	209,244	196,818
Solid waste enterprise	104,955	99,673	98,197	104,574	103,234	104,865	99,140	93,590	79,455	85,854
Total business-type activities expenses	<u>327,773</u>	<u>310,534</u>	<u>301,352</u>	<u>297,572</u>	<u>295,545</u>	<u>301,701</u>	<u>289,182</u>	<u>300,020</u>	<u>288,699</u>	<u>282,672</u>
Total primary government expenses	<u>1,785,262</u>	<u>1,637,643</u>	<u>1,653,124</u>	<u>1,579,365</u>	<u>1,598,866</u>	<u>1,594,173</u>	<u>1,646,172</u>	<u>1,767,923</u>	<u>1,786,862</u>	<u>1,718,891</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	93,099	116,622	71,611	43,054	35,198	30,763	50,504	79,840	90,857	92,164
Public safety	50,513	39,555	90,034	90,568	90,251	90,249	58,057	59,148	57,280	54,238
Physical environment	30,821	29,675	5,987	3,923	4,558	4,511	7,693	5,522	5,687	5,941
Transportation	8,387	6,259	10,648	13,434	12,329	11,264	11,899	13,168	12,555	12,355
Economic environment	708	657	2,536	2,675	2,840	2,470	5,032	4,872	4,876	5,210
Human services	27,286	21,004	21,102	28,712	21,990	21,216	25,486	24,594	21,196	26,475
Culture and recreation	7,626	7,364	7,444	7,555	7,026	8,534	14,164	11,905	11,258	11,311
Operating grants and contributions	86,549	79,853	94,436	96,652	89,908	110,996	111,736	98,644	90,045	87,802
Capital grants and contributions	47,174	83,774	70,056	41,086	47,924	44,705	32,445	31,976	72,083	90,130
Total governmental activities program revenues	<u>\$ 352,163</u>	<u>384,763</u>	<u>373,854</u>	<u>327,659</u>	<u>312,024</u>	<u>324,708</u>	<u>317,016</u>	<u>329,669</u>	<u>365,837</u>	<u>385,626</u>

(continued)

	2016	2015*	2014*	2013*	2012*	2011*	2010*	2009*	2008*	2007*
Business-type activities:										
Charges for services:										
Water Resource Services System	\$ 220,724	209,549	205,716	205,197	202,198	196,512	177,315	175,692	180,715	188,386
Solid Waste Resource Recovery	102,287	100,948	103,728	100,744	101,515	98,613	97,793	94,840	91,966	84,138
Capital grants and contributions	34,996	57,663	32,019	19,925	15,330	9,770	7,847	56,007	55,063	58,713
Restricted interest	9,452	9,165	6,325	7,885	10,401	10,542	12,828	17,724	26,168	39,302
Total business-type activities program revenues	<u>367,459</u>	<u>377,325</u>	<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>
Total primary government program revenues	<u>719,622</u>	<u>762,088</u>	<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>
Net (expense) revenues										
Governmental activities	(1,105,326)	(942,346)	(977,918)	(954,134)	(991,297)	(967,764)	(1,039,974)	(1,138,234)	(1,132,326)	(1,050,593)
Business-type activities	39,686	66,791	46,436	36,179	33,899	13,736	6,601	44,243	65,213	87,867
Total primary government net expense	<u>\$ (1,065,640)</u>	<u>(875,555)</u>	<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>
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Ad valorem property taxes	\$ 640,958	594,937	556,249	530,615	546,263	561,081	631,103	724,210	771,688	783,043
Fuel taxes	34,267	32,962	31,413	30,605	30,710	31,081	31,566	31,395	31,546	32,537
Discretionary sales surtaxes	240,235	226,410	211,762	200,035	191,926	183,326	176,232	177,663	195,484	208,752
Other taxes	53,248	52,496	49,810	47,245	48,662	47,159	44,558	47,089	51,044	49,042
Intergovernmental -- state shared revenues	173,388	167,724	152,267	166,335	165,797	161,095	156,514	143,207	146,748	148,285
Investment earnings	10,803	9,218	3,708	5,073	11,045	11,317	24,796	31,622	49,596	70,540
Gain (loss) on disposal of capital assets	--	1,044	1,929	2,777	2,208	3,029	3,141	1,222	--	1,111
Miscellaneous	26,411	37,538	16,138	21,891	44,476	49,649	55,778	45,373	87,827	75,817
Transfers	(5,101)	--	--	406	(125)	(190)	(467)	--	--	--
Special item - loss from defeased debt	(1,494)	(9,005)	--	--	--	--	(8,063)	--	--	--
Total governmental activities	<u>1,172,715</u>	<u>1,113,324</u>	<u>1,023,276</u>	<u>1,004,982</u>	<u>1,040,962</u>	<u>1,047,547</u>	<u>1,115,158</u>	<u>1,201,781</u>	<u>1,333,933</u>	<u>1,369,127</u>
Business-type activities:										
Gain (loss) on disposal of capital assets	1,069	234	149	143	(1,759)	1,013	649	218	551	889
Miscellaneous	4,020	4,793	3,237	2,077	2,254	1,317	1,568	2,512	2,385	1,733
Transfers	5,101	--	--	(406)	125	190	467	--	--	--
Total business-type activities	<u>10,190</u>	<u>5,027</u>	<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>
Total primary government	<u>1,182,905</u>	<u>1,118,351</u>	<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>
Change in net position										
Governmental activities	67,389	170,978	45,358	50,848	49,665	79,783	75,184	63,547	201,607	318,534
Business-type activities	49,876	71,818	49,822	37,993	34,519	16,256	9,285	46,973	68,149	90,489
Total primary government	<u>\$ 117,265</u>	<u>242,796</u>	<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>
Reconciliation of change in net position of total primary government										
Net position, beginning of year, as previously reported	\$ 8,575,170	8,867,860	8,772,680	8,696,398	8,612,214	8,516,175	8,431,706	8,321,705	8,051,949	7,643,816

(continued)

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

	2016	2015*	2014*	2013*	2012*	2011*	2010*	2009*	2008*	2007*
Restatement for implementation of GASB Statements 68 and 71	--	(535,486)	--	--	--	--	--	--	--	--
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 implementation of GASB Statement 48	--	--	--	--	--	--	--	--	--	(890)
Restatement for implementation of GASB Statement 49	--	--	--	--	--	--	--	(519)	--	--
Net position, beginning of year, as restated	8,575,170	8,332,374	8,772,680	8,683,839	8,612,214	8,516,175	8,431,706	8,321,186	8,051,949	7,642,926
Change in net position during the fiscal year	117,265	242,796	95,180	88,841	84,184	96,039	84,469	110,520	269,756	409,023
Net position, end of year	<u>\$ 8,692,435</u>	<u>8,575,170</u>	<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>

*Fiscal year 2014 and prior were not restated for implementation of GASB No. 68 and GASB No. 71

HILLSBOROUGH COUNTY, FLORIDA
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(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>
General fund			
Reserved	3,763	4,175	6,709
Unreserved	<u>203,713</u>	<u>225,446</u>	<u>223,698</u>
Total general fund	<u><u>207,476</u></u>	<u><u>229,621</u></u>	<u><u>230,407</u></u>
Other governmental funds			
Reserved	154,312	159,274	112,200
Unreserved, reported in:			
Special revenue funds	279,178	542,192	261,713
Capital projects funds	<u>342,846</u>	<u>142,788</u>	<u>283,507</u>
Total other governmental funds	<u><u>776,336</u></u>	<u><u>844,254</u></u>	<u><u>657,420</u></u>

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General fund							
Nonspendable	\$ 1,324	1,275	1,924	2,068	1,373	1,645	1,316
Assigned	71	48	94	--	--	--	-
Unassigned	<u>298,299</u>	<u>277,763</u>	<u>248,191</u>	<u>265,683</u>	<u>247,227</u>	<u>248,293</u>	<u>217,061</u>
Total general fund	<u><u>299,694</u></u>	<u><u>279,086</u></u>	<u><u>250,209</u></u>	<u><u>267,751</u></u>	<u><u>248,600</u></u>	<u><u>249,938</u></u>	<u><u>218,377</u></u>
Other governmental funds							
Nonspendable	4,000	-	-	-	5,778	5,018	5,808
Restricted	497,271	-	-	-	392,874	381,752	392,420
Committed	40,338	38,526	29,163	45,276	51,539	255,755	308,417
Assigned	103,685	148,591	140,906	205,360	228,418	--	-
Unassigned	-	-	(30)	(34)	--	--	-
Total other governmental funds	<u><u>\$ 645,294</u></u>	<u><u>187,117</u></u>	<u><u>170,039</u></u>	<u><u>250,602</u></u>	<u><u>678,609</u></u>	<u><u>642,525</u></u>	<u><u>706,645</u></u>

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

(modified accrual basis of accounting, amounts in thousands)

Fiscal Year	Local Government Half-Cent Sales Tax	State Revenue Sharing Proceeds	Constitutional Fuel Tax	County Fuel Tax	Other State Shared Revenues	Total
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
2015	95,716	32,308	12,201	4,221	23,115	167,561
2016	101,203	33,490	11,911	5,225	21,384	173,213

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 parimutuel distributions replacement, alcoholic beverages 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, amounts in thousands)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes--ad valorem	\$ 639,147	595,131	555,007	530,615	546,263	561,081	631,103	724,210	771,688	783,043
Taxes--fuel	34,267	32,962	33,956	30,454	31,104	30,933	31,511	31,384	31,535	32,626
Taxes--discretionary sales surtax	240,236	226,410	226,472	199,521	191,549	183,060	176,148	178,057	196,732	209,795
Taxes--other	53,248	52,496	53,255	47,752	47,987	47,187	44,338	47,405	49,043	49,140
Licenses and permits	70,060	48,372	42,891	48,144	39,425	35,537	34,515	27,203	15,925	15,015
Intergovernmental--state shared revenues	173,213	167,561	159,720	166,379	165,630	160,557	155,806	143,072	147,462	148,026
Intergovernmental--grants	100,999	93,614	110,366	107,312	121,738	135,252	139,281	108,750	104,469	108,375
Charges for services	162,832	155,597	153,177	133,153	128,016	128,095	132,100	150,295	159,700	164,822
Fines and forfeitures	16,480	16,078	12,587	9,912	7,933	7,179	8,614	15,873	15,747	16,331
Special assessments	--	--	--	--	--	--	--	7,715	13,291	12,837
Interest	8,966	7,392	2,966	4,065	8,427	8,576	20,045	25,891	43,427	61,016
Miscellaneous	21,778	39,333	19,878	22,369	22,056	23,986	31,273	31,530	63,878	51,406
Total revenues	1,521,226	1,434,946	1,370,275	1,299,676	1,310,128	1,321,443	1,404,734	1,491,385	1,612,897	1,652,432
Expenditures										
Current:										
General government	360,153	316,127	337,184	272,405	282,329	258,817	268,637	323,251	334,184	319,683
Public safety	541,576	512,632	499,626	496,191	479,898	484,637	488,070	479,636	476,544	459,650
Physical environment	30,577	30,137	28,974	27,153	26,357	28,208	34,057	33,486	34,873	39,947
Transportation	60,518	58,832	56,392	69,338	57,045	58,908	42,406	67,570	122,266	75,731
Economic environment	60,382	48,541	50,295	53,219	50,149	67,335	75,261	80,624	74,068	83,326
Human services	205,073	206,239	192,806	192,604	201,363	214,373	230,600	240,201	227,237	203,458
Culture and recreation	72,337	74,421	73,679	64,143	64,683	72,387	80,823	98,931	105,260	98,741
Capital outlay	184,455	144,590	120,162	110,953	109,359	150,462	173,325	176,878	240,092	239,635
Debt Service:										
Principal	29,511	88,523	35,566	37,066	74,789	259,788	228,001	212,223	113,720	107,301
Interest / fiscal charges	24,665	25,880	25,645	26,897	26,253	26,529	30,255	31,191	27,093	21,870
Total expenditures	1,569,247	1,505,922	1,420,329	1,349,969	1,372,225	1,621,444	1,651,435	1,743,991	1,755,337	1,649,342
Other financing sources (uses)										
Transfers in	814,844	960,862	787,175	727,734	743,812	813,419	1,004,568	1,086,476	968,021	925,927
Transfers out	(794,564)	(960,862)	(767,990)	(727,587)	(739,121)	(778,585)	(1,004,568)	(1,116,705)	(981,093)	(932,514)
Face amount of long-term debt issued	58,432	77,450	30,464	172,200	261,330	253,760	162,679	329,005	133,170	131,730
Payment to refunded bond escrow agent	(62,452)	(112,750)	--	(102,450)	--	(103,106)	--	--	--	(105,325)
Premiums on long-term debt issued	--	5,627	--	25,775	--	772	--	9,776	248	2,203
Discounts on long-term debt issued	(49)	--	--	--	--	(3)	--	--	--	--
Face amount of refunding bonds issued	18,185	139,215	--	--	--	--	--	19,195	--	--
Premium on refunding bond issued	2,733	24,797	--	--	--	--	--	--	--	--
Sales of capital assets	1,433	724	1,257	1,372	1,809	904	--	--	--	--
Total other financing sources (uses)	38,562	135,063	50,906	97,044	267,830	187,161	162,679	327,747	120,346	22,021
Net changes in fund balances	\$ (9,459)	64,087	852	46,751	205,733	(112,840)	(84,022)	75,141	(22,094)	25,111
Debt services as a percentage of non-capital expenditures*	(3.91)%	(8.40)%	4.70 %	5.20 %	8.00 %	19.50 %	17.50 %	15.50 %	9.30 %	9.20 %

* 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 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)		
2007	\$ 97,915	8,988	77	17,866	4,132	--	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	10.753
2015	87,419	9,926	102	21,613	2,223	2	65,806	7,703	100	73,609	10.751
2016	93,915	9,943	106	22,550	2,221	2	71,365	7,722	104	79,191	10.751

- (a) Assessed values shown for fiscal year 2016 on the chart above will be the basis of property taxes collected during fiscal year 2017, starting in November 2016.
- (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. 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. This amount is the sum of Countywide (BOCC) and Unincorporated Area (BOCC) total millage shown on "Property Tax Millage Rates for Direct and Overlapping Governmental Entities." See following page.

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)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Direct rates										
Countywide (BOCC):										
BOCC General Revenue	5.732	5.732	5.734	5.736	5.737	5.739	5.741	5.742	5.744	5.745
BOCC Library Service	0.558	0.558	0.558	0.558	0.558	0.558	0.558	0.558	0.558	0.608
Environmentally sensitive lands (voted)	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>
Total millage	<u>6.350</u>	<u>6.350</u>	<u>6.352</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>
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>10.060</u>	<u>10.060</u>
Unincorporated Area (BOCC):										
BOCC Municipal Service Taxing Unit	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.376
Parks and Recreation (voted)	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>
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>4.401</u>	<u>4.401</u>	<u>4.402</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>10.026</u>	<u>10.026</u>
Total direct rates (Countywide and Unincorporated Area)	<u>10.751</u>	<u>10.751</u>	<u>10.753</u>	<u>10.755</u>	<u>10.756</u>	<u>10.758</u>	<u>10.760</u>	<u>10.761</u>	<u>10.763</u>	<u>10.815</u>
Overlapping rates (b)										
Countywide (Other):										
Tampa Port Authority	0.145	0.155	0.165	0.175	0.185	0.190	0.190	0.193	0.195	0.198
Southwest Florida Water Management District	0.332	0.349	0.366	0.382	0.393	0.393	0.377	0.387	0.387	0.387
School Board	6.906	7.247	7.353	7.690	7.877	7.913	7.592	7.692	7.777	7.523
Children's Board	0.459	0.459	0.459	0.483	0.500	0.500	0.500	0.500	0.500	0.463
Unincorporated Area (Other)										
Southwest Florida Water Management District (c):										
Alafia River Basin	--	--	--	--	--	0.216	0.216	0.216	0.216	0.216
Hillsborough River Basin	--	--	--	--	--	0.230	0.230	0.242	0.255	0.255
NW Hillsborough Basin	--	--	--	--	--	--	--	--	0.242	0.242
Transit Authority	0.500	0.500	0.500	0.500	0.500	0.500	0.468	0.468	0.468	0.450
Municipalities:										
Tampa	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733
Temple Terrace	7.205	6.955	6.305	6.430	6.430	6.150	5.950	5.283	4.569	4.569
Plant City	4.716	4.716	4.716	4.716	4.716	4.716	4.716	4.716	4.165	4.165
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	19.093	19.596	19.596	19.985	20.211	20.470	20.103	20.217	20.306	20.052

- (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) Overlapping rates depend on whether the taxpayer resides in the Unincorporated Area or one of the three municipalities. In addition, Countywide overlapping rates apply to all taxpayers. As a result, overlapping rates are not totaled, but total millage figures are shown at the bottom of this chart for comparisons over time or other analysis purposes.
- (c) 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.

Source: Hillsborough County Property Appraiser, www.hcpafl.org

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>2015</u>			<u>2006</u>		
		<u>Taxes Levied in thousands</u>	<u>Rank</u>	<u>Percentage of Total Taxes Levied</u>	<u>Taxes Levied in thousands</u>	<u>Rank</u>	<u>Percentage of Total Taxes Levied</u>
Tampa Electric Company	Electric utility	42,019	1	2.4	40,472	1	2.1
Verizon Communications Inc.	Telecommunications	14,252	2	0.8	23,031	2	1.2
Hillsborough County Aviation Authority	Airport	11,025	3	0.6	12,035	3	0.6
Post Apartment Homes LP	Real estate	6,011	4	0.4	4,692	7	0.3
Mosaic Company	Mining, fertilizer minerals	5,501	5	0.3	7,677	4	0.4
Westfield	Shopping malls	5,434	6	0.3	--	--	--
Liberty Property	Property management	4,791	7	0.3	--	--	--
Highwoods / Florida Holding LP	Real estate management	4,700	8	0.3	--	--	--
Wal-Mart	Retail stores	4,472	9	0.3	4,802	6	0.3
Camden Operating LP	Real estate	4,300	10	0.3	6,128	5	0.3
Glimcher Limited Partnership	Shopping malls	--	--	--	4,652	8	0.3
Tampa Port Authority	Cargo/cruise/real estate	--	--	--	4,439	9	0.2
Teachers Insurance and Annuity Assoc.	Insurance, finance	--	--	--	3,302	10	0.2
		<u>102,505</u>		<u>6.0 %</u>	<u>111,230</u>		<u>5.90 %</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 \$1,729,072,000 for 2015 and \$1,896,923,000 for 2006.

Since 2016 property tax rolls were not opened for collections until November 1, 2016, final data for the 2016 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 2015 were actually received in fiscal year 2016.

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
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
2015	618,412	615,353	99.5	647	616,000	99.6
2016	664,593	661,251	99.5	723	661,974	99.6
	(b)	(c)		(d)		

- (a) Since 2016 property tax rolls were not opened for collections until November 1, 2016, final data for the 2016 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 2015 were actually received in fiscal year 2016.
- (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			Personal Income to Debt	Debt per Capita
	General Obligation Bonds	Limited Ad Valorem Bonds	Revenue Bonds	Notes Payable	Revenue Bonds	Notes Payable	Total Primary Government		
2007	\$ 14,967	18,750	433,608	52,589	302,067	1,343	823,324	51.8	707
2008	14,356	14,314	611,795	122,537	282,035	--	1,045,037	42.5	876
2009	13,728	9,714	581,479	107,473	231,978	--	944,372	48.1	787
2010	73,166	4,952	451,032	109,802	214,202	--	853,154	51.1	713
2011	72,346	--	431,028	136,379	347,497	--	987,250	49.5	803
2012	70,323	--	489,904	98,380	328,548	--	987,155	55.0	776
2013	68,163	--	463,198	109,249	340,180	--	980,790	53.8	765
2014	66,192	--	441,875	116,248	317,262	--	941,577	55.4	728
2015	63,862	--	543,490	65,110	302,858	--	975,320	56.3	741
2016	61,476	--	471,105	120,387	513,192	--	1,166,160	50.2	880
	(a)				(a)	(b)		(c)	

(a) Bonds are shown net of related deferred losses on bond refundings and net of related unamortized bond issue premiums or discounts.

(b) 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.

(c) "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)

Fiscal Year	General Obligation Bonds	Limited Ad Valorem Bonds	Less: Amount Available in Debt Service Funds	Total Net General Bonded Debt	Ratio of Debt to Assessed Property Values	General Bonded Debt per Capita
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	19
2010	73,166	4,952	(967)	77,151	0.12	63
2011	72,346	--	(262)	72,084	0.12	57
2012	70,323	--	(574)	69,749	0.12	54
2013	68,163	--	(502)	67,661	0.11	52
2014	66,192	--	(833)	65,359	0.10	50
2015	63,862	--	(1,781)	62,081	0.08	47
2016	61,476	--	(3,011)	58,465	0.07	43

(a)

(b)

(a) Bonds are shown net of related unamortized losses on bond refundings and bond issues premiums and discounts.

(b) Current year calculation utilizes estimated population since actual population is not available.

HILLSBOROUGH COUNTY, FLORIDA
Direct and Overlapping Governmental Activities Debt
September 30, 2016
(amounts in thousands)

Governmental Unit	Outstanding Debt	Percentage Applicable	Direct and Overlapping Debt
Direct debt of Hillsborough County:			
General obligation bonds	\$ 61,476	100.0 %	61,476
Total direct and overlapping debt			<u>61,476</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)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Available Pledged Revenue</u>	<u>Debt Service Coverage</u>
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
2015	25,495	21,018	46,513	324,428	6.97
2016	36,573	24,754	61,327	329,453	5.37
			(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)

<u>Fiscal Year</u>	<u>Gross Revenue</u>	<u>Operating Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Debt Service Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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	12,844	32,929	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
2015	324,381	224,474	99,907	19,716	15,036	34,752	2.87
2016	337,645	242,941	94,704	9,549	14,134	23,683	4.00
	(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

Calendar Year	Population	Personal Income (in thousands)	Personal Income Per Capita	Median Age	Public High School Graduation Rates (%)	Total Public School Enrollment	Unemployment Rate (%)
2006	1,164,425	42,674,390	36,648	36	77.3	193,480	3.5
2007	1,192,861	44,394,128	37,217	36	79.1	193,180	4.6
2008	1,200,541	45,385,156	37,804	36	80.0	191,965	7.3
2009	1,196,892	43,600,982	36,429	36	84.6	192,260	11.2
2010	1,229,226	48,852,046	39,594	36	86.0	193,244	10.8
2011	1,271,710	54,278,341	42,681	36	86.4	200,074	9.4
2012	1,282,040	52,741,892	41,139	36	86.4	202,000	7.7
2013	1,294,140	52,137,332	40,287	36	86.8	203,431	6.4
2014	1,316,310	54,893,552	41,703	36	87.4	206,474	5.8
2015	1,325,563	58,596,262	44,205	36	87.3	209,840	4.8
	(a)	(a)		(b)	(c)	(c)	(d)

Source:

- (a) Hillsborough County City-County Planning Commission for years 2006 thru 2009. Florida Office of Economic and Demographic Research for years 2010 forward
- (b) US Department of Commerce, US Census Bureau (American Community Survey, for population 25 years old and over)
- (c) Hillsborough County School District
- (d) Bureau of Labor Market Statistics, LAUS Program

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>2016</u>			<u>2007</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	26,195	4.0	1	25,220	4.3	1	
MacDill Air Force Base	Military base	19,978	3.0	2	5,432	0.9	6	
University of South Florida	Education services	13,902	2.1	3	6,280	1.3	5	(b)
Hillsborough County Government	Government	9,331	1.4	4	11,169	1.9	2	
Publix Supermarkets	Supermarket	7,732	1.2	5	4,832	0.8	8	
Tampa International Airport	International airport	7,000	1.1	6	7,300	1.3	4	(c)
Baycare Health System	Medical facilities	6,243	1.0	7	4,111	0.7	10	(d)
Florida Hospital	Medical facilities	6,000	0.9	8	3,134	0.5	16	(e)
Tampa General Hospital	Medical facilities	5,378	0.8	9	5,000	0.9	7	
Busch Entertainment Corp.	Tourist attraction	5,000	0.8	10	3,245	0.6	14	
H. Lee Moffitt Cancer Center	Medical facilities	4,900	0.7	11	2,142	0.4	19	
James A. Haley VA Hospital	Veterans hospital	4,204	0.6	12	4,087	0.7	11	
City of Tampa	Government	4,151	0.6	13	4,700	0.8	9	
HCA West Florida Division	Medical facilities	3,886	0.6	14	1,573	0.3	20	(f)
US Postal Service	Postal services	3,197	0.5	15	3,645	0.6	13	
US Automobile Assoc. (USAA)	Insurance	2,850	0.4	16	--	--		
Tampa Electric Company	Electric utility	2,457	0.4	17	3,211	0.5	15	
Progressive Insurance	Insurance	2,400	0.4	18	--	--		
Hillsborough Community College	Education services	2,300	0.3	19	2,181	0.4	18	
Verizon Communications Inc.	Telecommunications	--	--		7,456	1.3	3	
Bank of America	Banks	--	--		3,679	0.6	12	
SweetBay Supermarkets	Supermarket	--	--		2,210	0.4	17	
Total		<u>137,104</u>	<u>20.8</u>		<u>110,607</u>	<u>19.2</u>		

(a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2015 was 657,897.

Total Hillsborough County employment for 2006 was 582,784.

(b) Includes USF Health Science Center.

(c) Tampa International Airport includes employees of Hillsborough County Aviation Authority, Transportation Security Administration and other federal agencies, as well as airline and subcontractors.

(d) Includes St. Joseph's Hospital.

(e) Formerly known as University Community Hospital.

(f) Comprised of Brandon Regional Hospital, South Bay Hospital, Memorial Hospital and Tampa Community Hospital.

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 Government Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees at Fiscal Year-End									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government	2,062	2,039	2,079	2,019	1,990	1,973	2,079	2,265	2,544	2,434
Public safety	4,463	4,411	4,394	4,315	4,015	4,316	4,458	4,449	4,504	4,454
Physical environment	255	291	146	269	250	270	267	312	346	410
Transportation	328	300	310	323	348	331	355	392	410	476
Economic environment	60	100	59	55	60	58	73	66	79	68
Human services	753	745	747	770	783	854	989	1,030	1,010	966
Culture and recreation	616	681	661	781	714	749	901	893	746	829
Water Resource Services	661	609	680	660	682	678	667	645	663	574
Solid Waste	133	137	128	114	111	99	141	142	140	142
Total	<u>9,331</u>	<u>9,313</u>	<u>9,204</u>	<u>9,306</u>	<u>8,953</u>	<u>9,328</u>	<u>9,930</u>	<u>10,194</u>	<u>10,442</u>	<u>10,353</u>

Sources: Hillsborough County Clerk of Circuit Court Systems Support Department, Hillsborough County Sheriff's Office, Hillsborough County Tax Collector, Hillsborough County Property Appraiser

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

Function	Fiscal Year:									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public safety										
Calls to Fire Rescue Department	99,715	90,459	85,571	80,958	80,100	80,076	80,573	81,704	80,100	78,217
Number of 9-1-1 Calls	984,698	820,154	749,959	863,211	831,565	838,054	864,880	888,613	933,056	937,440
Physical environment										
Compliance inspections conducted per year, air management	1,662	1,662	1,769	1,488	1,614	1,475	1,820	1,805	1,703	1,844
Water stations monitored by month	260	260	263	213	213	213	144	139	142	140
Transportation										
Infrastructure condition (a)	fair or >	fair or >	fair or >	fair or >	fair or >	fair or >	fair or >	fair or >	fair or >	fair or >
Paved roadway condition (a)	63	71	74	75	75	79	78	63	6	6
Total traffic lane-miles	7,110	7,028	7,016	6,999	7,006	14,566	11,000	12,477	13,976	14,742
Economic environment										
Corporate business development incentivized jobs	3,276	1,525	5,406	679	1,726	1,204	1,486	554	1,906	3,160
Number of corporate projects/contracts	19	13	28	25	40	39	43	39	54	48
Human services										
Elderly clients served - in home care	3,276	1,525	1,857	1,213	1,429	1,638	1,615	2,398	2,073	1,881
Head Start-funded enrollment	3,474	3,474	3,474	3,474	3,474	3,474	3,071	3,071	3,071	3,017
Culture and recreation										
Registered library borrowers	677,120	637,690	595,048	554,912	570,382	575,651	552,646	864,935	834,417	767,154
Number of regional park visits	2,883,903	2,213,489	2,263,590	2,259,911	2,313,675	2,581,822	4,794,323	4,932,389	5,569,857	4,891,729
Water Enterprise										
Annual water consumption (thousands of gallons)	18,743	17,857	16,970	17,099	17,566	16,461	16,379	17,014	18,137	17,971
Water accounts at year-end	155,384	166,824	148,740	147,379	144,317	141,988	141,615	141,690	141,355	139,609
Annual wastewater flow (thousands of gallons)	14,290	13,841	13,131	13,145	13,007	12,508	12,641	12,434	12,303	12,473
Wastewater accounts at year-end	144,339	142,416	136,375	135,240	133,979	134,904	131,588	131,890	132,420	130,821
Reclaimed water accounts at year-end	14,044	14,005	15,262	15,593	15,376	15,302	15,115	14,774	14,804	13,733
Solid Waste Enterprise										
Total tons collected (residential)	454,354	424,986	420,986	409,158	296,033	326,015	325,426	365,686	357,885	355,045
Number of residents receiving collection service	266,478	270,794	267,187	256,637	254,891	252,068	255,826	251,298	233,563	234,189
Revenue from Resource Recovery plant's electric production	17,445,021	17,445,245	17,538,707	16,948,432	16,566,286	15,965,489	18,726,396	1,882,720	17,129,464	16,542,004

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

Sources: Hillsborough County Business Support Services Department - Adopted Budget

Fiscal year 2016 statistics are not available.

Hillsborough County Annual Financial Report Water Resource Division Enterprise Fund

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

Function	Fiscal Year:									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public safety										
Number of fire and rescue stations (a)	43	43	43	43	42	43	43	43	43	4
Sheriff's marked and unmarked patrol vehicles (b)	-	1,441	1,441	1,477	1,406	1,256	766	771	827	839
Transportation										
Traffic lane-miles (c)	7,016	7,016	7,016	7,016	6,999	7,006	6,994	6,993	6,920	6,863
Traffic signs (c)	149,226	149,226	149,226	124,334	113,000	113,000	101,323	101,281	119,247	118,935
Human services										
Number of Sunshine Line buses (d)	60	60	60	60	60	68	67	68	70	70
Culture and recreation										
Number of libraries (e)	27	27	27	27	27	25	25	25	25	25
Number of building square feet maintained, excluding picnic shelters, estimated (f)	-	976,702	976,702	976,702	976,702	744,201	740,723	745,000	738,500	583,200
Water Enterprise										
Transmission lines (estimated miles) (g)	2,365	2,326	2,253	2,214	2,399	2,391	2,336	2,255	2,227	2,187
Number of pumping or lift stations (g)	787	775	744	721	709	703	699	690	682	674
Number of major water treatment plants (g)	4	4	4	4	4	4	4	4	3	3
Number of major wastewater treatment plants (g)	7	7	7	7	7	7	7	7	7	7
Solid Waste Enterprise										
Solid Waste tonnage buried in the landfill (h)	237,363	214,710	223,617	213,210	230,263	256,122	258,815	393,653	517,024	573,296
Yard and wood waste tonnage processed (h)	115,615	118,401	116,335	119,522	120,786	129,622	138,083	152,720	172,397	198,867

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
- (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, 2016

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.

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 2016 was estimated to be 1,352,797, an increase of 10.1% from 2010. Hillsborough County's population exceeds the population of 10 states (Alaska, Delaware, Maine, Montana, New Hampshire, North Dakota, Rhode Island, South Dakota, Vermont and Wyoming). A majority of the County's 2016 population (940,954) resides in the unincorporated part of the county. Population in unincorporated Hillsborough County grew 13.1 percent from 2010. Communities in southern unincorporated Hillsborough County saw the biggest increases in population growth. The median age for Hillsborough County in 2016 was 36 years.

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics
September 30, 2016

	<u>Population</u>	<u>Increase (Decrease)</u>
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%
2015 (b)	1,325,563	1.8%
2016 (b)	1,352,797	2.1%

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

EMPLOYEES

Hillsborough County employees provide a variety of services to a population of over 1 million residents. As of September 2016, there were approximately 9,313 employees of Hillsborough County, Florida. County organizations and their employees were as follows: Sheriff – 3,210, Tax Collector - 352, Property Appraiser - 116, Clerk of Circuit Court - 675, Supervisor of Elections - 37, Board of County Commissioners - 4,884 and discretely presented component units - 39. 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 employment by industry for Hillsborough County as of September 2016 is as follows:

Employment by Industry	Employees
Natural resources and mining	9,653
Construction	32,176
Manufacturing	25,097
Trade, transportation and utilities	125,486
Information	16,088
Financial activities	62,421
Professional and business services	119,694
Educational and health services	87,518
Leisure and hospitality	70,787
Other services	18,018
Government	76,579
Total	<u><u>643,517</u></u>

Source: Florida Department of Economic Opportunity

The following table shows the average civilian (non-military) labor force, the average number of individuals employed and related unemployment statistics for the County:

HILLSBOROUGH COUNTY, FLORIDA
Miscellaneous Data and Statistics
September 30, 2016

Calendar Year	Hillsborough County			Unemployment Rate	Florida Unemployment Rate	National Unemployment Rate
	Labor Force	Number Employed	Number Unemployed			
2006	593,607	572,849	20,758	3.5%	3.5%	4.4%
2007	599,384	571,864	27,520	4.6%	4.5%	4.5%
2008	604,798	560,833	43,965	7.3%	7.1%	6.0%
2009	599,493	532,478	67,015	11.2%	11.1%	9.5%
2010	655,217	584,692	70,525	10.8%	11.1%	9.2%
2011	670,127	606,938	63,189	9.4%	9.9%	8.8%
2012	676,678	624,778	51,900	7.7%	8.3%	7.6%
2013	680,446	636,568	43,878	6.4%	7.2%	7.0%
2014	690,458	650,445	40,013	5.8%	6.3%	5.7%
2015	691,104	657,897	33,207	4.8%	5.3%	4.9%

Source: <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/local-area-unemployment-statistics>
U.S. Bureau of Labor Market Statistics, data tools - Unadjusted Unemployment Rate

BANKING AND FINANCE

A total of 306 commercial and savings bank offices were located in Hillsborough County as of June 30, 2016. The following table presents commercial bank and savings institutions deposits each year since 2007:

Calendar Year	Commercial Bank Deposits	Savings Bank Deposits	Total Deposits
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
2015	27,107,465,000	365,138,000	27,472,603,000
2016	29,837,696,000	407,057,000	30,244,753,000

Source: Federal Deposit Insurance Corporation

EDUCATION

Hillsborough County Public Schools is the eighth largest district in the nation and third largest in Florida. The district operates with more than 212,000 students, 26,000 employees, and a \$2.78 billion budget. Educational opportunities include: Head Start and adult education programs, pre-k through 12th 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 49,000 students (including campuses outside of Hillsborough County) representing over 130 different countries. The University of Tampa is a private university located on approximately 100 acres of prime riverfront land in the heart of downtown Tampa. Hillsborough Community College has five primary campus locations, three satellite locations, a very active distant learning program (eCampus), and a comprehensive corporate training center. Some other colleges in the area include Florida College, Stetson University of College Law, and Keller Graduate School of Management.

Source: Tampa Bay Partnership www.tampabay.org
Hillsborough County School Board www.sdhc.k12.fl.us
Hillsborough Community College www.hccfl.edu
The University of Tampa www.ut.edu
University of South Florida www.usf.edu

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MEDICAL FACILITIES

There are thirteen 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 4,276 licensed physicians, with specialists in all types of medicine and surgery, and 819 licensed dentists.

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

COMMUNICATION

Six television stations serve the County. Daily newspapers include La Gaceta, Tampa Bay Times (acquired The Tampa Tribune), and tbt*. There are also three other weekly newspapers. There are 27 radio stations based in the County. Frontier and Spectrum are the primary providers for telecommunications and cable services, respectively. There are 39 Post Offices in Hillsborough County and 26 internet providers.

Source: Florida Smart – News and Media Directory
PostOfficeFinder.org/fl/hillsborough/
www.broadbandnow.com

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, Ottawa, San Juan, and Grand Cayman. Inbound and Outbound passengers at TIA for the fiscal year ended September 30, 2016, totaled 18,929,554, an increase of 2.38% from the prior fiscal year. For fiscal year 2016, the top four airlines, in terms of market share were: Southwest with 34.67%, American Airlines with 17.83%, Delta with 17.23%, and US Airways with 9.88%.

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
Tampa Bay Partnership

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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

AGRICULTURE

Hillsborough County has 2,800 farms, the 2nd largest number of farms of any county in the state of Florida and 28th highest in the country. Diversity is one of the keys to the success of Hillsborough County agriculture. Due to the increased production of high-value-per-acre commodities in the County such as ornamental plants, strawberries, aquaculture, sod, blueberries and vegetables the amount of farmland in production as decreased 1% since 1997, but the value of production has increased 42%. Hillsborough County ranks as the 4th largest producer of agricultural products in the state (out of 67 counties) and 59th in the United States (out of 3,076 counties). is in the top 2% of agricultural counties in the country. In 2012, an estimated 263,664 acres were utilized for agriculture production; this represents approximately 40% of the county's land area.

Annual commodity sales and acreage for 2012 are estimated as follows:

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Commodity	Acreage	Annual Sales
Aquaculture	836	\$ 22,385,000
Beef cattle/pasture	92,415	25,797,660
Bees/honey production	39	689,132
Blueberries	591	10,700,000
Citrus	9,934	20,142,505
Dairy	1,500	5,934,300
Forestry	117,841	2,200,000
Goats	517	153,836
Hay	6,133	2,458,280
Ornamental plants	3,605	136,970,613
Poultry	37	915,300
Sod	1,531	8,280,083
Strawberries	12,114	265,819,785
Vegetables	12,994	150,000,000
Miscellaneous	3,577	50,078,000
Total	263,664	\$ 702,524,494

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 the county. According to a study completed in 2005, for every dollar of agriculture goods sold outside of the county, an estimated \$1.86 billion 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. These estimates show that agriculture remains an important part of the local economy.

Source: Hillsborough County Cooperative Extension Service
Hillsborough County Economic Development Department

PORT FACILITIES

Port Tampa Bay is Florida’s largest port both in terms of cargo tonnage and geographic acreage and handled over 36 million tons of cargo and 900,000 cruise passengers during fiscal year 2015. It is also one of the most diverse seaports in the country with multiple lines of business providing a solid financial footing and supporting an aggressive capital investment program for new development. Port Tampa Bay has an economic impact of over \$15 billion and supports over 80,000 jobs in the regional economy. One of the world’s premier fertilizer export ports, it is also the gateway for Central Florida’s energy products, construction/building materials and consumer goods. CSX provides on-dock rail service and the Port has nearly 500,000 square feet of warehouse space. The Port is also home to one of the largest shipbuilding and repair centers in the Southeast U.S. Port Tampa Bay is the closest port to the huge and expanding I-4 corridor market, which is Florida’s fastest growing region and home to the largest concentration of distribution centers in the state. To serve this market, the Port has been expanding its container terminal facilities and has received two new post-Panamax cranes delivered in early 2016 to complement its three existing container gantry cranes and heavy-lift mobile harbor crane, and has plans to quadruple its container terminal capacity.

Source: Tampa Port Authority, www.tampaport.com
Tampa Bay Partnership, www.tampabay.org

MILITARY FACILITIES

MacDill Air Force Base is located eight miles south of downtown Tampa on the Southwestern tip of the Interbay Peninsula on the west coast of Florida. The impact of its operations in fiscal year 2014 was \$2.944 billion. The host organization is the 6th 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

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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.

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	www.buschgardens.com
Adventure Island	www.adventureisland.com
City of Tampa	www.tampagov.net
Raymond James Stadium	www.raymondjames.com/stadium/
Tampa Bay Buccaneers	www.buccaneers.com
Tampa Sports Authority	www.tampasportsauthority.com
USF Sun Dome	http://usfweb2.usf.edu/Sundome/

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

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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.

Museums in the area include the Museum of Science and Industry (MOSI), a science and technology center encompassing over 400,000 square-feet on a 74-acre campus of exhibits and hands-on displays. MOSI is now the largest science center in the southeast and 5th largest in the United States. Features include a hurricane simulator, a planetarium, and an IMAX Dome theater. The new 60,000 square-foot Tampa Bay History Center Museum located in the Channelside district had its grand opening celebration in January 2009. Other museums in the area are the Tampa Museum of Art, the historic H. B. Plant Museum at the University of Tampa, the Contemporary Art Museum at the University of South Florida, the Scarfone Gallery at the University of Tampa, the Veteran's Memorial Museum and Park, the Ybor City State Museum, Glazer Children's Museum, and the Florida Museum of Photographic Arts.

Graphicstudio at the University of South Florida is one of the world's 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	www.strazcenter.org
City of Tampa	www.tampagov.net
Museum of Science and Industry	www.MOSI.org
Arts Council of Hillsborough County	www.tampaarts.com
Lowry Park Zoo	www.lowryparkzoo.com
Florida Aquarium	www.flaquarium.org
Tampa Bay History Center	www.tampabayhistorycenter.org

Other Supplemental Information

Section

HILLSBOROUGH COUNTY, FLORIDA
Other Supplemental Information
Schedule of Receipt and Expenditures of
Funds Related to the Deepwater Horizon Oil Spill Lawsuit Proceeds
For the fiscal year ended September 30, 2016

	<u>Amount Received</u>	<u>Amount Expended</u>
US Department of Treasury, Restore Act	\$ --	--
Environmental Clean Up Consortium	--	--
British Petroleum (agreement not applicable)	\$ -- *	--

This Schedule is required by Rules of the Auditor General Rule Section 10.557(3)(n).

This schedule does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. In addition, the Schedules of Expenditures of Federal Awards and State Financial Assistance do not include any expenditures of Federal awards or expenditures of State financial assistance, respectively, that are related to the Deepwater Horizon Oil Spill.

*The County received \$22,780,940 as lawsuit proceeds related to the Deepwater Horizon oil spill. This amount was reported as miscellaneous revenues in the General Fund and as other revenues in the Statement of Activities (Governmental Activities). The BOCC agreed not to spend these funds in neither FY 2015 nor FY 2016. This amount is not restricted and was not placed in a separate fund. As a result, no interest was allocated to this amount. If interest had been earned, the imputed interest earnings would have been \$164,023 based on a portfolio interest earnings rate of 0.72%.